



# MEMORANDUM

Agenda Item #: 11  
Meeting Date: June 25, 2019

**TO: HONORABLE MAYOR AND CITY COUNCIL**

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

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

**SUBJECT: APPROVAL OF YEAR TWO OF THE BIENNIAL FISCAL YEAR 2018-2020 BUDGET AND CAPITAL PLAN AND ADOPT: RESOLUTION R19-19 ESTABLISHING THE FISCAL YEAR 2019-2020 APPROPRIATIONS LIMIT, AND R19-18 ADOPTING THE 2019-2020 ANNUAL BUDGET AND SETTING THE LIMITATION OF EXPENDITURES**

**DATE: JUNE 25, 2019**

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## ISSUE

Shall the City Council approve and adopt the City's Fiscal Year (FY) 2019-20 year two of the Biennial Operating Budget and Capital Plan and associated resolutions to adopt the City's FY 2019-20 Operating and Capital Budget, setting the appropriations limit?

## INTRODUCTION FROM INTERIM CITY MANAGER

Under normal circumstances, the City's annual budget should achieve the following objectives:

- Accurately represent the City's resources;
- Present projected revenues and expenses for current services levels;
- Be balanced, with revenues exceeding expenditures; and,
- Maintain a General Fund Reserve in compliance with adopted policy (50% of annual operating expenses).

The year two, fiscal budget for 2019-20 being presented to City Council this evening meets all of these objectives. It is a balanced budget, based on the best information available at the current time. It continues the City's prudent, cost-conscious control of costs, achieves the efficient and effective delivery of the highest quality of services possible with the funds available, stretches every dollar and revenue source opportunity to reduce the reliance on the General Fund.

*However*, it must be noted that the budget being presented for adoption tonight represents the revenue and expenditures for maintaining the current level of services and day-to-day operations of the City. It is also fully recognized that, with the passage of time, the budget is experiencing a narrowing margin between its annual revenues and expenditures. Since the two year budget was prepared, the City has encountered several unanticipated cost increases related to the fire services contract, CJPIA insurance premiums and an MOU salary and benefits adjustment. Other costs continue to rise as well, such as the City's pension obligation and potential retirement payouts. Even with the successful passage of Measure E in 2018, expenses are project to increase from the adopted FY19/20 budget (\$18.4m) to the currently proposed FY19/20 budget (\$18.8m), without a significant corresponding growth in revenues. While the current budget is balanced and maintains prudent reserves, if left unchecked, expenditures will likely exceed expected revenues in the near future.

The City's future financial viability is a serious concern, but it requires developing and following a thoughtful, deliberate process to identify priorities, assess current conditions, consider opportunities and constraints, analyze alternatives and develop a realistic plan that is in sync with the desires and capacity of the community to support it. Given where the City finds itself in the budget cycle, it may be ill-advised to make wholesale changes to the proposed budget at this stage in the process, as there is significant risk of un-vetted impacts to service levels that are unacceptable to the City Council and the community, or could jeopardize the City in unintended ways.

The City has already taken steps in recent years to reduce its expenditures, increase efficiencies and realize cost savings, as discussed later in this report. However, several key components to building a more sustainable budget going forward, as well as a more resilient local government structure, is the development of a **Strategic Financial Plan** for the City.

Although the City has completed a great deal of work already, beginning July 20 1, 2019, work on the City's Strategic Financial Plan will begin in earnest. It is essential that the City Council, its advisory boards, the community and staff be fully engaged in its development. Below is the anticipated work plan and timeline for this effort:

1. City Council Strategic Planning Workshops – July 2019
  - a. Mission Statement
  - b. List of Strategic Priorities
  - c. Determine Top Priorities
  - d. Goals & Objectives
  - e. Action Plans
  
2. Diagnostic Evaluations of Current Conditions & Identification of Options – July to October 2019
  - a. Infrastructure Needs Assessment
  - b. Public Pension Alternatives
  - c. Public Safety Review (Police Dept. & Fire Contract)
  - d. Operational Analysis of City Departments
  - e. Parkland Tree Inventory & City Hall Assessment Study
  - f. Risk Management Assessment (CJPIA)

3. City Council Review of Staff's Expense Reduction Recommendations – Late September 2019  
Within 3 months of FY19-20 Budget adoption, staff will return to Council with a proposal to reduce General Fund operational expenditures by an amount determined by City Council, without using Capital Improvement Fund or Equipment Replacement Fund balances.
4. City Council Review of Diagnostic Evaluation Results – November/December 2019
5. “State of the City” Community Meeting – Early 2020
6. Mid-Year Budget Review & Adjustments – February 2020
7. Budget Workshops for Next Two Year Budget Cycle – April/May 2020
8. Adoption of Next Two Year Budget – June 2020

Considering the above, it is recommended that the City Council adopt Year Two of the FY 2018-20 biennial budget, with any identified adjustments and/or modifications from the formal biennial plan adopted on June 26, 2018. The adopted budget can then amended in the near future based on the development of the strategic financial plan, as outlined above.

Every City Council meeting for discussion of the budget is public, and each includes the opportunity for public input. In addition, members of the Finance Advisory Committee have been included in each meeting.

### **THIS BUDGET PRESENTATION**

Today's presentation will include an overview of FY 2018-2019 year-end projections<sup>1</sup> and the FY 2019-2020 adjusted proposed plan for maintaining current services. As such, the presentation will begin with an address from the City Manager followed with a Finance Department presentation for the purpose of explaining and establishing the projected year-end status and the fiscal position of the City. This will include adjustments to the components and services associated with operational costs and the Capital Improvement Program infrastructure projects projected and budgeted for each year. The presentation will include the adjusted FY 2019-2020 Operating and Capital Plan and associated resolutions to adopt the City's FY 2019-20 Operating and Capital Budget, and setting the appropriation limit, representing the complete input from the previous meeting where the budget was presented at the budget workshop held on June 11, 2019.

### **DISCUSSION**

The staff report from the Budget Workshop meeting held on June 11, 2019 is attached for reference and provides the detailed discussions for the FY 2018-2019 Year-End Projections and FY 2019-2020 Adjusted Budget of General Fund balances and reserves, Capital Fund balance and reserve and Internal Service Funds. The General Fund balance summary, General Fund revenues and expenditures and detail discussions covering each department's expenditures, City's Fire and Services contract, pension costs and other fund balances can also be found in this report. (See Attachment C)

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<sup>1</sup> Year-End Projections – are derived from year to date actuals thru March 31 plus the estimated fourth quarter results.

The budget adoption report discussion includes a comparison of the FY 18-19 projections but will focus primarily on the overview of the FY 2019-2020 Operating and Capital Plan. Based on Council Discussion from the budget workshop and upon further analysis, several revisions have been identified to the Adjusted FY 2019-20 budget that was presented at the June 11, 2019. These revisions are reflected in this staff report, attachments and are summarized below. The annual adoption of the HR Green contract has also been included as part of this report, see **Attachment A exhibit R** and details below.

- Police Department - Since the Budget workshop, meeting two corrections were identified resulting in a favorable impact to the adjusted Police Department budget of (\$83,112) and are as follows:
  - a. (\$32,832) correction – Part-time workers included twice in salaries (acct# 40005) and temporary salaries (acct# 40010)
  - b. (\$50,280) correction – Special pay included in base pay for 5 employees, causing higher salary numbers
  
- Non-Department Contingency Reserve – Funds allocated to the non-department contingency reserve are separate from department operating budgets. Therefore, they are not planned to be used towards department operating expenses without Council notice. At the end of the fiscal year, any unspent funds are returned to the undesignated fund balance, where they can be used in future years or for other priorities, as determined by City Council.
  - a. Retirement Payout - Since the budget workshop meeting and with a high degree of certainty, the contingency reserve has been adjusted to include a retirement payout of \$55,000 anticipated to occur in the first quarter of FY 2019-20. Upon further risk analysis, there is the potential for three additional retirements in the next two years. Therefore, it is prudent to increase the contingency for the most likely potential payout. Retirement separation includes payouts from compensated absence banks that are accumulated over the employee years of service<sup>2</sup>. As employees have a choice to use their sick leave hours towards CalPERS service credits instead of receiving a cash payout, this may affect the payout estimate. The following payout is based on the compensated absences balances<sup>3</sup> as of today and may change on the date of retirement – depending on the use of sick leave hours, the cost range of the four retirements is estimated between \$246,000 to \$451,000. However, because of the uncertainty regarding three of the four retirements, they were not included in the budget, but staff wanted City Council to be aware of these potential retirement payouts.
  - b. Employee Separation Payouts - The adjusted budget has also been revised for other types of employee separation payouts in the amount of \$30,000 to account for employees that may leave the City and receive a compensated absence payout, ie vacation hours.

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<sup>2</sup> Much of the compensated absence balances are an accumulation pursuant to an existing legacy policy that was established over two decades ago. In 2007, adjustments were made to these policies that establishes a cap(s) on the amount of that an employee can accumulate.

<sup>3</sup> The Compensated Absence balances are reflected on the City’s Statement of Net Position as a liability but are not included in the Fund Financials until they are incurred.

- c. Personnel Contingency - The personnel related contingency in the amount of \$60,000 originally included in the adjusted budget FY 2019-20 for labor negotiations has been removed.
- d. Consultation Studies - to complete the diagnostic evaluation studies scheduled to begin in July through October, the contingency was increased by \$50,000 for potential consultation services to support these studies.

The Overall impact to the FY 2019-20 Budget is a decrease in non-department contingency expenditures of (\$8,112), as summarized in the chart below:

Revision	Description
\$ (83,112.00)	Police Department Corrections
\$ 55,000.00	Retiree Payout - 1st Quarter FY 2019-20
\$ (60,000.00)	Removal of Contingency Reserve for Personnel Related costs
\$ 50,000.00	Consultants to be used for diagnostic studies
\$ 30,000.00	Contingency for Employee separation payouts
\$ (8,112.00)	Total change to expenditures

**HR Green Hourly Rate Fee Schedule**

The City’s existing contract with HR Green provides that the hourly rates, or schedule of fees, be established on an annual basis in its adopted budget for each fiscal year or unless otherwise specified by written amendment to the Agreement. HR Green has requested that the fee schedule provided in **Attachment A exhibit R** be adopted for FY 2019-20. This is the first hourly rate adjustment that HR Green has requested since execution of the contract in July 2015. Service provided through this contract will be closely managed for costs to remain within the existing budget.

**Overview of the City’s General Fund Balance and General Fund Reserve**

The presentation below compares the projected Fund Balance at June 30, 2019, to the proposed Fund Balance as of June 30, 2020. With the passage of Measure E, the projected Law Enforcement Fund FY 2018-19 revenue is projected to be \$4,973,000 and remains flat through FY 2019-20; these funds will be 100% fully expended in FY 2018-19 and FY 2019-20 for the Police Department proposed and planned expenditures and are recorded as a transfer into the General Fund.

General Fund – Fund Balance

The General Fund is the operating Fund of the City. It provides for, and serves as, the clearing house for meeting day-to-day obligations and responsibilities of the City. For FY 2018-19 and FY 2019-20, the General Fund is balanced, with revenues exceeding expenditures. The current General Fund Reserve Policy requires the City to maintain a fiscal reserve at 50% of operating expenditures, exceeding the minimum two-month reserve recommended by the Government Finance Officers Association. The General Fund balance committed for emergency contingencies is established as \$7.2 million and projected to be maintained through FY 2019-20 (this is inclusive of the fiscal reserve of 50% of expenditures). It is projected for FY 2018-19 and FY 2019-20 that the fiscal reserve balance of 50% of expenditures will also be maintained, with the general fund balance to increase

by \$2,050,393 from FY 2017-18 and \$1,048,796 from projected FY 2018-19. (The appropriate General Fund reserve balance will also be evaluated in conjunction with the Finance Advisory Committee in the upcoming fiscal year). The projected FY 2018-19 and proposed FY 2019-20 undesignated fund balances are estimated to be \$2,721,794 and \$3,266,924, respectively (**Attachment A exhibits D,E,F**).

Highlighted savings and potential future savings from the adopted FY 2019-20 budget (year two of the biennial budget) total approximately (\$650,000) and include:

- Police Department – two eliminated positions from the adopted budget – approximately (\$277,424)
- Public Works and Streets Department – New Measure W funding to offset department expenditures for storm drain cleaning and maintenance – approximately (\$162,000)
- Health Benefits – new health insurance providers with lower premium options – estimated at (\$50,000) to (\$60,000). This figure was not included in the budget, as staff is still waiting for final numbers after open enrollment ends on June 30<sup>th</sup>.
- Finance Department –
  - renegotiated merchant and banking services - approximately (\$12,000)
  - renegotiated payroll service fees - approximately (\$10,000), not included in the budget.
  - potential savings with a new ERP system (to be evaluated in FY 2019-20)
- Building, Planning & Public Works – department re-organization approximately (\$143,000)

It is important to point out, in FY 2018-19 the City entered into an exchange of SCE Rule 20A credits with the City of Rolling Hills for General Fund revenue in the amount of \$675,295. These revenues have been recorded in the General Fund balance and will be designated as Assigned Funds to be used for one-time expenditures directed by City Council (*see the ending fund balance breakout below*).

GENERAL FUND	Adopted	Adjusted	Projected	Change to		Adopted	Adjusted		
	FY18-19	FY18-19	FY18-19	Adjusted	%	Proposed	Proposed	Change	%
	FY 19-20	FY19-20				FY 19-20	FY19-20		
<b>Beginning Fund Balance*</b>	10,255,152	10,255,152	10,255,152			12,305,545	12,305,545		
Revenues	14,461,039	15,156,651	15,304,133			14,853,416	14,900,041		
Expenditures	18,124,717	18,432,269	17,816,912			18,430,671	18,824,245		
Net Revenue/Expenditure (before transfs)	<b>(3,663,678)</b>	<b>(3,275,618)</b>	<b>(2,512,779)</b>			<b>(3,577,255)</b>	<b>(3,924,204)</b>		
Transfers In/Out	4,543,552	4,563,172	4,563,172			4,973,000	4,973,000		
Net Revenue/Expenditure (after transfs)	<b>879,874</b>	<b>1,287,554</b>	<b>2,050,393</b>			<b>1,395,745</b>	<b>1,048,796</b>		
<b>Ending Fund Balance</b>	11,135,026	11,542,706	12,305,545	762,839	6%	13,701,290	13,354,341	(346,949)	-3%
Reserved Fund Balance	9,062,359	9,216,135	8,908,456	(307,679)		9,215,336	9,412,123	196,787	
Assigned Fund Balance **		675,295	675,295	-			675,295	675,295	
Undesignated Fund Balance	2,072,668	1,651,277	2,721,794	1,070,518		4,485,955	3,266,924	(1,219,031)	

\* - used the audited ending fund balance FY17-18, ie beginning fund balance FY 2018-19

\*\* - The Assignment of SCE Rule 20A monies are an assumed carryover to FY19-20 until the one-time expenditure use has been identified by Council

## Fund Balance – Summary

The following chart presents a summary overview of the projected fund balance for all funds.

<b>FUNDS</b>	<b>Audited Fund Balance June 30, 2018</b>	<b>Adopted Fund Balance June 30, 2019</b>	<b>Adjusted* Fund Balance June 30, 2019</b>	<b>Projected* Fund Balance June 30, 2019</b>	<b>Adopted Fund Balance June 30, 2020</b>	<b>Adjusted* Fund Balance June 30, 2020</b>
Fiscal Policy Reserve***	7,200,000	9,062,359	9,216,135	8,908,456	9,215,335	9,412,122
Assigned				675,295	-	675,295
Undesignated	3,055,152	1,613,606	2,326,571	2,721,794	2,856,377	3,266,924
<b>Total General Fund</b>	<b>10,255,152</b>	<b>10,675,965</b>	<b>11,542,706</b>	<b>12,305,545</b>	<b>12,071,712</b>	<b>13,354,341</b>
Special Projects	956,829	994,688	931,445	916,127	1,023,688	950,407
Fire/Paramedic Parcel Tax	142,172	-	-	-	-	-
PVE Law Enforcement****	-	-	-	-	-	-
Transit Proposition A	38,867	69,867	69,997	69,997	90,268	88,356
Capital Improvement Fund	5,120,706	1,609,278	1,745,886	5,288,083	587,528	631,529
Sewer Capital Projects Fund	3,718,492	2,925,645	2,956,243	3,646,743	2,590,328	2,936,735
Total Other Governmental Funds **	2,147,302	2,763,508	2,787,063	2,915,099	3,689,853	3,910,773
Equipment Replacement	2,231,019	2,180,131	2,023,078	2,143,922	2,042,781	1,853,412
Insurance	1,051,968	1,056,064	1,056,968	1,056,968	1,060,064	1,060,968
* - used the audited ending fund balance FY17-18, ie beginning fund balance FY 2018-19						

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

\*\*\* Fiscal Reserve Balance is budgeted at 50% of Expenditures for FY18-19 & FY19-20.

\*\*\* Includes the 7.2 million emergency contingency

\*\*\*\*PVE Law Enforcement funds-100% transferred in FY18-19 & FY19-20 to the General Fund

## GENERAL FUND - Net Revenues over Expenditures

FY 2018-19 projected General Fund revenues (excluding transfers) are higher than audited FY 2017-18 revenues by 7.73% and 5.83% higher than FY 2018-19 Adopted Budget. Property tax remains the key driver with an increase projected to be 2.09% from audited FY 2017-18. Much of the increase in FY 2018-19 revenues is attributed to the City's exchange of SCE Rule 20A credits with the City of Rolling Hills for General Fund revenue in the amount of \$675,295. These revenues have been recorded in Other Fees and will be designated as assigned funds to be used for one-time expenditures directed by Council (see **Attachment A exhibit A**)

Adjusted Proposed FY 2019-20 revenues continue this trend and are planned to be 1.85% higher than projected FY 2018-19 revenues mostly due to property tax revenues (*when the receipt of SCE Rule 20A credits are excluded.*)

Overall, FY 2018-19 projected net General Fund revenues (inclusive of proposed transfers from the Law Enforcement Fund and return balance of prior year transferred monies from the Fire/Paramedic Parcel Tax Fund) are \$2,050,393 over proposed expenditures (inclusive of proposed transfers to the Capital Improvement and Parklands funds). The Adjusted Proposed FY 2019-20 net General Fund revenues (inclusive of planned transfers from the Law Enforcement Fund) are also over adjusted proposed expenditures by \$1,048,796. This is less favorable from the Adopted Proposed FY 2019-

20 by \$346,949. This is mostly attributed to significant increases in the Fire Services Contract and CJPIA insurance rates (see **Attachment A exhibit Q & Attachment C page 8**).

### Overview of the City’s General Fund Revenue Sources

GENERAL FUND REVENUES	Audited FY 2017-18	Adopted FY 2018-19	Adusted FY 2018-19	Projected FY 2018-19	Adopted Proposed FY 2019-20	Adjusted Proposed FY 2019-20
PROPERTY TAX	8,116,415	8,296,297	8,296,297	8,286,297	8,591,564	8,591,564
PROPERTY TAX - VLF (IN LIEU)	1,349,745	1,514,992	1,514,992	1,514,992	1,570,592	1,570,592
SALES TAX	388,757	354,000	354,000	370,051	356,000	356,000
REAL ESTATE TRANSFER TAX	263,281	200,000	200,000	217,419	200,000	200,000
BUSINESS LICENSE TAX	209,938	221,250	221,250	224,947	225,000	225,000
FRANCHISE FEES	589,616	578,500	578,500	585,264	587,060	587,060
COMMUNITY DEVELOPMENT	1,597,841	1,532,500	1,539,500	1,554,244	1,532,500	1,511,025
INTEREST INCOME	(84,708)	133,500	135,900	294,405	144,500	250,000
<b>KEY REVENUES</b>	<b>12,430,886</b>	<b>12,831,039</b>	<b>12,840,439</b>	<b>13,047,619</b>	<b>13,207,216</b>	<b>13,291,241</b>
CONCESSIONS AND RENT	1,377,144	1,346,000	1,344,917	1,344,425	1,371,200	1,333,800
LICENSES & PERMITS	16,916	30,500	30,500	15,406	30,500	30,500
SAFETY FINES	128,610	150,000	150,000	112,693	150,000	150,000
SERVICE CHARGES	90,933	49,000	49,000	53,666	47,000	47,000
OTHER FEES	161,893	54,500	741,795	730,323	47,500	47,500
<b>OTHER REVENUES</b>	<b>1,775,497</b>	<b>1,630,000</b>	<b>2,316,212</b>	<b>2,256,513</b>	<b>1,646,200</b>	<b>1,608,800</b>
<b>REVENUES BEFORE TRANSFRS</b>	<b>14,206,382</b>	<b>14,461,039</b>	<b>15,156,651</b>	<b>15,304,133</b>	<b>14,853,416</b>	<b>14,900,041</b>
TRANSFERS IN	1,626,796	5,095,552	5,115,172	5,115,172	4,973,000	4,973,000
<b>TOTAL REVENUES INCLUDING TRANSFERS</b>	<b>15,833,178</b>	<b>19,556,591</b>	<b>20,271,823</b>	<b>20,419,305</b>	<b>19,826,416</b>	<b>19,873,041</b>

*(The City’s exchange of SCE Rule 20A credits with the City of Rolling Hills for General Fund revenue in the amount of \$675,295 is included in Other Fees for FY 2018-19.)*

### Overview of the City’s General Fund Expenditures

Overall, the projected FY 2018-19 General Fund (operating) expenditures are projected to be at 96.66% percent of the adjusted budget. This is a favorable position of 3.34% below budget expectations. See **Attachment A exhibit B & C** for the General Fund department adjusted budget to projected expenditures by program. Where a line item budget is exceeded, there were other offsetting savings to cover costs. The only division projected to be above their Adjusted Budget is Administration. Administration is higher due to the City Manager separation agreement costs partially offset by budgeted expenditures for consultant and professional services that were not utilized and the remaining unused contingency reserve resulting in a net unfavorable difference of (\$68,819) – see **Attachment A exhibit B**. The Fire services contract is also higher due to cost increases and the cost for insurance through the CJPIA is also higher due to increased premiums, see page 8 of the budget workshop staff report for more details (**Attachment C**).

It is important to point out, for FY 2018-19, the Police Department has a favorable position of 6.26% below the adjusted budget and 4.43% below the adopted budget. This is mostly due to the budget savings resulting from eliminated positions and other personnel changes since adoption of the 2018-2020 biennial budget. The savings were partially offset by the July 2018 - January 2020 Memorandum of Understanding (MOU) for salary and benefit adjustments. The 4% salary increase was effective the first pay-period following the ratification of the MOU - February 4, 2019 (impacting approximately 5 months of Fiscal Year 2018-2019).



The original Adopted Proposed FY 2019-20 General Fund expenditures were \$18,430,671. Since the original adoption, changes to vendor contracts and rates will impact the adopted plan. Additional adjustments will both contribute to savings and increased expenditures; and are described in detail in the budget workshop staff report **Attachment C**. The total General Fund department expenditure adjustments to the original adopted plan result in a total increase in expenditures of \$393,574 or 2.14% of total adopted expenditures – see **Attachment A exhibit A & K**.

The chart below summarizes General Fund Expenditures by department:

GENERAL FUND EXPENDITURES	AUDITED FY 2017-18	ADOPTED FY 2018-19	ADJUSTED FY 2018-19	PROJECTED FY 2018-19	ADOPTED FY 2019-20	ADJUSTED FY 2019-20
CITY MANAGER	650,335	626,905	630,389	718,504	643,370	699,415
CITY ATTORNEY	240,135	213,000	293,000	295,868	203,000	203,000
CITY CLERK	279,598	280,197	330,562	328,018	238,539	222,651
NON-DEPARTMENTAL - ALL OTHER	159,034	116,140	123,542	115,385	128,861	161,321
NON-DEPARTMENTAL - CONTINGENCY RESERV	19,218	181,087	16,330	4,867	30,000	165,000
<b>ADMINISTRATION</b>	<b>1,348,320</b>	<b>1,417,329</b>	<b>1,393,823</b>	<b>1,462,642</b>	<b>1,243,770</b>	<b>1,451,387</b>
FINANCE	780,665	796,437	814,398	769,002	701,188	759,731
CITY TREASURER	41,683	44,963	45,604	61,159	47,517	41,259
<b>FINANCE</b>	<b>822,348</b>	<b>841,400</b>	<b>860,002</b>	<b>830,161</b>	<b>748,705</b>	<b>800,990</b>
<b>POLICE</b>	<b>6,539,154</b>	<b>6,896,226</b>	<b>7,031,505</b>	<b>6,591,027</b>	<b>7,137,129</b>	<b>7,169,830</b>
<b>FIRE *</b>	-	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>5,275,615</b>	<b>5,550,980</b>
BUILDING	893,401	874,471	870,181	637,617	897,798	750,552
PLANNING	442,286	371,269	392,992	452,248	398,377	387,885
PARKLANDS	1,268,727	1,318,683	1,324,923	1,326,889	1,363,136	1,374,978
<b>PLANNING &amp; BUILDING</b>	<b>2,604,414</b>	<b>2,564,423</b>	<b>2,588,097</b>	<b>2,416,754</b>	<b>2,659,311</b>	<b>2,513,415</b>
PUBLIC WORKS ADMN	796,761	883,429	930,719	915,478	909,830	903,700
STREETS	85,053	193,551	196,465	170,499	262,862	188,491
CITY PROPERTIES	174,849	206,402	309,703	297,658	193,449	245,453
<b>PUBLIC WORKS</b>	<b>1,056,662</b>	<b>1,283,382</b>	<b>1,436,887</b>	<b>1,383,635</b>	<b>1,366,141</b>	<b>1,337,643</b>
<b>EXPENDITURES BEFORE TRANFRS</b>	<b>12,370,898</b>	<b>18,124,717</b>	<b>18,432,269</b>	<b>17,816,912</b>	<b>18,430,671</b>	<b>18,824,245</b>
<b>TRANSFERS OUT</b>	4,345,858	552,000	552,000	552,000	-	-
<b>TOTAL EXPENDITURES INCL TRANFRS</b>	<b>16,716,756</b>	<b>18,676,717</b>	<b>18,984,269</b>	<b>18,368,912</b>	<b>18,430,671</b>	<b>18,824,245</b>

\* - Starting FY 2018-19 Fire Services are recorded in the General Fund expenditures.

### Expenditures by Cost Category – General Fund excluding transfers

GENERAL FUND EXPENDITURES BY COST TYPE (excl transfers)	2017-2018		2018-2019		2019-20		2019-20	
	Actuals*	% Total	PROJECTION	% Total	ADOPTED PROPOSED	% Total	ADJUSTED PROPOSED	% Total
SALARIES	5,516,294	45%	5,292,913	30%	5,550,414	30%	5,489,237	29%
BENEFITS	2,545,822	21%	2,660,545	15%	3,103,463	17%	3,117,951	17%
<b>SALARIES AND BENEFITS</b>	<b>8,062,116</b>	<b>65%</b>	<b>7,953,458</b>	<b>45%</b>	<b>8,653,876</b>	<b>47%</b>	<b>8,607,188</b>	<b>46%</b>
SUPPLIES AND SERVICES *	3,677,505	30%	9,253,159	52%	9,112,403	49%	9,379,627	50%
ALLOCATIONS	615,175	5%	610,295	3%	661,640	4%	834,678	4%
CAPITAL OUTLAY	16,102	0%	-	0%	2,750	0%	2,750	0%
<b>TOTAL GENERAL FUND</b>	<b>12,370,898</b>	<b>100%</b>	<b>17,816,912</b>	<b>100%</b>	<b>18,430,670</b>	<b>100%</b>	<b>18,824,244</b>	<b>100%</b>

\* - Starting FY 2018-19 Fire Services are recorded in the General Fund expenditures.

**Pension Costs** – The CalPERS normal costs and unfunded accrued liability (UAL) costs are included in benefits within the department expenditures. The current pension costs are based on the most

recent valuation report with a measurement date of August 2018 and an annual valuation date as of June 30, 2017. Generally, the City receives a CalPERS annual update in August with projected results and anticipated contributions for the upcoming fiscal years. The City is eligible for a UAL discount if the UAL portion of the employer contribution is prepaid by July 31. The current August 2018 report provides the required contributions for FY 2019-20 and these rates and discounted UAL amount are reflected in the adjusted budget. The FY 2018-19 contribution rates and discounted UAL are included in the projections. The following is a recap of the rates and UAL costs.

FY 2018-19 PENSION COSTS		Normal Costs		UAL	
		EMPLOYEE Contribution Rates	EMPLOYER Contribution Rates	Employer Paid	Employer Paid (with prepay disc)
	Rate Plan#				
Classic Safety	479	8.989%	20.556%	\$ 599,344.00	\$ 578,395.00
Pepra Safety	25381	12.000%	12.141%	\$ 567.00	\$ 547.00
Classic Misc	478	6.902%	9.409%	\$ 119,373.00	\$ 115,200.00
Pepra Misc	26358	6.250%	6.842%	\$ 362.00	\$ 349.00
			Total	\$ 719,646.00	\$ 694,491.00

FY 2019-20 PENSION COSTS		Normal Costs		UAL	
		EMPLOYEE Contribution Rates	EMPLOYER Contribution Rates	Employer Paid	Employer Paid (with prepay disc)
	Rate Plan#				
Classic Safety	479	8.989%	21.927%	\$ 739,444.00	\$ 714,014.00
Pepra Safety	25381	12.000%	13.034%	\$ 1,347.00	\$ 1,301.00
Classic Misc	478	6.906%	10.221%	\$ 171,284.00	\$ 165,393.00
Pepra Misc	26358	6.750%	6.985%	\$ 2,280.00	\$ 2,201.00
			Total	\$ 914,355.00	\$ 882,909.00

CalPERS also issues risk pool reports as the City of Palos Verdes Estates is designated by CalPERS as part of a risk pool (a process of combining assets and liabilities across employers to produce larger, risk sharing pools that reduces the volatility of employer contribution rates). Participation in either the miscellaneous or safety risk pools is mandatory for public agencies with fewer than 100 active members. The City’s UAL is affected by changes/fluctuations of the pool, as a whole, and as such, the risk pool directly affects the City’s individual pension liability. In other words, the City may pay down its UAL, but the changes/fluctuations of the pool that subsequently impacts the UAL is not in the City’s control. The risk pool reports can be accessed [here](#).

### Other Fund Revenues

A variety of other Funds hold revenue that are dedicated and restricted for special services. Four of note are the Gas Tax Fund, RMRA Fund, Proposition “C” Fund and Measure W.

Gas Tax revenues are projected to increase by \$64K from the adopted FY 2019-20 plan with a change in the rate setting role over Section 2103. This additional funding can be used to offset construction

and maintenance of the road network system for the City. The California Department of Finance projects all other section revenues to remain flat in FY 2019-20. Growth in Gas Tax revenues has overall declined due to the combination of lower fuel prices, higher efficiency vehicles and electric vehicles.

Road Maintenance and Rehabilitation Account (RMRA) funds can be used for basic road maintenance, rehabilitation, and critical safety projects on the local streets and road system. Revenues the City receives from RMRA are currently being accumulated as Fund Balance and are proposed to be appropriated for a qualifying project at a later time. The revenues are projected to remain flat thru FY 2019-20. In FY 2017-18.

Proposition “C” Transportation Funds can be used for street improvements utilized by fixed transit services. Annual receipts remained flat between FY 2017-18 and FY 2018-19 and are projected to increase modestly in FY 2019-20. Revenues the City receives from Proposition C are currently being accumulated as Fund Balance and will be appropriated upon development of a qualifying project. The projected fund balance thru June 30, 2020 is \$1,065,401.

Measure W – New for FY 2019-20 - The Safe, Clean Water Program (Measure W) was passed in November 2018 and these funds can be used towards Public Works and Streets department expenditures related to storm drain cleaning and repairs. The City is estimated to receive \$260K of which \$162K will be used in FY 2019-20.

## **Capital Projects**

The Capital Project Funds receive revenue from a variety of sources that are “transferred-in” when such sources have revenues to transfer-in. Revenue may consist of Undesignated Fund Balance from the General Fund, Special Revenue and Restricted Funds such as Gas Tax, and Proposition C (transportation), or a dedicated parcel tax source such as the Sewer Tax that previously existed. As revenue is collected in the Capital Project Funds, it is banked until enough has accumulated for large infrastructure improvement or maintenance projects. As such, the annual project expenses reduce the fund balance each year until transfers-in re-accumulate in the Fund for future projects. Most of the projects are one-time events, but it is necessary to continually transfer-in for future infrastructure needs.

The total projected and adjusted proposed Capital Improvement Program for FY 2018-19 and FY 2019-20 is \$742,721 and \$5,082,757, respectively (excluding transfers). FY 2018-19 included transfers from the General Fund of \$552,000, Special Projects fund of \$125,715 and Measure R fund of \$168,368. Future infrastructure projects, planning and funding will be a subject for additional discussion by the City Council and Financial Advisory Committee at conclusion of development of the infrastructure management plan expected in October of 2019. (**Attachment A exhibit G**).

It is also important to point out – the adjusted proposed Capital Improvement fund balance for FY 2019-20 includes the total identified capital project expenditures reducing the fund balance by \$4.6M as compared to the projected capital fund balance ending June 30, 2019; however, the limited number of infrastructure projects that commence in a year reflect the time it takes to initiate and develop projects once the budget is authorized. Thus, the annual capital expenditures reducing this fund may not occur all in FY 2019-20 and any carryover will be expended in future years. (**See Attachment A exhibits D, E & F for details**)

## **Equipment Replacement, Inventory and Reserve Funding**

The total projected and adjusted proposed Equipment Replacement expenditures for FY 2018-19 and FY 2019-20 are \$104,746 and \$312,510, respectively. Some of the projects were not completed in FY 2018-19 and are carry-over to FY 2019-20. The purchase of one patrol car has been revised down for FY 2019-20 and the Streets Division has identified a vehicle replacement for FY 2019-20 for approximately \$60,000. The annual allocation was suspended for this fund based on current needs and funding resources. It has been identified that a long-range replacement assessment is necessary. The annual depreciation expense calculation is prepared during the year-end financial audit process and is not included in this budget presentation. Mindful of maintaining and replacing the City's assets, both an inventory of assets and an evaluation of the Equipment Replacement Reserve funding is in progress and is due to be completed by first quarter of FY 2019-20. See **Attachment A exhibit H** for the list of projects.

## **Treatment / Presentation of Palos Verdes Estates Law Enforcement Fund**

With the passage of Measure E, the projected Law Enforcement Fund revenue is projected to be \$4,973,000 (includes a % for delinquency) in FY 2018-19 and is expected to be relatively flat during the life of the levy; an increase in revenue will be minimal based on redevelopment of property. These funds will be 100% fully expended each year during the life of levy as the Police Department expenditures will exceed annual revenues.

The budget presents Police Department expenditures in the General Fund. As such, all Police operating costs are together for reporting, presentation and accounting; Department costs and the General Fund expenditures for services are therefore fully represented in one place. The parcel tax revenue, on the other hand, will be collected and contained in a special Law Enforcement Fund. In this scenario, it is anticipated that the Citizen Oversight Committee will review the detailed expenditures to-date of the Police Department at least twice a year and upon being satisfied that expenses are equal to or exceed parcel tax revenue, a recommendation will be made to the City Council to "transfer in" to the General Fund for Department expenditures. This method of accounting will ensure the community and Citizen Oversight Committee and the City Council full review of the Police Department budget to validate appropriate use of parcel tax revenue. From an accounting perspective, this eliminates line-item account adjustments ("transfers out") from the General Fund into the Law Enforcement Fund, which would be time consuming and new work for staff that may also seem arbitrary as decisions are made to determine each expense line to transfer.

## **APPROPRIATIONS LIMIT FY 2019-20**

Article XIII B of the State Constitution requires the adoption of an annual appropriations limit related to certain tax proceeds. Resolution R19-19 is attached for this purpose.

The City's annual appropriations limit, known as the "Gann" limit, is adjusted by certain factors that the City selects. The factors used to calculate the City's FY 19-20 limit are:

- California per capita income +3.85% (plus three and 85/100 percent).
- Population Adjustment for the County of Los Angeles, -0.01% (minus 01/100 percent).

The City's FY18-19 appropriations limit was \$23,293,868. Applying the factors above, the FY 2019-2020 appropriations limit is \$24,188,263 of which, the actual appropriations subject to the limitation, expenditures financed by tax proceeds, totals \$16,726,143 or 70% of what is allowed.

### **NOTIFICATION**

Notice of this item on the agenda has been posted and disseminated in the routine manner consistent with City practice and policy

### **CONCLUSION**

In the budget process, staff is focused on presenting a balanced budget that continues the City's prudent, cost-conscious control of costs, achieves the efficient and effective delivery of the highest quality of services possible with the funds available, stretches every dollar and revenue source opportunity to reduce the reliance on the General Fund, and is fiscally responsible. As such, the budget being presented represents the revenue and expenditures for maintaining the current level of services and day-to-day operations inclusive of the priorities of the City Council.

The budget intends to meet three objectives: It represents the City's resources. It presents projected revenues and expenses for current services. It shows a balanced budget with revenues exceeding expenditures and maintains a General Fund reserve exceeding 50%.

### **ALTERNATIVES AVAILABLE TO COUNCIL**

The following alternatives are available to the City Council:

1. Adopt and approve the budget and resolutions.
2. Approve additional changes to the budget and adopt the resolutions.
3. Request additional information and provide further direction.

### **RECOMMENDATION**

It is recommended that the City Council approve and adopt the City's Fiscal Year (FY) 2019-20 year two of the Biennial Operating Budget and Capital Plan, Resolution R19-18, and fixing the limitation of expenditures for the several purposes, functions, funds and activities; and adopt Resolution R19-19 establishing the Fiscal Year 2019-20 Appropriations Limit.

Attachments:

- A. Resolution R19-18 FY 2019-20 Budget Adoption (includes exhibits A through R referenced above)
- B. Resolution R19-19 Appropriations Gann Limit (includes exhibit A)
- C. Staff Report from Budget Workshop held on June 11, 2019
- D. Public correspondence

**RESOLUTION R19-18**

**A 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. Year two 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, 2019 and ending June 30, 2020 and in the amount, and for the purposes, functions, funds, transfers and activities set forth in Exhibits A thru R, 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 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 N.

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

PASSED, APPROVED AND ADOPTED on this 25<sup>th</sup> day of June, 2019.

\_\_\_\_\_  
Kenneth J. Kao, Mayor

ATTEST:

\_\_\_\_\_  
Karina Bañales, for Lauren Pettit, City Clerk

APPROVED AS TO FORM:

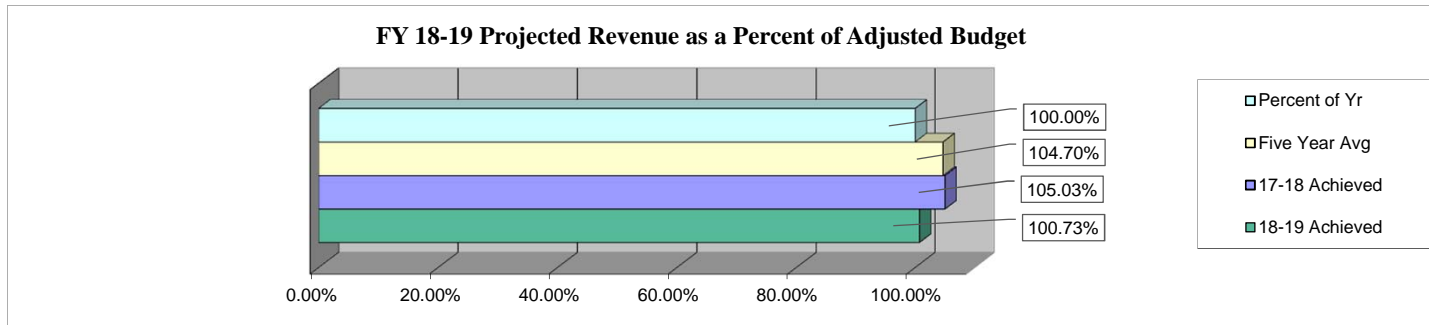
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Christi Hogin, City Attorney



**City of Palos Verdes Estates**  
**Approved Biennial Budget FY 2018-2020**  
**Revenue Budget to Actual Comparisons - General Fund**  
**Fiscal Year 2018-2019 Year-End Projections and 2019-2020 Proposed**

REVENUE SOURCES	2017-2018	2018-2019				2019-2020			FIVE YEAR AVERAGE	PERCENT OF YEAR EXPIRED
	AUDITED ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	PROJECTION	ADJUSTED BUDGET TO ACTUAL \$\$	ADJUSTED BUDGET TO ACTUAL %	ADOPTED PROPOSED	ADJUSTED PROPOSED		
<b>GENERAL FUND REVENUES</b>										
PROPERTY TAX	8,116,415	8,296,297	8,296,297	8,286,297	(10,000)	99.88%	8,591,564	8,591,564	0.00%	
PROPERTY TAX - VLF (IN LIEU)	1,349,745	1,514,992	1,514,992	1,514,992	0	100.00%	1,570,592	1,570,592	0.00%	
SALES TAX	388,757	354,000	354,000	370,051	16,051	104.53%	356,000	356,000	0.00%	
REAL ESTATE TRANSFER TAX	263,281	200,000	200,000	217,419	17,419	108.71%	200,000	200,000	0.00%	
BUSINESS LICENSE TAX	209,938	221,250	221,250	224,947	3,697	101.67%	225,000	225,000	0.00%	
FRANCHISE FEES	589,616	578,500	578,500	585,264	6,764	101.17%	587,060	587,060	0.00%	
COMMUNITY DEVELOPMENT	1,597,841	1,532,500	1,539,500	1,554,244	14,744	100.96%	1,532,500	1,511,025	-1.42%	
INTEREST INCOME	(84,708)	133,500	135,900	294,405	158,505	216.63%	144,500	250,000	42.20%	
<b>KEY REVENUES</b>	<b>12,430,886</b>	<b>12,831,039</b>	<b>12,840,439</b>	<b>13,047,619</b>	<b>207,180</b>	<b>101.61%</b>	<b>13,207,216</b>	<b>13,291,241</b>	<b>0.63%</b>	
CONCESSIONS AND RENT	1,377,144	1,346,000	1,344,917	1,344,425	(492)	99.96%	1,371,200	1,333,800	-2.80%	
LICENSES & PERMITS	16,916	30,500	30,500	15,406	(15,094)	50.51%	30,500	30,500	0.00%	
SAFETY FINES	128,610	150,000	150,000	112,693	(37,307)	75.13%	150,000	150,000	0.00%	
SERVICE CHARGES	90,933	49,000	49,000	53,666	4,666	109.52%	47,000	47,000	0.00%	
OTHER FEES	161,893	54,500	741,795	730,323	(11,472)	98.45%	47,500	47,500	0.00%	
<b>OTHER REVENUES</b>	<b>1,775,497</b>	<b>1,630,000</b>	<b>2,316,212</b>	<b>2,256,513</b>	<b>(59,699)</b>	<b>97.42%</b>	<b>1,646,200</b>	<b>1,608,800</b>	<b>-2.32%</b>	
<b>REVENUES BEFORE TRANSFERS</b>	<b>14,206,382</b>	<b>14,461,039</b>	<b>15,156,651</b>	<b>15,304,133</b>	<b>147,482</b>	<b>100.97%</b>	<b>14,853,416</b>	<b>14,900,041</b>	<b>0.31%</b>	
TRANSFERS IN *	1,626,796	5,095,552	5,115,172	5,115,172	0	100.00%	4,973,000	4,973,000	0.00%	
<b>TOTAL REVENUES INCLUDING TRANSFERS</b>	<b>15,833,178</b>	<b>19,556,591</b>	<b>20,271,823</b>	<b>20,419,305</b>	<b>147,482</b>	<b>100.73%</b>	<b>19,826,416</b>	<b>19,873,041</b>	<b>0.23%</b>	<b>104.70%</b>
Revenue Over (Under) Prior Year Dollars				4,586,127						
Budget to Actual Over (Under) Prior Year %					-4.30%					
Budget to Actual Over (Under) Annual Average %						-3.97%				

\*PVE Law Enforcement tax revenue included as a transfer in starting FY 2018-19

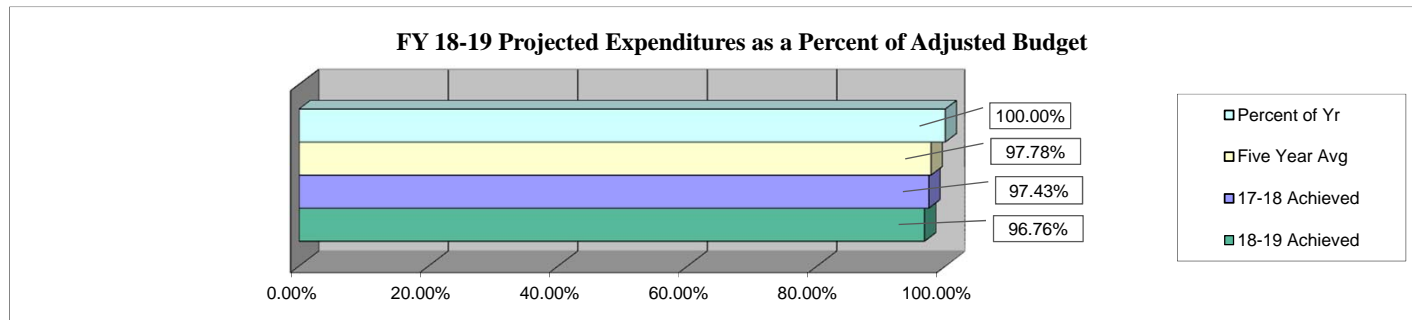




**City of Palos Verdes Estates**  
**Approved Biennial Budget FY 2018-2020**  
**Budget to Projected Expenditures by Program - General Fund**  
**Fiscal Year 2018-2019 Year-End Projections and 2019-2020 Proposed**

% of Yr  
100.00%

GENERAL FUND DEPT / DIVISION EXPENDITURES	2017-2018	2018-2019						2019-2020			TO ADOPTED % CHANGE
	AUDITED ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	PROJECTION	% OF ADJUSTED USED	ADJUSTED AVAILABLE BALANCE	% OF AVAILABLE	ADOPTED PROPOSED	PROPOSED BUDGET APPR'TIONS	ADJUSTED PROPOSED	
			a	b	% b/a	(a-b=c)	% c/a	d	e	d+e	% e/d
CITY MANAGER	650,335	626,905	630,389	718,504	113.98%	(88,115)	-13.98%	643,370	56,045	699,415	
CITY ATTORNEY	240,135	213,000	293,000	295,868	100.98%	(2,868)	-0.98%	203,000	-	203,000	
CITY CLERK	279,598	280,197	330,562	328,018	99.23%	2,544	0.77%	238,539	(15,888)	222,651	
NON-DEPARTMENTAL - ALL OTHER	159,034	116,140	123,542	115,385	93.40%	8,157	6.60%	128,861	32,460	161,321	
NON-DEPARTMENTAL - CONTINGENCY RESERVE	19,218	181,087	16,330	4,867	29.81%	11,463	70.19%	30,000	135,000	165,000	
<b>ADMINISTRATION</b>	<b>1,348,320</b>	<b>1,417,329</b>	<b>1,393,823</b>	<b>1,462,642</b>	<b>104.94%</b>	<b>(68,819)</b>	<b>-4.94%</b>	<b>1,243,770</b>	<b>207,617</b>	<b>1,451,387</b>	<b>16.69%</b>
FINANCE	780,665	796,437	814,398	769,002	94.43%	45,396	5.57%	701,188	58,543	759,731	
CITY TREASURER	41,683	44,963	45,604	61,159	134.11%	(15,555)	-34.11%	47,517	(6,258)	41,259	
<b>FINANCE</b>	<b>822,348</b>	<b>841,400</b>	<b>860,002</b>	<b>830,161</b>	<b>96.53%</b>	<b>29,841</b>	<b>3.47%</b>	<b>748,705</b>	<b>52,285</b>	<b>800,990</b>	<b>6.98%</b>
<b>POLICE</b>	<b>6,539,154</b>	<b>6,896,226</b>	<b>7,031,505</b>	<b>6,591,027</b>	<b>93.74%</b>	<b>440,477</b>	<b>6.26%</b>	<b>7,137,129</b>	<b>32,701</b>	<b>7,169,830</b>	<b>0.46%</b>
<b>FIRE</b>	<b>-</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>100.21%</b>	<b>(10,736)</b>	<b>-0.21%</b>	<b>5,275,615</b>	<b>275,365</b>	<b>5,550,980</b>	<b>5.22%</b>
BUILDING	893,401	874,471	870,181	637,617	73.27%	232,565	26.73%	897,798	(147,246)	750,552	
PLANNING	442,286	371,269	392,992	452,248	115.08%	(59,256)	-15.08%	398,377	(10,492)	387,885	
PARKLANDS	1,268,727	1,318,683	1,324,923	1,326,889	100.15%	(1,966)	-0.15%	1,363,136	11,842	1,374,978	
<b>PLANNING &amp; BUILDING</b>	<b>2,604,414</b>	<b>2,564,423</b>	<b>2,588,097</b>	<b>2,416,754</b>	<b>93.38%</b>	<b>171,343</b>	<b>6.62%</b>	<b>2,659,311</b>	<b>(145,896)</b>	<b>2,513,415</b>	<b>-5.49%</b>
PUBLIC WORKS ADMN	796,761	883,429	930,719	915,478	98.36%	15,241	1.64%	909,830	(6,130)	903,700	
STREETS	85,053	193,551	196,465	170,499	86.78%	25,966	13.22%	262,862	(74,371)	188,491	
CITY PROPERTIES	174,849	206,402	309,703	297,658	96.11%	12,044	3.89%	193,449	52,004	245,453	
<b>PUBLIC WORKS</b>	<b>1,056,662</b>	<b>1,283,382</b>	<b>1,436,887</b>	<b>1,383,635</b>	<b>96.29%</b>	<b>53,251</b>	<b>3.71%</b>	<b>1,366,141</b>	<b>(28,498)</b>	<b>1,337,643</b>	<b>-2.09%</b>
<b>GENERAL FUND EXPENDITURES BEFORE TRANSFERS</b>	<b>12,370,898</b>	<b>18,124,717</b>	<b>18,432,269</b>	<b>17,816,912</b>	<b>96.66%</b>	<b>615,357</b>	<b>3.34%</b>	<b>18,430,671</b>	<b>393,574</b>	<b>18,824,245</b>	<b>2.14%</b>
<b>TRANSFERS OUT</b>	<b>4,345,858</b>	<b>552,000</b>	<b>552,000</b>	<b>552,000</b>	<b>100.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GENERAL FUND EXPENDITURES INCLUDING TRANSFERS</b>	<b>16,716,756</b>	<b>18,676,717</b>	<b>18,984,269</b>	<b>18,368,912</b>	<b>96.76%</b>	<b>615,357</b>	<b>3.24%</b>	<b>18,430,671</b>	<b>393,574</b>	<b>18,824,245</b>	<b>2.14%</b>







**City of Palos Verdes Estates  
Approved Biennial Budget FY 2018-2020  
Budget to Projected Expenditures by Cost Category - General Fund  
Fiscal Year 2018-2019 Year-End Projections and 2019-2020 Proposed**

GENERAL FUND DEPT / DIVISION EXPENDITURES	% of Yr 100.00%										
	2017-2018	2018-2019						2019-2020			ED TO ADOPTED %
	AUDITED ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	PROJECTION	% OF ADJUSTED USED	ADJUSTED AVAILABLE BALANCE	% OF AVAILABLE LE	ADOPTED PROPOSED	PROPOSED BUDGET APPR'TIONS	ADJUSTED PROPOSED	
		a	b	% b/a	(a-b=c)	% c/a	d	e	d+e	% e/d	
SALARIES	465,608	413,920	417,781	549,052	131.42%	(131,272)	-31.42%	413,920	(11,160)	402,760	
BENEFITS	193,706	161,054	161,271	169,334	105.00%	(8,063)	-5.00%	187,843	31,595	219,439	
SUPPLIES AND SERVICES	582,312	592,531	723,559	667,131	92.20%	56,428	7.80%	530,919	31,695	562,614	
NON-DEPARTMENTAL - CONTINGENCY RESERVE	19,218	181,087	16,330	4,867	29.81%	11,463	70.19%	30,000	135,000	165,000	
ALLOCATIONS	72,835	66,113	72,257	72,257	100.00%	0	0.00%	78,337	20,487	98,824	
CAPITAL OUTLAY	14,642	2,625	2,625	-	0.00%	2,625	100.00%	2,750	-	2,750	
<b>ADMINISTRATION</b>	<b>1,348,320</b>	<b>1,417,329</b>	<b>1,393,823</b>	<b>1,462,642</b>	<b>104.94%</b>	<b>(68,819)</b>	<b>-4.94%</b>	<b>1,243,769</b>	<b>207,617</b>	<b>1,451,386</b>	<b>16.69%</b>
SALARIES	273,703	359,670	363,444	305,664	84.10%	57,781	15.90%	320,419	32,275	352,694	
BENEFITS	70,796	105,471	105,642	94,147	89.12%	11,495	10.88%	129,204	4,327	133,531	
SUPPLIES & SERVICES	459,404	359,517	372,617	412,052	110.58%	(39,434)	-10.58%	279,246	10,495	289,741	
ALLOCATIONS	18,444	16,742	18,298	18,298	100.00%	-	0.00%	19,837	5,188	25,025	
<b>FINANCE</b>	<b>822,348</b>	<b>841,400</b>	<b>860,002</b>	<b>830,161</b>	<b>96.53%</b>	<b>29,841</b>	<b>3.47%</b>	<b>748,705</b>	<b>52,285</b>	<b>800,991</b>	<b>6.98%</b>
SALARIES	3,914,354	3,927,253	4,035,402	3,788,850	93.89%	246,552	6.11%	3,944,421	21,298	3,965,720	
BENEFITS	2,007,461	2,254,964	2,254,964	2,146,059	95.17%	108,905	4.83%	2,454,223	4,776	2,458,999	
SUPPLIES & SERVICES	436,539	551,221	563,221	478,201	84.90%	85,021	15.10%	545,598	(43,819)	501,779	
ALLOCATIONS	179,341	162,787	177,917	177,917	100.00%	-	0.00%	192,886	50,446	243,332	
CAPITAL OUTLAY	1,460	-	-	-	-	-	-	-	-	-	
<b>POLICE</b>	<b>6,539,154</b>	<b>6,896,226</b>	<b>7,031,505</b>	<b>6,591,027</b>	<b>93.74%</b>	<b>440,477</b>	<b>6.26%</b>	<b>7,137,129</b>	<b>32,701</b>	<b>7,169,830</b>	<b>0.46%</b>
<b>FIRE</b>	<b>-</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>100.21%</b>	<b>(10,736)</b>	<b>-0.21%</b>	<b>5,275,615</b>	<b>275,365</b>	<b>5,550,980</b>	<b>5.22%</b>
SALARIES	638,429	607,162	501,680	414,190	82.56%	87,490	17.44%	616,411	(137,175)	479,235	
BENEFITS	213,128	229,987	194,469	185,905	95.60%	8,564	4.40%	257,934	(27,789)	230,146	
SUPPLIES AND SERVICES	1,578,928	1,569,398	1,719,398	1,644,110	95.62%	75,288	4.38%	1,597,899	(29,856)	1,568,043	
ALLOCATIONS	173,929	157,876	172,550	172,550	100.00%	-	0.00%	187,066	48,924	235,990	
<b>PLANNING &amp; BUILDING</b>	<b>2,604,414</b>	<b>2,564,423</b>	<b>2,588,097</b>	<b>2,416,754</b>	<b>93.38%</b>	<b>171,343</b>	<b>6.62%</b>	<b>2,659,310</b>	<b>(145,896)</b>	<b>2,513,414</b>	<b>-5.49%</b>
SALARIES	224,200	255,243	257,627	235,157	91.28%	22,470	8.72%	255,243	33,585	288,828	
BENEFITS	60,731	66,969	67,092	65,099	97.03%	1,993	2.97%	74,258	1,579	75,837	
SUPPLIES AND SERVICES	601,104	806,294	942,894	914,106	96.95%	28,788	3.05%	853,126	(111,656)	741,470	
ALLOCATIONS	170,626	154,877	169,273	169,273	100.00%	-	0.00%	183,514	47,994	231,508	
<b>PUBLIC WORKS</b>	<b>1,056,662</b>	<b>1,283,383</b>	<b>1,436,886</b>	<b>1,383,635</b>	<b>96.29%</b>	<b>53,251</b>	<b>3.71%</b>	<b>1,366,141</b>	<b>(28,498)</b>	<b>1,337,643</b>	<b>-2.09%</b>
<b>GENERAL FUND EXPENDITURES BEFORE TRANSFERS</b>	<b>12,370,898</b>	<b>18,124,719</b>	<b>18,432,269</b>	<b>17,816,912</b>	<b>96.66%</b>	<b>615,358</b>	<b>3.34%</b>	<b>18,430,670</b>	<b>393,574</b>	<b>18,824,244</b>	<b>2.14%</b>
<b>TRANSFERS OUT</b>	<b>4,345,858</b>	<b>552,000</b>	<b>552,000</b>	<b>552,000</b>	<b>100.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GENERAL FUND EXPENDITURES INCLUDING TRANSFERS</b>	<b>16,716,756</b>	<b>18,676,719</b>	<b>18,984,269</b>	<b>18,368,912</b>	<b>96.76%</b>	<b>615,358</b>	<b>3.24%</b>	<b>18,430,670</b>	<b>393,574</b>	<b>18,824,244</b>	<b>2.14%</b>

City of Palos Verdes Estates  
Approved Biennial Budget FY 2018-2020  
Projected FY 18-19 Fund Balance

FUNDS	Audited Fund Balance June 30, 2018	FY 18-19 Projected Revenues	FY 18-19 Projected Expenditures	Revenues / Expenditures	Capital	FY 18-19 Projected Transfers - In	FY 18-19 Projected Transfers - Out	FY 18-19 Net Transfers	Projected Fund Balance June 30, 2019
Fiscal Policy Reserve	7,200,000	-	-			-	-	-	8,908,456
Assigned									675,295
Undesignated	3,055,152	15,304,133	17,816,912	(2,512,779)		5,115,172	552,000	4,563,172	2,721,794
<b>Total General Fund</b>	<b>10,255,152</b>	<b>15,304,133</b>	<b>17,816,912</b>	<b>(2,512,779)</b>	<b>-</b>	<b>5,115,172</b>	<b>552,000</b>	<b>4,563,172</b>	<b>12,305,545</b>
Special Projects	956,829	169,126	82,543	86,583		-	127,284	(127,284)	916,127
Fire/Paramedic Parcel Tax	142,172	-	-	-		-	142,172	(142,172)	-
PVE Law Enforcement	-	4,973,000	-	4,973,000		-	4,973,000	(4,973,000)	-
Transit Proposition A	38,867	268,423	237,293	31,130		-	-	-	69,997
<b>Total Special Revenue Funds</b>	<b>1,137,868</b>	<b>5,410,549</b>	<b>319,836</b>	<b>5,090,713</b>	<b>-</b>	<b>-</b>	<b>5,242,456</b>	<b>(5,242,456)</b>	<b>986,124</b>
Capital Improvement Fund	5,120,706	48,000	-	48,000	656,706	776,083	-	776,083	5,288,083
Sewer Capital Projects Fund	3,718,492	29,000	14,733	14,267	86,015	-	-	-	3,646,743
<b>Total Capital Projects Funds</b>	<b>8,839,198</b>	<b>77,000</b>	<b>14,733</b>	<b>62,267</b>	<b>742,721</b>	<b>776,083</b>	<b>-</b>	<b>776,083</b>	<b>8,934,827</b>
Gas Tax	64,505	291,122	318,606	(27,484)		-	-	-	37,021
Drug Intervention	643,727	1,700	-	1,700		-	-	-	645,427
Police Grants (SLESF)	372,133	150,946	59,269	91,677		-	-	-	463,810
Corrections	5,690	6,000	4,700	1,300		-	-	-	6,990
Measure R	176,677	168,368	-	168,368		-	168,368	(168,368)	176,677
Prop C	608,020	225,820	-	225,820		-	-	-	833,840
Parklands	51,166	500	-	500	-	70,000	-	70,000	121,666
RMRA	80,139	214,837	-	214,837		-	-	-	294,976
Measure M	145,245	189,447	-	189,447		-	-	-	334,692
<b>Total Other Governmental Funds *</b>	<b>2,147,302</b>	<b>1,248,740</b>	<b>382,575</b>	<b>866,165</b>	<b>-</b>	<b>70,000</b>	<b>168,368</b>	<b>(98,368)</b>	<b>2,915,099</b>
Equipment Replacement	2,231,019	16,080	104,746	(88,666)		1,569	-	1,569	2,143,922
Insurance	1,051,968	1,050,167	1,045,167	5,000		-	-	-	1,056,968
<b>Total Internal Service Funds</b>	<b>3,282,987</b>	<b>1,066,247</b>	<b>1,149,913</b>	<b>(83,666)</b>	<b>-</b>	<b>1,569</b>	<b>-</b>	<b>1,569</b>	<b>3,200,890</b>

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

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

FUNDS	Projected Fund Balance June 30, 2019	FY 19-20 Adopted Proposed Revenues	FY 19-20 Adopted Proposed Expenditures	Revenues / Expenditures	Capital	FY 19-20 Adopted Proposed Transfers - In	FY 19-20 Adopted Proposed Transfers - Out	FY 19-20 Net Transfers	Projected Fund Balance June 30, 2020
01 Fiscal Policy Reserve	8,908,456	-	-			-	-	-	9,215,335
Assigned	-								-
Undesignated	2,721,794	14,853,416	18,430,669	(3,577,253)		4,973,000	-	4,973,000	3,810,663
<b>Total General Fund</b>	<b>11,630,250</b>	<b>14,853,416</b>	<b>18,430,669</b>	<b>(3,577,253)</b>		<b>4,973,000</b>	<b>-</b>	<b>4,973,000</b>	<b>13,025,997</b>
06 Special Projects	916,127	63,000	34,000	29,000		-	-	-	945,127
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	276,946	256,545	20,401		-	-	-	90,398
<b>Total Special Revenue Funds</b>	<b>986,124</b>	<b>5,312,946</b>	<b>290,545</b>	<b>5,022,401</b>		<b>-</b>	<b>4,973,000</b>	<b>(4,973,000)</b>	<b>1,035,525</b>
30 Capital Improvement Fund	5,288,083	52,000		52,000	1,073,750	-	-	-	4,266,333
62 Sewer Capital Projects Fund	3,646,743	31,000	366,371	(335,371)	-	-	-	-	3,311,372
<b>Total Capital Projects Funds</b>	<b>8,934,827</b>	<b>83,000</b>	<b>366,371</b>	<b>(283,371)</b>	<b>1,073,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,577,706</b>
02 Gas Tax	37,021	302,363	315,982	(13,619)		-	-	-	23,402
03 Drug Intervention	645,427	1,100	-	1,100		-	-	-	646,527
05 Police Grants (SLESF)	463,810	102,500	-	102,500		-	-	-	566,310
07 Corrections	6,990	6,000	4,700	1,300		-	-	-	8,290
27 Measure R	176,677	173,859	-	173,859		-	-	-	350,536
28 Prop C	833,840	232,975	-	232,975		-	-	-	1,066,815
31 Parklands	121,666	500	-	500		-	-	-	122,166
08 RMRA	294,976	232,426	-	232,426		-	-	-	527,402
25 Measure M	334,692	195,303	-	195,303		-	-	-	529,995
21 Measure W	-	-	-	-		-	-	-	-
<b>Total Other Governmental Funds *</b>	<b>2,915,099</b>	<b>1,247,026</b>	<b>320,682</b>	<b>926,344</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>3,841,443</b>
60 Equipment Replacement	2,143,922	22,000	159,350	(137,350)		-	-	-	2,006,572
65 Insurance	1,056,968	1,095,426	1,091,426	4,000		-	-	-	1,060,968
<b>Total Internal Service Funds</b>	<b>3,200,890</b>	<b>1,117,426</b>	<b>1,250,776</b>	<b>(133,350)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>3,067,540</b>

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

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

	<b>FUNDS</b>	<b>Projected Fund Balance June 30, 2019</b>	<b>FY 19-20 Adjusted Proposed Revenues</b>	<b>FY 19-20 Adjusted Proposed Expenditures</b>	<b>Revenues / Expenditures</b>	<b>Capital</b>	<b>FY 19-20 Adjusted Proposed Transfers - In</b>	<b>FY 19-20 Adjusted Proposed Transfers - Out</b>	<b>FY 19-20 Net Transfers</b>	<b>Projected Fund Balance June 30, 2020</b>
	Fiscal Policy Reserve	8,908,456	-	-			-	-	-	9,412,122
	Assigned	675,295								675,295
	Undesignated	2,721,794	14,900,041	18,824,245	(3,924,204)		4,973,000	-	4,973,000	3,266,924
01	<b>Total General Fund</b>	<b>12,305,545</b>	<b>14,900,041</b>	<b>18,824,245</b>	<b>(3,924,204)</b>		<b>4,973,000</b>	<b>-</b>	<b>4,973,000</b>	<b>13,354,341</b>
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>-</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>-</b>	<b>-</b>	<b>-</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>-</b>	<b>-</b>	<b>-</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>-</b>	<b>-</b>	<b>-</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



**City of Palos Verdes Estates  
Approved Biennial Budget FY 2018-2020  
Capital Funds  
Fiscal Year 2018-2019 Year-End Projections and 2019-2020 Proposed**

**EXHIBIT G**

FD PROJ #	PROJECT TYPE	CAPITAL PROJECT	% of Year 100.00%								FUNDING SOURCES	
			2017-2018	2018-2019					2019-2020			
			AUDITED ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	PROJECTION	ADJUSTED/ CARRYOVER	% OF ADJUSTED BUDGET	ADOPTED PROPOSED	PROPOSED BUDGET APPORTIONS		ADJUSTED PROPOSED
		a	b	(a-b=c)	% b/a	d	e	d+e				
80050	Streets & Roadways	SLURRY SEAL	-	242,800	242,800	5,000	237,800	2.06%	240,000	237,800	477,800	CIP
80103	Streets & Roadways	CROSS GUTTER	-	35,000	35,000	17,234	17,766	49.24%	35,000	28,752	63,752	CIP
80800	Streets & Roadways	STREET CONST. & MT.	-	364,000	364,000	71,094	292,906	19.53%	360,000	292,906	652,906	CIP, Meas R, Prop C, Spec Rev- Prop 84 & Grant & Meas M
80891	Streets & Roadways	ON-CALL ROADWAY MAINT/RE	151,042	412,580	412,580	240,805	171,775	58.37%	180,000	240,805	420,805	CIP, Measure R & Measure M
80896	Streets & Roadways	ADA UPGRADES CITYWIDE	-	302,500	302,500	-	302,500	0.00%	105,000	302,500	407,500	CIP & Spec Rev-TDA
80909	Streets & Roadways	PVDW TRIANGLE STUDY	-	100,000	100,000	21,143	78,858	21.14%	-	78,858	78,858	CIP
80892	Streets & Roadways	PAVEMENT MANAGEMENT SYSTEM	56,640	-	-	-	-	0.00%	-	-	-	
81300	Streets & Roadways	CURB & GUTTERS	22,860	126,523	126,523	-	126,523	0.00%	75,000	126,523	201,523	CIP
80047	Traffic Safety	TRAFFIC CALMING	9,945	27,500	27,500	-	27,500	0.00%	28,750	-	28,750	CIP
81310	Traffic Safety	GUARDRAIL PROJECT	7,310	253,000	253,000	12,521	240,479	4.95%	-	240,479	240,479	HSIP Grant
81315	Traffic Safety	REFLECT ROAD REG SIGNS	-	100,000	100,000	-	100,000	0.00%	-	100,000	100,000	CIP
80806	Traffic Safety	PINALE LANE EMERGENCY RP	70,899	-	-	-	-	0.00%	-	-	-	
80919	Traffic Safety	AUTO LICENSE READER	9,120	-	-	2,273	(2,273)	0.00%	-	-	-	
80895	Traffic Safety	LIGHTED CROSSWALK RESTORATION	20,920	-	-	-	-	0.00%	-	-	-	
80849	Facility Improvements	CITY HALL SAFETY PROJECT	-	110,000	110,000	-	110,000	0.00%	-	110,000	110,000	CIP
80855	Facility Improvements	CITY HALL ADA IMPROVEMEN	-	188,000	188,000	-	188,000	0.00%	-	188,000	188,000	CIP
80898	Facility Improvements	EOC CONVERSION	-	47,000	47,000	3,048	43,953	6.48%	-	-	-	CIP
80899	Facility Improvements	SERVER ROOM UPGRADE	-	150,000	150,000	-	150,000	0.00%	-	150,000	150,000	CIP
80900	Facility Improvements	ADA UPGRADES FOR CITY HALL & PD	-	200,000	200,000	-	200,000	0.00%	-	200,000	200,000	CIP
80902	Infrastructure	INFRASTRUCTURE MANAGEMENT PLAN	-	-	20,000	20,000	-	100.00%	-	57,250	57,250	CIP
80100	Infrastructure	REPAIRS STORM	3,102	400,000	400,000	24,322	375,678	6.08%	50,000	375,678	425,678	CIP
80102	Infrastructure	CATCH BASIN REPLACEMENT	-	375,000	375,000	-	375,000	0.00%	-	375,000	375,000	CIP
81514	Infrastructure	TORRANCE APT STRM WTR INF	6,115	-	-	-	-	0.00%	-	-	-	
80159	Infrastructure	MS4: FULL CAPTURE SM BAY	63,404	210,000	210,000	90,074	119,926	42.89%	-	119,926	119,926	CIP & Spec Rev - Prop 84
80904	Infrastructure	CTY STM DRN #3 REPAIR	-	300,000	300,000	13,173	286,828	4.39%	-	286,828	286,828	CIP
80906	Beautification	TREE MGMT PLAN	-	50,000	50,000	-	50,000	0.00%	-	50,000	50,000	CIP
80910	Beautification	FARNHAM MARTIN PARK FNTN	-	23,500	23,500	-	23,500	0.00%	-	23,500	23,500	CIP
80911	Beautification	ROSSLER FOUNTAIN UPGRADE	-	1,500	1,500	1,500	-	100.00%	-	-	-	CIP
80913	Beautification	LNDA BY PLZA ENHANCEMENT	-	150,000	150,000	134,520	15,480	89.68%	-	-	-	CIP
80916	Beautification	TREE INVENTORY	-	50,000	50,000	-	50,000	0.00%	-	50,000	50,000	CIP
<b>30 - CAPITAL IMPROVEMENT YEAR TO DATE CAPITAL EXPENDITURES</b>			<b>421,355</b>	<b>4,218,903</b>	<b>4,238,903</b>	<b>656,706</b>	<b>3,582,197</b>	<b>15%</b>	<b>1,073,750</b>	<b>3,634,804</b>	<b>4,708,554</b>	
80920	Beautification	PARKLANDS PROJECTS	-	70,000	70,000	-	-	0.00%	-	-	-	Parklands Fund
<b>31 - PARKLANDS</b>			<b>-</b>	<b>70,000</b>	<b>70,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
80101	Infrastructure	SEWER REPAIR	11,191	-	-	2,453	(2,453)	0.00%	-	-	-	Sewer Fund
80155	Infrastructure	VIA CORONEL/ZURITA UPGRA	7,955	325,000	325,000	50,797	274,203	15.63%	-	274,203	274,203	Sewer Fund
80158	Infrastructure	SEWER COND ASSESSMENT	12,222	100,000	100,000	32,765	67,235	32.77%	-	100,000	100,000	Sewer Fund
<b>62 - SEWER</b>			<b>31,368</b>	<b>425,000</b>	<b>425,000</b>	<b>86,015</b>	<b>338,985</b>	<b>20%</b>	<b>-</b>	<b>374,203</b>	<b>374,203</b>	
<b>Grand Total</b>			<b>452,723</b>	<b>4,713,903</b>	<b>4,733,903</b>	<b>742,721</b>	<b>3,921,182</b>	<b>16%</b>	<b>1,073,750</b>	<b>4,009,007</b>	<b>5,082,757</b>	

FUND BALANCE ROLL-FORWARD		BEGINNING	ADJUSTED	ADJUSTED	ADJUSTED	NET	PROJECTED
		FUND BALANCE	REVENUES	EXPENDITURES	CAPITAL EXPENDITURES	TRANSFERS	ENDING FUND BALANCE
<b>30 - CAPITAL IMPROVEMENTS</b>	FY2018-2019	5,120,706	48,000	-	656,706	776,083	5,288,083
	FY2019-2020	5,288,083	52,000	-	4,708,554	-	631,529
<b>31 - PARKLANDS</b>	FY2018-2019	51,166	500	-	-	70,000	121,666
	FY2019-2020	121,666	500	-	-	-	122,166
<b>62 - SEWER</b>	FY2018-2019	3,718,492	29,000	(71,282)	86,015	-	3,732,225
	FY2019-2020	3,732,225	31,000	366,805	374,203	-	4,504,233

Note - Transfers from special revenue and restricted funds will be identified and presented to council when the project is completed  
Once the Capital Master Plan is completed the annual expenditures/allocation will be allocated by year



**City of Palos Verdes Estates  
Approved Biennial Budget FY 2018-2020  
Equipment and Technology Replacement Fund  
Fiscal Year 2018-2019 Year-End Projections and 2019-2020 Proposed**

FUND PROJECT #	EQUIPMENT REPLACEMENT	% of Year 100.00%								
		2017-2018	2018-2019				2019-2020			
		AUDITED ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	PROJECTION	ADJUSTED AVAILABLE BALANCE	% OF ADJUSTED BUDGET	ADOPTED PROPOSED	PROPOSED BUDGET APPORTIONS	ADJUSTED PROPOSED
		a	b	(a-b=c)	% b/a	d	e	d+e		
70770	FINANCIAL SOFTWARE UPGRADE	-	13,110	13,110	-	13,110	0.00%	-	13,110	13,110
70770	NETWORK UPGRADE AND CABLES	4,037	-	-	-	-	0.00%	-	-	-
70770	NEW NETWORK SWITCHES	-	-	-	-	-	0.00%	-	-	-
70770	REGULAR WORKSTATION (32)	-	2,100	2,100	2,100	-	100.00%	21,750	-	21,750
70770	DISPATCH WORKSTATION (1)	-	2,000	2,000	2,000	-	100.00%	-	-	-
70770	REGULAR LAPTOP (3)	-	3,000	3,000	3,328	(328)	110.93%	-	-	-
70770	ADVANCED LAPTOP (2)	-	4,000	4,000	3,068	932	76.70%	-	-	-
70770	MONITORS (5)	514	1,000	1,000	1,000	-	100.00%	-	-	-
70770	PROFESSIONAL SERVICES	25,233	2,700	2,700	2,700	-	100.00%	9,600	-	9,600
70770	ADD'L 4GB RAM FOR REMAIN. WORKSTATIONS	-	1,050	1,050	-	1,050	0.00%	-	1,050	1,050
70770	HYPER-V SERVER HARDWARE	-	13,000	13,000	-	13,000	0.00%	-	13,000	13,000
70770	HYPER-V SERVER SOFTWARE	-	8,000	8,000	-	8,000	0.00%	-	8,000	8,000
70770	HYPER-V SERVER - PROFESSIONAL SERV.	-	15,000	15,000	-	15,000	0.00%	-	15,000	15,000
70720	CITY HALL PHONE SYSTEM UPGRADE	173,107	-	7,550	7,550	-	100.00%	-	-	-
70720	CITY HALL NEEDS ASSESSMENT	-	75,000	75,000	-	75,000	0.00%	-	75,000	75,000
707XX	STREETS - CHEVORLET SILVERADO 2500HD	-	-	-	-	-	-	-	60,000	60,000
70750	VEHICLE REPL. PATROL CARS	5,488	83,000	83,000	83,000	-	100.00%	128,000	(32,000)	96,000
<b>60 - EQUIPMENT REPLACEMENT</b>		<b>208,378</b>	<b>222,960</b>	<b>230,510</b>	<b>104,746</b>	<b>125,764</b>	<b>45.44%</b>	<b>159,350</b>	<b>153,160</b>	<b>312,510</b>

FUND BALANCE ROLL-FORWARD		AUDITED BEGINNING FUND BALANCE	ADJUSTED REVENUES	ADJUSTED EXPENDITURES	NET TRANSFERS	PROJECTED ENDING FUND BALANCE
60 - EQUIPMENT REPLACEMENT	FY2018-2019	2,231,019	16,080	104,746	1,569	2,143,922
	FY2019-2020	2,143,922	22,000	312,510		1,853,412

# Administration

## RESOURCES

Cost Category	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	PROPOSED APPR'TIONS 2019/20	ADJUSTED PROPOSED 2019/20
SALARIES	465,608	413,920	417,781	549,052	413,920	(11,160)	402,760
BENEFITS	193,706	161,054	161,271	169,334	187,843	31,595	219,439
SUPPLIES AND SERVICES (01)	582,312	592,531	723,559	667,131	530,919	31,695	562,614
NON-DEPARTMENTAL - CONTINGENCY RESERVE (01)	19,218	181,087	16,330	4,867	30,000	135,000	165,000
SUPPLIES AND SERVICES (26)	6,378	6,740	6,740	6,740	6,740	337	7,077
<b>TOTAL SUPPLIES AND SERVICES</b>	<b>607,907</b>	<b>780,358</b>	<b>746,629</b>	<b>678,738</b>	<b>567,659</b>	<b>167,032</b>	<b>734,691</b>
ALLOCATIONS	72,835	66,113	72,257	72,257	78,337	20,487	98,824
CAPITAL OUTLAY	14,642	2,625	2,625	-	2,750	-	2,750
<b>TOTAL</b>	<b>1,354,698</b>	<b>1,424,069</b>	<b>1,400,563</b>	<b>1,469,382</b>	<b>1,250,509</b>	<b>207,954</b>	<b>1,458,463</b>

TOTAL BY FUND	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	PROPOSED APPR'TIONS 2019/20	ADJUSTED PROPOSED 2019/20
GENERAL	1,348,320	1,417,329	1,393,823	1,462,642	1,243,769	207,617	1,451,386
PROP A	6,378	6,740	6,740	6,740	6,740	337	7,077
<b>TOTAL</b>	<b>1,354,698</b>	<b>1,424,069</b>	<b>1,400,563</b>	<b>1,469,382</b>	<b>1,250,509</b>	<b>207,954</b>	<b>1,458,463</b>

# The Sharper Pencil



<b>CITY MANAGER</b>							
<b>2000</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	
<b>Line Items</b>	<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>2019/20</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
		<b>2018/19</b>	<b>2018/19</b>			<b>2019/20</b>	<b>2019/20</b>
40005 Salaries	360,951	302,520	304,818	436,783	302,520	309,180	
40007 Car Allowance	4,500	4,500	4,500	4,500	4,500	4,500	
40008 Phone Allowance	720	720	720	720	720	720	
41055 Overtime	-	-	-	-	-	-	
<b>SALARIES</b>	<b>366,171</b>	<b>307,740</b>	<b>310,038</b>	<b>442,003</b>	<b>307,740</b>	<b>314,400</b>	
50080 Retirement	43,920	53,343	53,498	56,287	67,221	67,789	
50085 Workers' Compensation	2,706	3,279	3,279	3,279	3,241	3,399	
50090 Health Insurance	61,234	58,199	58,199	60,782	63,657	77,266	
50091 Disability Insur	1,604	1,392	1,392	1,552	1,392	1,411	
50094 Social Security	764	-	-	-	-	-	
50095 Medicare	5,242	4,462	4,462	6,391	4,462	4,559	
50097 Unemployment Insurance	-	-	-	664	-	-	
<b>BENEFITS</b>	<b>115,469</b>	<b>120,675</b>	<b>120,830</b>	<b>128,955</b>	<b>139,974</b>	<b>154,423</b>	
61105 Dues & Memberships	3,500	5,030	5,030	1,570	5,220	5,220	
61115 Mileage	-	-	-	-	-	-	
61120 Training	12,743	49,507	49,507	45,864	48,400	48,400	
61125 Subscriptions	-	-	-	-	-	-	
61130 Travel & Meetings	2,683	5,350	5,350	3,069	3,575	3,575	
62215 Printing & Binding	-	-	-	-	-	-	
62290 General Service	1,110	1,500	1,500	1,418	1,530	1,530	
64425 Professional Services	128,165	87,200	87,200	69,680	87,200	118,700	
64430 Contractual Service	-	24,000	24,000	-	24,000	24,000	
62244 Legal Services	1,925	-	-	-	-	-	
64599 Hiring	2,968	6,865	6,865	6,164	6,993	6,993	
64680 Employee Recognition	3,387	7,950	7,950	7,662	5,600	5,600	
<b>SUPPLIES &amp; SERVICES</b>	<b>156,481</b>	<b>187,402</b>	<b>187,402</b>	<b>135,427</b>	<b>182,518</b>	<b>214,018</b>	
66605 Insurance Allocation	12,215	11,088	12,118	12,118	13,138	16,574	
<b>ALLOCATIONS</b>	<b>12,215</b>	<b>11,088</b>	<b>12,118</b>	<b>12,118</b>	<b>13,138</b>	<b>16,574</b>	
70770 Computer Equipment	-	-	-	-	-	-	
<b>CAPITAL OUTLAY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL</b>	<b>650,335</b>	<b>626,905</b>	<b>630,389</b>	<b>718,504</b>	<b>643,370</b>	<b>699,415</b>	



# The Sharper Pencil



## CITY ATTORNEY

<b>3040</b>		<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>		<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
			<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
62244	Legal Services	-	-	-	-	-	-
64418	Retainer	102,000	102,000	102,000	102,000	102,000	102,000
64425	Professional Services	138,135	111,000	191,000	193,868	101,000	101,000
<b>SUPPLIES AND SERVICES</b>		<b>240,135</b>	<b>213,000</b>	<b>293,000</b>	<b>295,868</b>	<b>203,000</b>	<b>203,000</b>
<b>TOTAL</b>		<b>240,135</b>	<b>213,000</b>	<b>293,000</b>	<b>295,868</b>	<b>203,000</b>	<b>203,000</b>

# The Sharper Pencil



<b>CITY CLERK</b>						
<b>3010</b>		<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>		<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>PROJECTED</b>	<b>PROPOSED</b>
			<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>
						<b>2019/20</b>
40005	Salaries City	98,257	103,680	105,242	107,049	85,860
40010	Temporary Salaries / OT	-	2,500	2,500	-	2,500
41055	Regular Overtime	1,180	-	-	-	-
	<b>SALARIES</b>	<b>99,437</b>	<b>106,180</b>	<b>107,742</b>	<b>107,049</b>	<b>88,360</b>
50080	Retirement	12,243	16,468	16,531	16,577	20,456
50085	Workers' Compensation	1,012	1,226	1,226	1,226	1,271
50090	Health Insurance	51	100	100	164	128
50091	Disability Insur	57	365	365	424	374
50094	Social Security	122	-	-	-	-
50095	Medicare	1,434	1,819	1,819	1,537	1,986
50097	Unemployment	-	-	-	-	-
	<b>BENEFITS</b>	<b>14,920</b>	<b>19,978</b>	<b>20,041</b>	<b>19,929</b>	<b>24,216</b>
61105	Dues & Memberships	290	175	175	170	200
61120	Training	-	3,200	3,200	1,888	3,200
61130	Travel & Meetings	915	900	900	-	925
62225	Public Information	23,001	23,306	23,306	24,502	24,700
62245	Legal Publishing	10,226	8,000	8,000	3,332	9,000
62265	Elections	74,147	80,400	109,400	110,337	-
62290	General Service	3,087	2,700	2,700	5,033	5,000
64425	Professional Services	16,381	17,370	29,470	33,050	45,570
64430	Contractual Service	16,485	9,857	16,985	16,710	10,500
	<b>SUPPLIES &amp; SERVICES</b>	<b>144,533</b>	<b>145,908</b>	<b>194,136</b>	<b>195,022</b>	<b>99,095</b>
66605	Insurance Allocation	6,066	5,506	6,018	6,018	8,230
	<b>ALLOCATIONS</b>	<b>6,066</b>	<b>5,506</b>	<b>6,018</b>	<b>6,018</b>	<b>8,230</b>
70740	Office Equipment	6,193	2,625	2,625	-	2,750
70770	Computer Equipment	8,449	-	-	-	-
	<b>CAPITAL OUTLAY</b>	<b>14,642</b>	<b>2,625</b>	<b>2,625</b>	<b>-</b>	<b>2,750</b>
	<b>TOTAL CITY CLERK</b>	<b>279,598</b>	<b>280,197</b>	<b>330,562</b>	<b>328,018</b>	<b>222,651</b>

# Finance Department

## RESOURCES

Cost Category	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
SALARIES	273,703	359,670	363,444	305,664	320,419	352,694
BENEFITS	70,796	105,471	105,642	94,147	129,204	133,531
SUPPLIES & SERVICES	459,404	359,517	372,617	412,052	279,246	289,741
ALLOCATIONS	18,444	16,742	18,298	18,298	19,837	25,025
CAPITAL OUTLAY	-	-	-	-	-	-
<b>TOTAL</b>	<b>822,348</b>	<b>841,400</b>	<b>860,002</b>	<b>830,161</b>	<b>748,705</b>	<b>800,991</b>

# The Sharper Pencil



FINANCE						
3000	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items	2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
		2018/19	2018/19	2018/19	2019/20	2019/20
40005 Salaries	263,628	341,728	345,394	288,719	301,327	330,417
40007 Car Allowance	2,250	4,500	4,500	-	4,500	4,500
40008 Phone Allowance	360	720	720	-	720	720
41055 Regular Overtime	470	1,500	1,500	241	1,500	1,500
<b>SALARIES</b>	<b>266,708</b>	<b>348,448</b>	<b>352,114</b>	<b>288,960</b>	<b>308,047</b>	<b>337,137</b>
50080 Retirement	21,746	39,995	40,159	33,575	50,986	50,520
50085 Workers' Compensation	1,665	2,018	2,018	2,018	1,994	2,092
50090 Health Insurance	36,765	51,002	51,002	43,969	64,344	66,696
50091 Disability Insur	619	1,690	1,690	890	1,539	1,539
50094 Social Security	3,128	1,500	1,500	4,843	-	1,465
50095 Medicare	3,827	4,115	4,115	4,289	4,716	4,791
<b>BENEFITS</b>	<b>67,750</b>	<b>100,320</b>	<b>100,484</b>	<b>89,583</b>	<b>123,579</b>	<b>127,102</b>
61105 Dues & Memberships	290	795	795	795	795	795
61120 Training	725	5,830	5,830	1,454	5,830	5,830
61125 Subscriptions	-	-	-	-	-	-
61130 Travel & Meetings	37	-	-	-	-	-
62215 Printing & Binding	1,479	2,094	2,094	2,501	2,094	2,094
62225 Public Information	350	1,400	4,500	3,663	1,400	1,400
62290 General Service	2,571	3,500	3,500	2,479	3,500	3,500
64425 Professional Services	251,298	116,393	116,393	186,121	41,641	43,686
64599 Hiring	-	-	-	-	-	-
64430 Contractual Services	177,247	206,573	216,573	181,330	201,170	221,619
<b>SUPPLIES &amp; SERVICES</b>	<b>433,996</b>	<b>336,585</b>	<b>349,685</b>	<b>378,344</b>	<b>256,430</b>	<b>278,925</b>
66605 Insurance Allocation	12,211	11,084	12,114	12,114	13,133	16,568
66606 Services Allocation	-	-	-	-	-	-
<b>ALLOCATIONS</b>	<b>12,211</b>	<b>11,084</b>	<b>12,114</b>	<b>12,114</b>	<b>13,133</b>	<b>16,568</b>
70770 Computer Equipment	-	-	-	-	-	-
70730 Furniture & Fixtures	-	-	-	-	-	-
<b>CAPITAL OUTLAY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FINANCE</b>	<b>780,665</b>	<b>796,437</b>	<b>814,398</b>	<b>769,002</b>	<b>701,188</b>	<b>759,732</b>

# The Sharper Pencil



## CITY TREASURER

3020 Line Items	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
40005 Salaries	6,959	11,222	11,330	16,652	12,372	15,557
41055 Regular Overtime	36	-	-	51	-	-
<b>SALARIES</b>	<b>6,995</b>	<b>11,222</b>	<b>11,330</b>	<b>16,703</b>	<b>12,372</b>	<b>15,557</b>
50080 Retirement	555	1,192	1,200	847	1,467	2,203
50085 Workers' Compensation	115	139	139	139	138	144
50090 Health Insurance	2,247	3,601	3,601	3,413	3,781	3,781
50091 Disability Insur	31	55	55	43	60	75
50095 Medicare	99	163	163	123	179	226
50097 Unemployment Insurance	-	-	-	-	-	-
<b>BENEFITS</b>	<b>3,046</b>	<b>5,150</b>	<b>5,158</b>	<b>4,564</b>	<b>5,625</b>	<b>6,429</b>
61105 Dues & Memberships	155	155	155	155	155	155
61120 Training	-	-	-	-	-	-
61125 Subscriptions	-	-	-	-	-	-
61130 Travel & Meetings	32	-	-	-	-	-
62215 Printing & Binding	-	-	-	-	-	-
62290 General Service	234	235	235	336	235	235
63320 Misc. Equip. Supplies	-	-	-	-	-	-
64480 Banking Services	24,987	22,542	22,542	33,216	22,426	10,426
<b>SUPPLIES &amp; SERVICES</b>	<b>25,408</b>	<b>22,932</b>	<b>22,932</b>	<b>33,707</b>	<b>22,816</b>	<b>10,816</b>
66605 Insurance Allocations	6,233	5,658	6,184	6,184	6,704	8,457
<b>ALLOCATIONS</b>	<b>6,233</b>	<b>5,658</b>	<b>6,184</b>	<b>6,184</b>	<b>6,704</b>	<b>8,457</b>
<b>TOTAL CITY TREASURER</b>	<b>41,683</b>	<b>44,963</b>	<b>45,604</b>	<b>61,159</b>	<b>47,517</b>	<b>41,259</b>

# The Sharper Pencil



<b>NON-DEPARTMENTAL</b>							
<b>3160</b>		<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>		<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
			<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
50090	Health Insurance - Cobra	43,017	-	-	-	-	-
50092	Flexible Spending Accounts	500	600	600	1,200	600	1,200
50093	Employee Wellness	-	-	-	-	-	-
50096	Retiree Health Stipend	19,800	19,800	19,800	19,250	23,100	39,600
	<b>BENEFITS</b>	<b>63,317</b>	<b>20,400</b>	<b>20,400</b>	<b>20,450</b>	<b>23,700</b>	<b>40,800</b>
61105	Dues & Memberships	13,912	12,491	12,491	11,808	12,591	12,606
61105	Dues & Memberships (26)	6,378	6,740	6,740	6,740	6,740	7,077
61125	Subscriptions	538	695	695	540	695	695
61130	Travel & Meetings	4,637	5,885	5,885	2,427	5,950	5,950
62290	General Services	(266)	-	2,800	928	-	-
64419	LA County Processing Fee	-	-	-	-	-	-
64425	Professional Service	286	-	-	-	-	-
64430	Contractual Services	2,436	2,050	2,050	2,114	2,150	2,150
64520	SB Juv. Diversion	-	-	-	-	-	-
65090	Lease Agreement	19,619	25,100	25,100	22,996	25,100	25,100
	<b>SUPPLIES AND SERVICES</b>	<b>47,541</b>	<b>52,961</b>	<b>55,761</b>	<b>47,554</b>	<b>53,226</b>	<b>53,578</b>
66605	Insurance Allocation	54,554	49,519	54,121	54,121	58,675	74,020
	<b>ALLOCATIONS</b>	<b>54,554</b>	<b>49,519</b>	<b>54,121</b>	<b>54,121</b>	<b>58,675</b>	<b>74,020</b>
	<b>TOTAL</b>	<b>165,411</b>	<b>122,880</b>	<b>130,282</b>	<b>122,125</b>	<b>135,601</b>	<b>168,398</b>
66601	Contingency Reserve	19,218	181,087	16,330	4,867	30,000	165,000
	<b>TOTAL NON-DEPARTMENTAL</b>	<b>184,629</b>	<b>303,967</b>	<b>146,612</b>	<b>126,992</b>	<b>165,601</b>	<b>333,398</b>
	<b>GENERAL FUND</b>	<b>178,251</b>	<b>297,227</b>	<b>139,872</b>	<b>120,252</b>	<b>158,861</b>	<b>326,321</b>
	<b>OTHER FUNDS</b>	<b>6,378</b>	<b>6,740</b>	<b>6,740</b>	<b>6,740</b>	<b>6,740</b>	<b>7,077</b>
	<b>TOTAL</b>	<b>184,629</b>	<b>303,967</b>	<b>146,612</b>	<b>126,992</b>	<b>165,601</b>	<b>333,398</b>

# POLICE

EXHIBIT I

## RESOURCES

Cost Category	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
SALARIES	3,914,354	3,927,253	4,035,402	3,788,850	3,944,421	3,965,720
BENEFITS	2,007,461	2,254,964	2,254,964	2,146,059	2,454,223	2,458,999
SUPPLIES & SERVICES	439,929	555,921	749,927	542,170	550,298	594,656
ALLOCATIONS	179,341	162,787	177,917	177,917	192,886	243,332
CAPITAL OUTLAY	1,460	-	-	-	-	-
<b>TOTAL</b>	<b>6,542,544</b>	<b>6,900,926</b>	<b>7,218,210</b>	<b>6,654,996</b>	<b>7,141,829</b>	<b>7,262,707</b>

Cost Category	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
SALARIES (01)	3,914,354	3,927,253	4,035,402	3,788,850	3,944,421	3,965,720
SALARIES (05)	-	-	-	-	-	-
<b>TOTAL SALARIES</b>	<b>3,914,354</b>	<b>3,927,253</b>	<b>4,035,402</b>	<b>3,788,850</b>	<b>3,944,421</b>	<b>3,965,720</b>
BENEFITS (01)	2,007,461	2,254,964	2,254,964	2,146,059	2,454,223	2,458,999
BENEFITS (05)	-	-	-	-	-	-
<b>TOTAL BENEFITS</b>	<b>2,007,461</b>	<b>2,254,964</b>	<b>2,254,964</b>	<b>2,146,059</b>	<b>2,454,223</b>	<b>2,458,999</b>
SUPPLIES & SERVICES (01)	436,539	551,221	563,221	478,201	545,598	501,779
SUPPLIES & SERVICES (05)	-	-	182,005	59,269	-	88,177
SUPPLIES & SERVICES (06)	(890)	-	-	-	-	-
SUPPLIES & SERVICES (07)	4,280	4,700	4,700	4,700	4,700	4,700
<b>TOTAL SUPPLIES &amp; SERVICES</b>	<b>439,929</b>	<b>555,921</b>	<b>749,927</b>	<b>542,170</b>	<b>550,298</b>	<b>594,656</b>
ALLOCATIONS (01)	179,341	162,787	177,917	177,917	192,886	243,332
CAPITAL OUTLAY (01)	1,460	-	-	-	-	-
CAPITAL OUTLAY (05)	-	-	-	-	-	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>1,460</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>6,542,544</b>	<b>6,900,926</b>	<b>7,218,210</b>	<b>6,654,996</b>	<b>7,141,829</b>	<b>7,262,707</b>

Fund	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
GENERAL	6,539,154	6,896,226	7,031,505	6,591,027	7,137,129	7,169,830
SLESF	-	-	182,005	59,269	-	88,177
SPECIAL PROJECTS	(890)	-	-	-	-	-
CORRECTIONS	4,280	4,700	4,700	4,700	4,700	4,700
<b>TOTAL</b>	<b>6,542,544</b>	<b>6,900,926</b>	<b>7,218,210</b>	<b>6,654,996</b>	<b>7,141,829</b>	<b>7,262,707</b>

# The Sharper Pencil



## POLICE

4000		ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items		2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
			2018/19	2018/19	2018/19	2019/20	2019/20
40005	Salaries	3,474,538	3,520,705	3,628,854	3,274,487	3,543,109	3,559,240
40008	Phone Allowance	120	-	-	-	-	-
40010	Temporary Salaries (Part-Time 'ees)	16,672	31,068	31,068	22,033	32,832	39,000
40020	Shooting Pay	5,480	5,480	5,480	5,520	5,480	5,480
40030	Acting Pay	(528)	-	-	-	-	-
41055	Regular Overtime	223,746	182,000	182,000	228,989	175,000	175,000
41056	Special Enforcement OT	14,887	16,500	16,500	10,000	16,500	16,500
41057	Sick Leave Replacement	95,352	95,000	95,000	181,084	95,000	95,000
41058	Training Overtime	48,388	35,000	35,000	35,000	35,000	35,000
41060	Outside Overtime (100% Reimb - Rev Acct)	(1,439)	2,000	2,000	992	2,000	1,000
41065	Call Back O/T	-	-	-	-	-	-
41070	Court Overtime	27,662	30,000	30,000	11,452	30,000	30,000
41059	Student & the Law	-	-	-	-	-	-
41090	Detective O/T Pay	8,929	9,500	9,500	19,293	9,500	9,500
41095	K-9 Pay	547	-	-	-	-	-
	<b>SALARIES</b>	<b>3,914,354</b>	<b>3,927,253</b>	<b>4,035,402</b>	<b>3,788,850</b>	<b>3,944,421</b>	<b>3,965,720</b>
50075	Uniform Allowance	28,943	27,225	27,225	26,400	27,225	27,225
50080	Retirement	1,042,572	1,182,916	1,182,916	1,139,718	1,350,720	1,365,225
50085	Workers' Compensation	319,298	386,898	386,898	386,898	382,371	401,045
50090	Health Insurance	534,470	586,972	586,972	523,333	622,896	594,493
50091	Disability Insurance	24,573	17,155	17,155	16,592	16,862	16,862
50094	Social Security	1,849	1,766	1,766	1,793	1,766	1,766
50095	Medicare	55,305	52,032	52,032	51,325	52,383	52,383
50097	Unemployment	450	-	-	-	-	-
	<b>BENEFITS</b>	<b>2,007,461</b>	<b>2,254,964</b>	<b>2,254,964</b>	<b>2,146,059</b>	<b>2,454,223</b>	<b>2,458,999</b>



# The Sharper Pencil



## POLICE

4000		ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items		2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
			2018/19	2018/19	2018/19	2019/20	2019/20
61105	Dues & Memberships	1,669	2,530	2,530	2,135	2,530	2,530
61110	Uniform Supplies	(36)	4,800	4,800	6,853	4,800	4,800
61120	Training	20,572	35,000	35,000	34,999	34,000	34,000
61125	Subscriptions	800	1,000	1,000	951	1,000	1,150
61130	Travel & Meetings	1,477	1,200	1,200	1,200	1,200	1,200
61135	Reserve Officer	1,238	2,050	2,050	1,998	2,050	2,050
61140	Prisoner Expenses	7,577	10,500	10,500	9,740	10,500	10,500
62215	Printing & Binding	2,608	3,800	3,800	3,200	3,800	3,800
62220	Photography	-	500	500	500	-	-
62255	Utilities	52,688	55,000	55,000	31,459	55,000	36,625
62260	Canine Maintenance + K9	-	-	-	-	-	-
62290	General Service	28,746	26,100	26,100	26,047	26,100	26,100
63000	Cleaning Supplies	722	800	800	744	800	800
63305	Auto Supplies	85,064	107,300	107,300	107,081	107,300	102,300
63310	Safety Equipment	2,983	3,500	15,500	1,757	3,500	3,500
63315	Computer Maintenance Contract	58,235	84,167	84,167	54,272	75,294	62,350
62292	PVE CARES	10,115	7,850	7,850	8,977	7,850	7,850
62293	Volunteer Program	1,366	1,550	1,550	1,495	1,550	1,550
62294	Community Support	6,937	9,000	9,000	6,926	9,000	9,000
63330	Radio Communications	-	-	-	-	-	-
63345	Comm. Services Officer Equip.	1,156	1,350	1,350	1,337	1,350	1,350
62244	Legal Services	-	-	-	-	-	-
64425	Professional Services	-	-	-	-	-	-
64430	Contractual Services	95,629	125,570	125,570	113,754	128,270	121,120
64475	Vaccinations	-	-	-	-	-	-
64500	Criminal Justice	18,773	18,500	18,500	15,803	18,500	18,500
64599	Hiring	6,295	8,100	8,100	15,084	8,100	9,600
64640	Animal Control	8,212	18,000	18,000	9,229	20,000	18,000
64641	Peafowl Management	5,006	5,250	5,250	5,258	5,250	5,250

# The Sharper Pencil



## POLICE

4000		ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items		2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
			2018/19	2018/19		2019/20	2019/20
64650	Jail & Correction (01)	873	-	-	-	-	-
65090	Copier Lease	8,514	8,000	8,000	8,000	8,000	8,000
64750	Discretionary (01)	-	-	-	-	-	-
65000	Emergency Preparedness	7,432	9,805	9,805	9,402	9,855	9,855
65005	Emerg Backpacks	1,890	-	-	-	-	-
	<b>SUPPLIES &amp; SERVICES</b>	<b>436,539</b>	<b>551,221</b>	<b>563,221</b>	<b>478,201</b>	<b>545,598</b>	<b>501,779</b>
66602	Equipment Repl. Allocation	-	-	-	-	-	-
66605	Insurance Allocation	179,341	162,787	177,917	177,917	192,886	243,332
	<b>ALLOCATIONS</b>	<b>179,341</b>	<b>162,787</b>	<b>177,917</b>	<b>177,917</b>	<b>192,886</b>	<b>243,332</b>
70723	Body Armour	1,460	-	-	-	-	-
	<b>CAPITAL OUTLAY</b>	<b>1,460</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>TOTAL POLICE - GENERAL FUND</b>	<b>6,539,154</b>	<b>6,896,226</b>	<b>7,031,505</b>	<b>6,591,027</b>	<b>7,137,129</b>	<b>7,169,830</b>

# The Sharper Pencil



## POLICE

4000		ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items		2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
			2018/19	2018/19	2018/19	2019/20	2019/20
40005	Salaries (05)	-	-	-	-	-	-
41055	Regular Overtime (05)	-	-	-	-	-	-
50075	Uniform Allowance (05)	-	-	-	-	-	-
50080	All benefits (05)	-	-	-	-	-	-
63310	Safety Equipment (05)	-	-	87,005	52,446	-	-
64425	Professional Services (05)	-	-	95,000	6,823	-	88,177
70720	Communication Equipment (05)	-	-	-	-	-	-
70730	Furniture Fixtures (05)	-	-	-	-	-	-
70750	Automotive (05)	-	-	-	-	-	-
70765	Weapons (05)	-	-	-	-	-	-
70766	Disaster Prep Supplies (05)	-	-	-	-	-	-
70770	Computer Equipment (05)	-	-	-	-	-	-
xxxxx	COPS Fund Expenditures (05)	-	-	-	-	-	-
63305	Auto Supplies (06)	(890)	-	-	-	-	-
64650	Jail & Correction (07)	4,280	4,700	4,700	4,700	4,700	4,700
<b>TOTAL POLICE - OTHER FUNDS</b>		<b>3,390</b>	<b>4,700</b>	<b>186,705</b>	<b>63,969</b>	<b>4,700</b>	<b>92,877</b>
<b>GENERAL FUND</b>		<b>6,539,154</b>	<b>6,896,226</b>	<b>7,031,505</b>	<b>6,591,027</b>	<b>7,137,129</b>	<b>7,169,830</b>
<b>SLESF FUND (05)</b>		<b>-</b>	<b>-</b>	<b>182,005</b>	<b>59,269</b>	<b>-</b>	<b>88,177</b>
<b>SPECIAL REVENUE FUND (06)</b>		<b>(890)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CORRECTIONS FUND (07)</b>		<b>4,280</b>	<b>4,700</b>	<b>4,700</b>	<b>4,700</b>	<b>4,700</b>	<b>4,700</b>
<b>TOTAL POLICE</b>		<b>6,542,544</b>	<b>6,900,926</b>	<b>7,218,210</b>	<b>6,654,996</b>	<b>7,141,829</b>	<b>7,262,707</b>

# The Sharper Pencil



## PARAMEDIC & FIRE SERVICES

4100	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items	2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
		2018/19	2018/19		2019/20	2019/20
62255	Utilities	-	-	-	-	-
64425	Professional Services	-	-	-	-	-
64430	Contractual Services (01)	-	5,121,957	5,121,957	5,132,693	5,275,615
64430	Contractual Services (22)	4,960,172	-	-	-	-
	<b>SUPPLIES &amp; SERVICES</b>	<b>4,960,172</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>5,275,615</b>
	<b>TOTAL FIRE</b>	<b>4,960,172</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>5,275,615</b>
	<b>GENERAL FUND</b>	-	5,121,957	5,121,957	5,132,693	5,275,615
	<b>OTHER FUNDS</b>	4,960,172	-	-	-	-
	<b>TOTAL</b>	<b>4,960,172</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>5,275,615</b>

\*As of FY 18-19 the Fire & Paramedic services expenditures are now recorded in the General Fund as a result of the loss of Measure D

# Building & Planning

## RESOURCES

Cost Category	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
	2017/18	BUDGET	BUDGET		PROPOSED	PROPOSED
		2018/19	2018/19	2018/19	2019/20	2019/20
SALARIES (01)	638,429	607,162	501,680	414,190	616,411	479,235
BENEFITS (01)	213,128	229,987	194,469	185,905	257,934	230,146
SUPPLIES AND SERVICES (01)	1,578,928	1,569,398	1,719,398	1,644,110	1,597,899	1,568,043
SUPPLIES AND SERVICES (06)	1,988	-	-	-	-	-
<b>SUPPLIES AND SERVICES TOTAL</b>	1,580,916	1,569,398	1,719,398	1,644,110	1,597,899	1,568,043
ALLOCATIONS (01)	173,929	157,876	172,550	172,550	187,066	235,990
<b>TOTAL</b>	<b>2,606,402</b>	<b>2,564,423</b>	<b>2,588,097</b>	<b>2,416,754</b>	<b>2,659,310</b>	<b>2,513,414</b>

# The Sharper Pencil



## BUILDING

4200		ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items		2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
			2018/19	2018/19		2019/20	2019/20
40005	Salaries	133,277	123,829	113,319	34,867	128,454	32,796
40007	Car Allowance	2,250	2,250	2,250	-	2,250	-
40008	Phone Allowance	360	360	360	-	360	-
40010	Temporary Salaries	-	-	-	-	-	-
41055	Regular Overtime	978	600	600	1,136	600	1,135
	<b>SALARIES</b>	<b>136,864</b>	<b>127,039</b>	<b>116,529</b>	<b>36,003</b>	<b>131,664</b>	<b>33,931</b>
50080	Retirement	20,406	18,730	18,815	11,454	23,241	15,307
50085	Workers' Compensation	359	435	435	435	430	451
50090	Health Insurance	17,411	18,005	18,005	11,379	18,906	9,595
50091	Disability Insur	557	595	595	194	617	158
50095	Medicare	1,905	1,833	1,833	516	1,900	476
50097	Unemployment	-	-	-	-	-	-
	<b>BENEFITS</b>	<b>40,638</b>	<b>39,599</b>	<b>39,684</b>	<b>23,978</b>	<b>45,094</b>	<b>25,987</b>
62215	Printing & Binding	1,346	500	500	-	1,500	1,500
62290	General Services	404	400	400	400	400	400
64423	Professional Services Fee Related	571,192	579,710	579,710	464,891	579,710	533,820
64425	Professional Services	-	-	-	-	-	-
64430	Contractual Svcs (Tech Enhance)	10,308	14,700	14,700	-	14,700	14,700
64530	Geotechnical & Geological	51,570	46,500	46,500	40,000	46,500	41,524
64660	Strong Motion	6,443	-	-	187	-	-
64665	Strong Motion /SB 1473	1,898	-	-	-	-	-
	<b>SUPPLIES &amp; SERVICES</b>	<b>643,162</b>	<b>641,810</b>	<b>641,810</b>	<b>505,478</b>	<b>642,810</b>	<b>591,944</b>
66605	Insurance Allocations	72,736	66,023	72,158	72,158	78,230	98,690
	<b>ALLOCATIONS</b>	<b>72,736</b>	<b>66,023</b>	<b>72,158</b>	<b>72,158</b>	<b>78,230</b>	<b>98,690</b>
	<b>TOTAL BUILDING</b>	<b>893,401</b>	<b>874,471</b>	<b>870,181</b>	<b>637,617</b>	<b>897,798</b>	<b>750,552</b>

# The Sharper Pencil



PLANNING							
4800		ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items		2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
			2018/19	2018/19		2019/20	2019/20
40005	Salaries	225,016	210,361	112,209	113,284	214,986	183,768
40007	Car Allowance	2,250	2,250	2,250	-	2,250	-
40008	Phone Allowance	360	360	360	-	360	-
41055	Regular Overtime	6,283	6,750	6,750	1,751	6,750	1,135
40045	Minutes	-	-	-	-	-	-
	<b>SALARIES</b>	<b>233,908</b>	<b>219,721</b>	<b>121,569</b>	<b>115,035</b>	<b>224,346</b>	<b>184,903</b>
50075	Uniform Allowance	-	-	-	-	-	-
50080	Retirement	21,729	33,533	15,485	23,775	41,624	37,849
50085	Workers' Compensation	718	870	870	870	860	902
50090	Health Insurance	30,852	32,634	14,932	18,546	34,898	28,785
50091	Disability Insurance	1,039	1,013	1,013	214	1,034	557
50094	Social Security	43	-	-	(0)	-	-
50095	Medicare	3,307	3,088	3,088	1,601	3,155	2,667
50097	Unemployment	10,012	-	-	1,010	-	-
	<b>BENEFITS</b>	<b>67,700</b>	<b>71,138</b>	<b>35,387</b>	<b>46,015</b>	<b>81,572</b>	<b>70,759</b>
61105	Dues and Membership	-	-	-	-	-	510
61120	Training	182	-	-	-	-	-
61130	Travel & Meeting	-	1,250	1,250	1,250	1,250	1,250
62291	Code Enforcement Supplies	-	-	-	214	-	500
62215	Printing & Binding	-	200	200	200	200	200
62245	Legal Publishing/Public Info	1,644	3,327	3,327	3,327	4,187	4,187
62225	Legal Publishing	7,428	8,266	8,266	7,827	8,266	8,266
62290	General Services	2,723	2,850	2,850	2,850	2,850	2,850
64423	Professional Services Fee Related	-	-	-	-	-	-
64425	Professional Services	53,503	-	150,000	205,388	-	-
64430	Contractual Services	8,527	4,000	4,000	4,000	4,000	24,000
	<b>SUPPLIES &amp; SERVICES</b>	<b>74,008</b>	<b>19,893</b>	<b>169,893</b>	<b>225,056</b>	<b>20,753</b>	<b>41,763</b>
66605	Insurance Allocation	66,670	60,517	66,142	66,142	71,706	90,459
66602	Equipment Allocation	-	-	-	-	-	-
	<b>ALLOCATIONS</b>	<b>66,670</b>	<b>60,517</b>	<b>66,142</b>	<b>66,142</b>	<b>71,706</b>	<b>90,459</b>
	<b>TOTAL PLANNING</b>	<b>442,286</b>	<b>371,269</b>	<b>392,992</b>	<b>452,248</b>	<b>398,377</b>	<b>387,884</b>

# The Sharper Pencil



<b>PARKLANDS</b>		<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>6000</b>		<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
<b>Line Items</b>			<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
40005	6000 Salaries	256,060	258,402	261,581	253,968	258,402	258,402
40010	6000 Temporary Salaries	9,302	-	-	-	-	-
40030	6000 Acting Pay	240	-	-	-	-	-
40045	6000 Minutes	-	-	-	-	-	-
41055	6000 Overtime	1,989	2,000	2,000	9,183	2,000	2,000
41065	6000 Call Back Overtime	64	-	-	-	-	-
	<b>SALARIES</b>	<b>267,656</b>	<b>260,402</b>	<b>263,581</b>	<b>263,151</b>	<b>260,402</b>	<b>260,402</b>
50075	6000 Uniform Allowance	750	750	750	375	750	750
50080	6000 Retirement	30,767	37,878	38,025	36,424	46,544	47,107
50085	6000 Workers' Compensation	16,509	20,004	20,004	20,004	19,770	20,736
50090	6000 Health Insurance	52,531	55,601	55,601	55,636	59,187	59,187
50091	6000 Disability	1,256	1,253	1,253	1,362	1,253	1,253
50094	6000 Social Security	740	-	-	-	-	-
50095	6000 Medicare	2,236	3,764	3,764	2,112	3,764	4,367
50097	6000 Unemployment	-	-	-	-	-	-
	<b>BENEFITS</b>	<b>104,790</b>	<b>119,250</b>	<b>119,397</b>	<b>115,912</b>	<b>131,268</b>	<b>133,400</b>
61110	6000 Uniform Supplies	467	250	250	250	250	250
61130	6000 Travel & Meetings /Training	84	500	500	23	500	500
62255	6000 Utilities	172,677	188,500	188,500	191,031	193,500	193,500
62290	6000 General Services	168	-	-	-	-	-
63305	6000 Auto Supplies	-	-	-	-	-	-
63330	6000 Radio Communications	-	-	-	-	-	-
63353	6000 Annual Landscape Mt. (06)	1,988	-	-	-	-	-
64415	6000 Parklands Supplies/Maintenance	21,327	21,000	21,000	55,587	21,000	21,000
64425	6000 Professional Services	-	-	-	-	-	-
64435	6000 Weed Abatement	203,078	205,000	205,000	205,000	210,000	210,000
64436	6000 Parklands Maint Cont.	151,232	185,000	185,000	185,000	192,000	192,000
64440	6000 Tree Maintenance Contract	282,180	275,445	275,445	275,445	285,086	285,086
64444	6000 Tree Bank Expense	30,546	32,000	32,000	1,240	32,000	32,000
	<b>SUPPLIES &amp; SERVICES</b>	<b>863,746</b>	<b>907,695</b>	<b>907,695</b>	<b>913,576</b>	<b>934,336</b>	<b>934,336</b>
66602	6000 Equipment Repl. Allocation	-	-	-	-	-	-
66605	6000 Insurance Allocation	34,523	31,336	34,250	34,250	37,130	46,841
	<b>ALLOCATIONS</b>	<b>34,523</b>	<b>31,336</b>	<b>34,250</b>	<b>34,250</b>	<b>37,130</b>	<b>46,841</b>
	<b>TOTAL PARKLANDS</b>	<b>1,270,715</b>	<b>1,318,683</b>	<b>1,324,923</b>	<b>1,326,889</b>	<b>1,363,136</b>	<b>1,374,978</b>
	<b>GENERAL FUND</b>	<b>1,268,727</b>	<b>1,318,683</b>	<b>1,324,923</b>	<b>1,326,889</b>	<b>1,363,136</b>	<b>1,374,978</b>
	<b>OTHER FUNDS</b>	<b>1,988</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>TOTAL</b>	<b>1,270,715</b>	<b>1,318,683</b>	<b>1,324,923</b>	<b>1,326,889</b>	<b>1,363,136</b>	<b>1,374,978</b>



# PUBLIC WORKS

## RESOURCES

Cost Category	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
	2017/18	BUDGET 2018/19	BUDGET 2018/19	2018/19	PROPOSED 2019/20	PROPOSED 2019/20
SALARIES (01)	224,200	255,243	257,627	235,157	255,243	288,828
SALARIES (02)	170,137	164,635	167,030	177,527	164,635	168,914
SALARIES (62)	-	-	-	5,982	-	6,361
<b>TOTAL SALARIES</b>	<b>394,338</b>	<b>419,877</b>	<b>424,656</b>	<b>418,666</b>	<b>419,877</b>	<b>464,103</b>
BENEFITS (01)	60,731	66,969	67,092	65,099	74,258	75,837
BENEFITS (02)	81,383	92,947	93,041	95,454	101,957	103,299
BENEFITS (62)	-	-	-	1,249	-	1,369
<b>TOTAL BENEFITS</b>	<b>142,115</b>	<b>159,916</b>	<b>160,133</b>	<b>161,802</b>	<b>176,215</b>	<b>180,506</b>
SUPPLIES AND SERVICES (01)	601,104	806,294	942,894	914,106	853,126	741,470
SUPPLIES AND SERVICES (02)	61,729	48,625	48,625	45,625	49,390	46,750
SUPPLIES AND SERVICES (06)	20,957	34,000	146,500	82,543	34,000	97,620
SUPPLIES AND SERVICES (21)	-	-	-	-	-	162,400
<b>TOTAL SUPPLIES AND SERVICES</b>	<b>683,790</b>	<b>888,919</b>	<b>1,138,019</b>	<b>1,042,274</b>	<b>936,516</b>	<b>1,048,240</b>
ALLOCATIONS (01)	170,626	154,877	169,273	169,273	183,514	231,508
<b>TOTAL ALLOCATIONS</b>	<b>170,626</b>	<b>154,877</b>	<b>169,273</b>	<b>169,273</b>	<b>183,514</b>	<b>231,508</b>
<b>TOTAL</b>	<b>1,390,869</b>	<b>1,623,590</b>	<b>1,892,082</b>	<b>1,792,015</b>	<b>1,716,123</b>	<b>1,924,357</b>

TOTAL BY FUND	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
	2017/18	BUDGET 2018/19	BUDGET 2018/19	2018/19	PLANNED 2019/20	PROPOSED 2019/20
GENERAL	1,056,662	1,283,383	1,436,886	1,383,635	1,366,141	1,337,643
GAS TAX	313,249	306,207	308,696	318,606	315,982	318,963
SEWER	-	-	-	7,230	-	7,730
SPECIAL PROJECTS	20,957	34,000	146,500	82,543	34,000	97,620
MEASURE W	-	-	-	-	-	162,400
<b>TOTAL</b>	<b>1,390,869</b>	<b>1,623,590</b>	<b>1,892,082</b>	<b>1,792,015</b>	<b>1,716,123</b>	<b>1,924,357</b>

# The Sharper Pencil



## CITY PROPERTIES

3080		ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items		2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
			2018/19	2018/19		2019/20	2019/20
62255	Utilities City	66,456	84,004	84,004	84,004	87,470	87,470
63325	Building Supplies	29,516	54,080	54,080	38,080	30,984	46,984
64425	Professional Services	-	-	-	-	-	-
64430	Contractual Services	39,758	32,809	132,809	136,765	32,921	57,921
<b>SUPPLIES AND SERVICES</b>		<b>135,729</b>	<b>170,894</b>	<b>270,893</b>	<b>258,849</b>	<b>151,375</b>	<b>192,375</b>
66602	Equipment Repl. Allocation	-	-	-	-	-	-
66605	Insurance Allocation	39,119	35,509	38,809	38,809	42,074	53,078
<b>ALLOCATIONS</b>		<b>39,119</b>	<b>35,509</b>	<b>38,809</b>	<b>38,809</b>	<b>42,074</b>	<b>53,078</b>
<b>TOTAL CITY PROPERTIES</b>		<b>174,849</b>	<b>206,403</b>	<b>309,702</b>	<b>297,658</b>	<b>193,449</b>	<b>245,453</b>

# The Sharper Pencil



EXHIBIT I

<b>PUBLIC WORKS ADMINISTRATION</b>						
<b>5000</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>	<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
		<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
40005 Salaries	211,813	208,153	210,537	221,482	208,153	222,770
40005 Salaries (62)	-	-	-	3,695	-	4,030
40007 Car Allowance	4,500	4,388	4,388	4,388	4,388	4,388
40007 Car Allowance (62)	-	-	-	113	-	113
40008 Phone Allowance	720	702	702	702	702	702
40008 Phone Allowance (62)	-	-	-	18	-	18
40045 Minutes	-	-	-	-	-	-
40006 Housing Allowance	-	-	-	-	-	-
41055 Regular Overtime	47	-	-	-	-	-
<b>SALARIES</b>	<b>217,079</b>	<b>213,243</b>	<b>215,627</b>	<b>230,398</b>	<b>213,243</b>	<b>232,021</b>
50080 Retirement	21,769	26,975	27,098	28,019	32,490	33,492
50080 Retirement (62)	-	-	-	303	-	276
50085 Workers' Compensation	287	348	348	348	344	361
50090 Health Insurance	34,594	35,561	35,561	32,364	37,339	37,900
50090 Health Insurance (62)	-	-	-	450	-	480
50091 Disability Insurance	1,089	1,000	1,000	1,155	1,000	1,000
50091 Disability Insurance (62)	-	-	-	18	-	18
50094 Social Security	-	-	-	-	-	-
50095 Medicare	2,991	3,085	3,085	3,213	3,085	3,085
50095 Medicare (62)	-	-	-	55	-	60
<b>BENEFITS</b>	<b>60,731</b>	<b>66,969</b>	<b>67,092</b>	<b>65,925</b>	<b>74,258</b>	<b>76,671</b>
70800 Refuse Containers (06)	-	-	-	-	-	-
61105 Dues and Memberships	449	490	490	245	740	740
61120 Training	-	2,500	2,500	-	2,600	2,600
61130 Travel/Meetings	127	3,610	3,610	-	3,710	3,710
62225 Public Information	-	2,440	2,440	1,835	2,440	2,440
62245 Legal Publications	-	-	-	-	-	-
62290 General Services	1,338	1,950	1,950	1,950	1,975	1,975
63322 NPDES-MOU City Contribution	79,945	97,970	97,970	98,938	99,318	42,418
63322 NPDES-MOU City Contribution (21)	-	-	-	-	-	56,900
64425 Profes Servs	269,529	290,020	302,520	284,319	296,030	296,030
64425 Profes Servs (06)	-	-	112,500	48,880	-	63,620
64429 Prof Servs. NPDES	53,578	80,500	80,500	80,500	82,500	82,500
64430 Contractual Services GIS	17,000	35,706	59,806	59,806	28,706	36,000
64428 Recycling AB969 (06)	20,957	29,000	29,000	29,000	29,000	29,000
XXXXX Recycle Containers (06)	-	5,000	5,000	4,663	5,000	5,000
<b>SUPPLIES &amp; SERVICES</b>	<b>442,923</b>	<b>549,186</b>	<b>698,286</b>	<b>610,136</b>	<b>552,019</b>	<b>622,933</b>
66605 Insurance Allocation	96,984	88,032	96,214	96,214	104,310	131,590
<b>ALLOCATIONS</b>	<b>96,984</b>	<b>88,032</b>	<b>96,214</b>	<b>96,214</b>	<b>104,310</b>	<b>131,590</b>
<b>TOTAL PUBLIC WORKS ADMIN.</b>	<b>817,718</b>	<b>917,429</b>	<b>1,077,219</b>	<b>1,002,673</b>	<b>943,830</b>	<b>1,063,215</b>
<b>GENERAL FUND</b>	<b>796,761</b>	<b>883,429</b>	<b>930,719</b>	<b>915,478</b>	<b>909,830</b>	<b>903,700</b>
<b>OTHER FUNDS</b>	<b>20,957</b>	<b>34,000</b>	<b>146,500</b>	<b>87,195</b>	<b>34,000</b>	<b>159,515</b>
<b>TOTAL</b>	<b>817,718</b>	<b>917,429</b>	<b>1,077,219</b>	<b>1,002,673</b>	<b>943,830</b>	<b>1,063,215</b>

# The Sharper Pencil



EXHIBIT I

<b>STREETS</b>						
<b>5100</b>		<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>		<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>PROJECTED</b>	<b>PROPOSED</b>
			<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>
40005	01-5100-40005					
	Salaries	-	-	-	-	-
40005	02-5100-40005	169,798	164,635	167,030	170,895	168,914
40005	62-5100-40005				2,156	2,199
	Salaries (62)	-	-	-	-	-
40007	02-5100-40007					
	Temporary Salaries (02)	-	-	-	-	-
40008	02-5100-40008					
	Phone Allowance (02)	-	-	-	-	-
40010	01-5100-40010		25,000	25,000	4,032	43,968
	Temporary Salaries	-	-	-	-	-
40030	02-5100-40030	240	-	-	-	-
	Acting Pay (02)	-	-	-	-	-
41055	01-5100-41055				259	
	Regular Overtime	-	-	-	-	-
41055	02-5100-41055	220	-	-	2,191	-
	Regular Overtime (02)	-	-	-	-	-
41065	01-5100-41065	7,121	17,000	17,000	4,294	17,000
	Call Back Overtime	-	-	-	-	-
41065	02-5100-41065	(121)	-	-	4,441	-
	Call Back Overtime (02)	-	-	-	-	-
41066	01-5100-41066					
	Special Event Overtime	-	-	-	-	-
	<b>SALARIES</b>	<b>177,258</b>	<b>206,635</b>	<b>209,030</b>	<b>188,268</b>	<b>232,082</b>
50075	01-5100-50075					
	Uniform Allowance	-	-	-	-	-
50075	02-5100-50075	750	750	750	750	750
	Uniform Allowance (02)	-	-	-	-	-
50080	01-5100-50080					
	Retirement	-	-	-	-	-
50080	02-5100-50080	23,846	28,608	28,702	30,732	35,252
	Retirement (02)	-	-	-	-	-
50080	62-5100-50080				163	225
	Retirement (62)	-	-	-	-	-
50085	01-5100-50085					
	Workers' Compensation	-	-	-	-	-
50085	02-5100-50085	16,222	19,656	19,656	19,656	20,375
	Workers' Compensation (02)	-	-	-	-	-
50090	01-5100-50090					
	Health Insurance	-	-	-	-	-
50090	02-5100-50090	38,998	40,733	40,733	42,559	43,636
	Health Insurance (02)	-	-	-	-	-
50090	62-5100-50090				249	270
	Health Insurance (62)	-	-	-	-	-
50091	01-5100-50091					
	Disability Insurance	-	-	-	-	-
50091	02-5100-50091	740	796	796	858	820
	Disability Insurance (02)	-	-	-	-	-
50091	62-5100-50091				10	10
	Disability Insurance (62)	-	-	-	-	-
50094	02-5100-50094					
	Social Security (02)	-	-	-	-	-
50095	02-5100-50095	827	2,405	2,405	899	2,465
	Medicare (02)	-	-	-	-	-
50095	62-5100-50095					31
	Medicare (62)	-	-	-	-	-
50097	01-5100-50097					
	Unemployment Insurance	-	-	-	-	-
	<b>BENEFITS</b>	<b>81,383</b>	<b>92,947</b>	<b>93,041</b>	<b>95,877</b>	<b>103,834</b>
61110	01-5100-61110	7,416	7,500	7,500	7,500	7,500
	Uniform Supply	-	-	-	-	-
61130	01-5100-61130	32	500	500	500	500
	Travel & Meetings	-	-	-	-	-
62255	01-5100-62255	1,276	1,340	1,340	1,340	1,407
	Utilities	-	-	-	-	-
62290	01-5100-62290	397	750	750	750	750
	General Services	-	-	-	-	-
63305	01-5100-63305	23,842	23,625	23,625	27,820	23,625
	Auto Supplies	-	-	-	-	-
63310	01-5100-63310	553	3,000	3,000	3,000	3,200
	Safety Equipment	-	-	-	-	-
63330	01-5100-63330	7,529	8,500	8,500	11,754	8,700
	Radio Communication	-	-	-	-	-
63350	02-5100-63350	5,418	20,000	20,000	20,000	20,500
	Street Maintenance (02)	-	-	-	-	-
63360	01-5100-63360		30,000	30,000	30,000	30,000
	Street & Traffic Signs	-	-	-	-	-
63360	02-5100-63360	6,317	-	-	-	-
	Street & Traffic Signs (02)	-	-	-	-	-
64425	01-5100-64425					
	Professional Services	-	-	-	-	-
64425	02-5100-64425		3,000	3,000	-	2,640
	Professional Services (02)	-	-	-	-	-
64430	01-5100-64430		2,000	2,000	2,000	2,000
	Contractual Service	-	-	-	-	-
64432	02-5100-64432	25,000	25,625	25,625	25,625	26,250
	Street Striping (02)	-	-	-	-	-
64433	01-5100-64433		40,000	40,000	40,000	105,500
	Storm Drain Cleaning	-	-	-	-	-
64433	21-5100-64433					105,500
	Storm Drain Cleaning (21)	-	-	-	-	-
64433	02-5100-64433	24,994	-	-	-	-
	Storm Drain Cleaning (02)	-	-	-	-	-
64434	01-5100-64434					
	Street Sweeping	-	-	-	-	-
64460	01-5100-64460	2,363	3,000	3,000	3,000	3,000
	Equipment Rental	-	-	-	-	-
	<b>SUPPLIES &amp; SERVICES</b>	<b>105,138</b>	<b>168,840</b>	<b>168,840</b>	<b>173,289</b>	<b>233,122</b>
66602	01-5100-66602					
	Equipment Repl. Allocation	-	-	-	-	-
66605	01-5100-66605	34,523	31,336	34,250	34,250	37,130
	Insurance Allocations	-	-	-	-	-
	<b>ALLOCATIONS</b>	<b>34,523</b>	<b>31,336</b>	<b>34,250</b>	<b>34,250</b>	<b>46,841</b>
	<b>TOTAL STREETS</b>	<b>398,302</b>	<b>499,758</b>	<b>505,161</b>	<b>491,683</b>	<b>578,844</b>
	<b>GENERAL FUND</b>	<b>85,053</b>	<b>193,551</b>	<b>196,465</b>	<b>170,499</b>	<b>188,491</b>
	<b>OTHER FUNDS</b>	<b>313,249</b>	<b>306,207</b>	<b>308,696</b>	<b>321,184</b>	<b>427,198</b>
	<b>TOTAL</b>	<b>398,302</b>	<b>499,758</b>	<b>505,161</b>	<b>491,683</b>	<b>615,689</b>



**City of Palos Verdes Estates**  
**Approved Biennial Budget FY 2018-2020**  
**Summary of Projected 2018-2019 Comparison to Adjust Budget**  
**Fiscal Year 2018-2019**

GENERAL FUND EXPENDITURES	Significant Variances	FY18-19
ADMINISTRATION		68,819
	City Manager Separation Agreement	124,000
	City Manager - Budget Communication Consultant	(24,000)
	City Manager - Professional Services	(17,520)
	Non-Dept - Contingency Reserve-Unused	(19,670)
FINANCE		(29,841)
POLICE	Majority - MOU & Eliminated Positions & Personnel related	(440,477)
FIRE		10,736
PLANNING & BUILDING		(171,343)
	MOU & Eliminated Positions & Re-Organization	(41,824)
	Building - Contractual Services - carryover to 19-20	(14,700)
	Building - Professional Services	(114,819)
PUBLIC WORKS		(53,251)
	PW - MOU changes	14,771
	PW - Professional Services	(18,201)
	Streets - Seasonal Workers unused	(20,968)
	Streets - Call-Back OT reduced	(12,706)
	City Properties - Building Supplies	(16,000)
<b>TOTAL</b>		<b>(615,357)</b>



**City of Palos Verdes Estates**  
**Approved Biennial Budget FY 2018-2020**  
**Summary of 2019-2020 Budget Appropriations**  
**Fiscal Year 2019-2020**

GENERAL FUND REVENUES		19-20 PROPOSED	OTHER FUND - REVENUES		19-20 PROPOSED
PROPERTY TAX		0	FUND 02 - GAS TAX	Resetting of Section 2103 gas tax	55,791
COMMUNITY DEVELOPMENT		(21,475)	FUND 21 - MEASURE W	New for FY 2019-20	260,000
INTEREST INCOME		105,500	FUND 23 - PVE LAW ENFORCEMENT		0
CONCESSIONS AND RENT - suspension of Stable Concession		(37,400)	FUND 25 - MEASURE M		(1,201)
TRANSFERS IN		0	FUND 31 - PARKLANDS		0
<b>TOTAL</b>		<b>46,625</b>	FUND 60 - EQP REPL		0
			FUND 62 - SEWER		0
			FUND 65 - INSURANCE	Dept Allocations - Increase in rates for FY 2019-20	194,027
GENERAL FUND EXPENDITURES		19-20 PROPOSED	OTHER FUND - EXPENDITURES		19-20 PROPOSED
ADMINISTRATION		72,617	FUND 02 - GAS TAX		2,981
MOU salary & benefit changes, CM Separation Agreement	21,709		FUND 05 - SLESF	Police Dept - disaster preparedness consultant	88,177
Costs Associated Temporary Personnel	8,406		FUND 06 - SPECIAL REV	Special Grant project	63,620
Retiree Health Stipend	16,500		FUND 07 - CORRECTIONS		0
Supplies and Services changes	5,515		FUND 21 - MEASURE W	New for FY 2019-20 - storm water repair & maintenance	162,400
JPIA Insurance Allocation Increase	20,487		FUND 26 - PROP A		337
NON-DEPARTMENTAL - CONTINGENCY RESERVE	135,000	135,000	FUND 30 - CIP	See - CIP attachment	3,634,804
FINANCE		52,285	FUND 31 - PARKLANDS		0
Part-Time Budget Analyst	35,150		FUND 60 - EQP REPL	Carryover - IT related	50,160
MOU salary & benefit changes & other personnel changes	1,452			Carryover - City Hall Needs Assessment	75,000
Savings in Merchant Services	(12,000)			Streets - Vehicle Repl.- Chevy Silverado	60,000
GovInvest Software	9,000			PD - adjusted vehicle purchase/replacement	(32,000)
Finance Plus Upgrade 5.2 - carryover	10,000		FUND 62 - SEWER	CIP and Dept Expenditures	366,961
Supplies and Services Changes	3,495		FUND 65 - INSURANCE	Increase in costs for FY 2019-20	194,027
JPIA Insurance Allocation Increase	5,188				
POLICE		32,701			
Salary & Benefit Impact of MOU & Eliminated positions	(102,601)				
Holiday Payout	110,000				
Worker's Compensation Ins Increase	18,674				
Supplies and Services Changes	(43,819)				
JPIA Insurance Allocation Increase	50,446				
FIRE		275,365			
Change in Contract Rates					
PLANNING & BUILDING & PUBLIC WORKS		(174,394)			
Multiple Depts	Salary & Benefit - Position Elimination, Re-Org & MOU Impact	(148,769)			
City Properties	Stable - Capital Expenditure Payment	25,000			
Planning	CEQA Review Services	20,000			
Streets	Seasonal Workers - schedule adjusted	18,968			
City Properties	City Hall Sewer Lateral Report - carryover	13,500			
City Properties	PD Trailer Office Roof mount - delayed	2,500			
PW & Streets	Measure W funding to offset storm drain exp	(162,400)			
PW	Reduced Geotechnical expend based on rev	(4,976)			
Building	HR Green contract calculations adjusted	(45,980)			
Multiple Depts	Misc Supplies and Services Changes	10,844			
Multiple Depts	JPIA Insurance Allocation Increase	96,919			
<b>TOTAL</b>		<b>393,574</b>			

CITY OF PALOS VERDES ESTATES
MONTHLY ROLL-FORWARD - BUDGETED
GENERAL FUND (FUND 01)/ LAW ENFORCEMENT FUND (FUND 23)
BUDGET YEAR 2019-20

Main budget table with columns for months (July to June) and FY Totals. Rows include REVENUES (RECEIPTS) such as Property Tax, Parcel Tax, and Sales Tax; EXPENDITURES (DISBURSEMENTS) such as City Manager, Police Services, and Fire Services; Total Revenues; Total Expenditures; and Net Revenues over Expenditures.

REVENUES (RECEIPTS) RECAP
GENERAL FUND \$14,900,041
PVE LAW ENFORCEMENT FUND \$4,973,000
TOTAL REVENUES \$19,873,041

EXPENDITURES (DISBURSEMENTS) RECAP
GENERAL FUND \$18,824,246
TOTAL DISBURSEMENTS(EXPENDTRS) \$18,824,246

YEAR TO DATE RECAP
Beginning General Fund Balance \$12,305,545.00
Plus: Revenues (Receipts) - General Fund \$14,900,041.00
Less: Expenditures (Disbursements) - General Fund \$18,824,246.00
Net Revenues over Expenditures - General Fund (\$3,924,205.00)
Plus: Revenues (Receipts) - PVE Law Enforcement Fd \$4,973,000.00
Net Revenues over Expenditures - Both Funds \$1,048,795.00
Ending Balance \$13,354,340.00

Notes: The above presentation is a monthly roll-forward of the General Fund Balance, including the PVE Law Enforcement Fund before transfers in/out. These numbers are based on the annual Adopted Budget included in the staff report presented to council on June 25, 2019

Methodology used to calculate monthly - Property Tax, In Lieu (VLF) and Parcel Tax - Annual Adopted Budgeted amount split % based on prior year actuals %s
All other revenue line items - Annual Adopted Budgeted amount divided by 12
Expenditures - CalPERS UAL & JPIA Insurance payments Removed from departmental expenditures and presented as one line item as paid in July
Remaining Department Expenditures - Annual Adopted Budgeted amount divided by 12

CITY OF PALOS VERDES ESTATES  
CITY HALL ORGANIZATIONAL CHART

Administration			
1 City Manager *		FT	Vacant
1 City Clerk/Executive Assistant to City Mgr	City Clerk	FT	Filled
0.5 Senior Receptionist	City Clerk	PT	Filled
1 Assistant to the City Manager	Mgmt Support	FT	Filled
<b>3.5 Total</b>			

3.5  
1  
2.5

Community Development/Public Works		
1 Director	FT	Filled
1 Planning Manager	FT	Filled
0.5 Planner	PT	Filled
0.5 Code Enforcement Officer	PT	Filled
1 Permit Technician	FT	Filled
1 Permit Technician	FT	Filled
1 Urban Forester	FT	Filled
1 Maintenance Foreman	FT	Filled
1 Maintenance Worker	FT	Filled
1 Maintenance Worker	FT	Filled
1 Maintenance Worker	FT	Filled
1 Maintenance Worker	FT	Filled
0.5 Seasonal Streets & Parks Worker	PT	Filled
0.5 Seasonal Streets & Parks Worker	PT	Vacant
0.5 Seasonal Streets & Parks Worker	PT	Vacant
0.5 Seasonal Streets & Parks Worker	PT	Vacant
<b>13 Total</b>		

13  
1.5  
11.50

Finance		
1 Director	FT	Filled
1 Senior Accountant	FT	Filled
1 Financial Services Technician	FT	Filled
1 Financial Services Technician	FT	Filled
0.5 Administrative Analyst-Budget	PT	Filled
<b>4.5 Total</b>		

Budgeted  
Vacant  
Filled

Police Department		
1 Chief	FT	Filled
1 Captain	FT	Filled
1 Captain	FT	Filled
1 Sergeant	FT	Filled
1 Sergeant	FT	Filled
1 Sergeant	FT	Filled
1 Sergeant	FT	Filled
1 Sergeant	FT	Filled
1 Corporal	FT	Filled
1 Corporal	FT	Filled
1 Corporal	FT	Filled
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1 Police Officer	FT	Filled
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1 Police Officer	FT	Filled
1 Police Officer	FT	Filled
1 Police Officer	FT	Filled
1 Police Officer	FT	Filled
1 Police Officer	FT	Filled
1 Police Officer*	FT	Vacant
1 Police Officer*	FT	Vacant
1 Lead Services Officer	FT	Filled
1 Services Officer	FT	Filled
1 Services Officer	FT	Filled
1 Services Officer	FT	Filled
1 Services Officer	FT	Filled
1 Services Officer	FT	Filled
1 Services Officer	FT	Filled
1 Services Officer	FT	Filled
1 Services Officer	FT	Filled
1 Traffic Control Officer*	FT	Vacant
1 Custodian of Records/Executive Assistant to the Chief of Police	FT	Filled
1 Community Relations Officer	FT	Filled
0.5 Volunteer Coordinator	FT	Filled
0.5 Police Services Aide	FT	Filled
0.5 Police Services Aide	FT	Filled
<b>35.5 Total</b>		

35.5  
3  
32.5

\*Hiring in progress - status:background checks



# 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>



## **GOVERNMENTAL FUNDS**

*Are typically used to account for tax-supported (governmental) activities. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources.*

### **GENERAL FUND (01)**

The General fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund.

### **SPECIAL REVENUE FUNDS:**

*Are used to account for proceeds of specific sources (other than for major capital projects) that are legally restricted for specific purposes. The following funds are considered Special Revenue Funds:*

**State Gas Tax Fund (02):** Accounts for a share of revenues derived from the State Highway Users' Tax under Sections 2103, 2105, 2106, 2107, and 2107.5. The revenue is derived from a share of the gasoline taxes and is restricted to be used for the construction and maintenance of the road network system of the City.

**Drug Intervention Fund (03):** Accounts for receipt and disbursement of narcotic forfeitures received from the County, State, and Federal agencies pursuant to Section 11470 of State Health & Safety Code and Federal Statute 21USC Section 881.

**SLESF (COPS) Fund (05):** Account for receipt and disbursement of funds received under the State Citizens' Option for Public Safety (COPS) program allocated pursuant to Government Code Section 30061 enacted by AB 3229, Chapter 134 of the 1996 Statutes. This fund, also known as the Supplemental Law Enforcement Services Fund (SLESF), is allocated based on population and can only be spent for "front line municipal police services" such as local crime prevention and community-oriented policing, per Government Code Section 30061 (c)(2).

**Special Projects Fund (06):** Account for revenue for grants or disbursements from Federal, State, County, and special agencies and districts, including but not limited to monies received from Transportation Development Act Article 3, AB 2766, AB 939, CalRecycle Rubberized Pavement and Container Grants, STP-L Fund Exchange.

**Corrections Fund (07):** Account for revenue received from the State Department of Corrections.

**RMRA Fund (08):** Account for receipt of funds received from the State Controller's Road Maintenance and Rehabilitation Account (RMRA). RMRA funds can be used for basic road maintenance, rehabilitation, and critical safety projects on the local streets and road system. The City currently uses these funds for certain capital projects such as street rehabilitation.

**Measure W Fund (21):** New for FY 2019-20 – Account for a share of revenues received under The Safe, Clean Water Program (Measure W) that was passed in November 2018. 40% of funds will be allocated directly to municipalities. This will provide funding to increase the local water supply, improve water quality and protect public health from the special tax of 2.5 cents per square foot of impermeable surface area on private property within the LA County Flood Control District. The City is estimated to receive \$260,000 in FY 2019-20 from Measure W funds that can be used towards storm drain cleaning and repairs.

**Special Fire Parcel Tax Special Revenue Fund (22):** Account for funds received from a voter approved direct assessment levied by the City for the purpose of funding contract fire suppression services through Los Angeles County. This assessment sunset after FY 16-17 and is no longer funded.

**Measure M Fund (25):** Account for a share of the revenues received under Measure M, a portion of a ½ cent sales tax levied in Los Angeles County in November 2016 to provide transportation related projects and programs. These are restricted funds. Eligible projects include street and road repair and maintenance, green streets, complete streets, storm drains, traffic control measures, bicycle and pedestrian transportation improvements, transit services and vehicles, transportation marketing, and transportation demand management. The City currently uses Measure M Funds for certain capital projects or transportation projects such as street rehabilitation and reconstruction.

**Prop “C” Transportation Fund (26):** Account for a share of the revenues received under Proposition C, a portion of a ½ cent of sales tax levied in Los Angeles County in November 1990 to provide transportation-related programs and projects. These are restricted funds, eligible to be used to improve transit services and operations; reduce traffic congestion; improve air quality; operate and improve the condition of the streets and freeways utilized by public transit; and reduce foreign oil dependence. The City currently uses these funds for certain capital projects or transportation projects such as street rehabilitation and reconstruction on fixed transit routes.

**Measure R Fund (27):** Account for a share of the revenues received under Measure R, a portion of a ½ cent sales tax levied in Los Angeles County in November 2008 to provide for transportation related projects and programs. Revenues are funneled to the City through the Los Angeles County Metropolitan Transportation Authority. These are restricted funds. Eligible projects include street and road repair, traffic signal improvements, bicycle and pedestrian transportation improvements, transit services and vehicles, transportation marketing, and transportation demand management. The City currently uses Measure R Funds for certain capital projects or transportation projects such as street rehabilitation and reconstruction.

**Prop “A” Transportation Fund (28):** Account for a share of the revenues received under Proposition A, a portion of a ½ cent of sales tax levied in Los Angeles County in November 1980 to provide transportation-related programs and projects. These are restricted funds, eligible to be used for transit and bus stop improvements and maintenance only. The City uses these funds to pay the City’s annual funding obligation to Palos Verdes Peninsula Transit Authority (PVPTA) as a member of the Palos Verdes Peninsula Joint Powers Authority. Unused accumulated balance is sold to the PVPTA or other cities in exchange for non-restricted General Fund dollars.

**Parklands (31):** Account for the improvements to/in the City’s parklands. The primary source of

general capital funds is an annual transfer of General Fund Operating surplus. The actual amount of the transfer, if any, is determined each year by the City Council after review of the annual audit report.

**PVE Law Enforcement Fund (23):** Account for funds received from a voter approved (by Measure E in April 2018) direct assessment levied by the City for the purpose of funding the Palos Verdes Estates Police Department. This levy will be for fiscal years 2018-19 through 2026-27.

### **CAPITAL PROJECTS FUNDS:**

*Account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The following is considered Capital Projects Fund:*

**Capital Improvement Fund (30):** Account for the construction of capital facilities typically financed by the City's General Fund, transfers from Special Revenue Funds, and any grant not accounted for in a special revenue fund. The primary source of general capital funds is an annual transfer of General Fund Operating surplus. The actual amount of the transfer, if any, is determined each year by the City Council after review of the annual audit report. Capital projects typically improve City-owned assets such as buildings, parks, streets, and other infrastructure components.

**Sewer Fund (62):** Account for accumulated fund balance and expenses for the City's wastewater collection system, including replacement and maintenance of sewer facilities. As authorization for the property-owner approved sewer user fee expired in FY 12/13, these operations will become General Fund dependent once available resources are used towards capital and maintenance as outlined in prospective budget plans.

### **PROPRIETARY FUNDS**

*Proprietary funds are used to account for a government's "business" type activities. Enterprise Funds and Internal Service Funds are considered proprietary funds. The City of Palos Verdes Estates does not currently have any enterprise funds.*

### **INTERNAL SERVICE FUNDS**

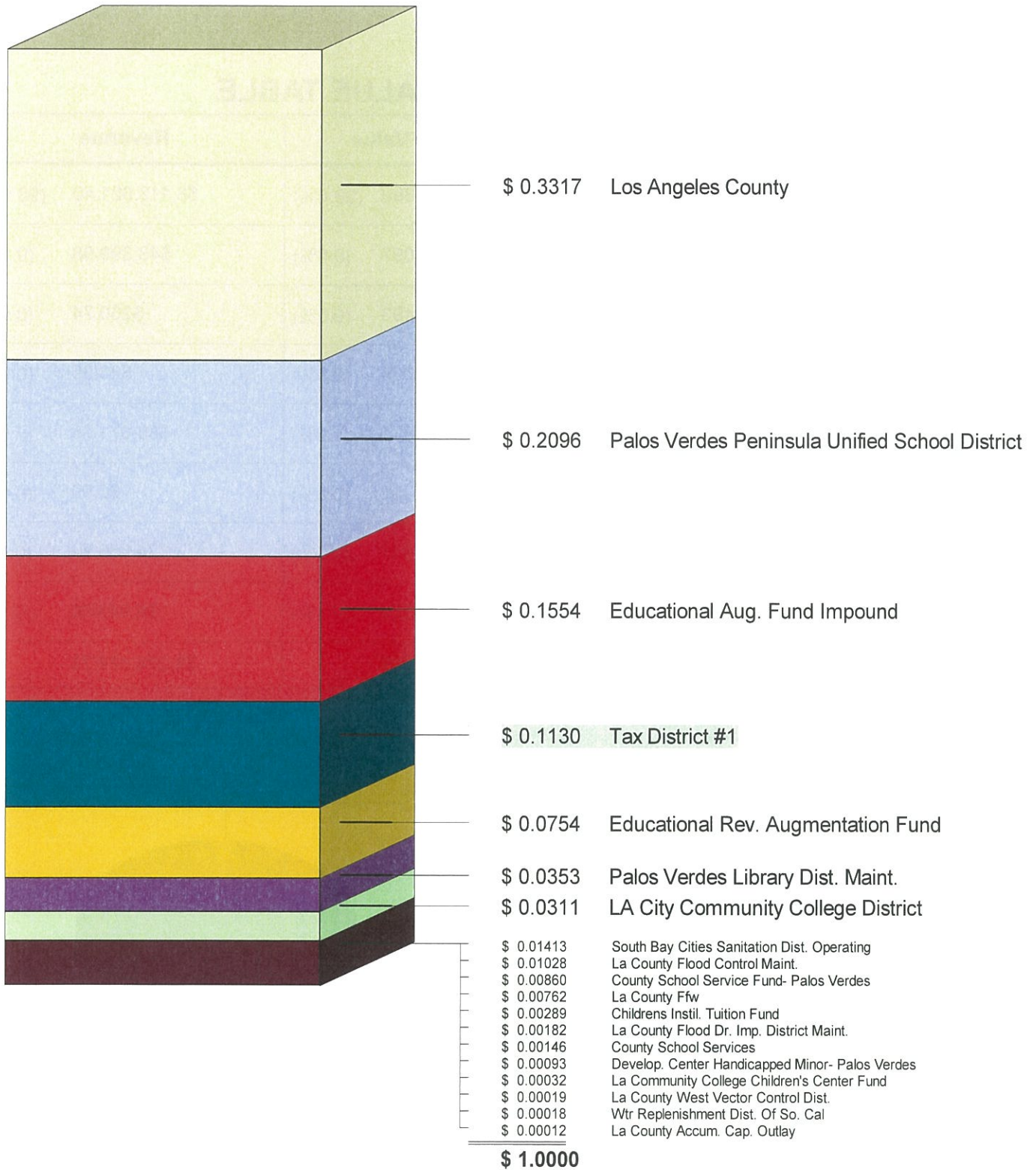
The following are the City's Internal Service Funds:

**Equipment Replacement Fund (60):** Account for the financing of equipment on a cost reimbursement basis from charges to City departments and from proceeds from the sale of surplus equipment, which are used to purchase replacement of office furniture and equipment; vehicles; and other capital equipment.

**Insurance Fund (65):** Account to fund the City's annual contribution to the California Joint Powers Insurance Authority (CJPIA). The total funding requirement for self-insurance programs is estimated using actuarial models, with costs allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. CJPIA provides for both liability and worker's compensation coverage.

# THE CITY OF PALOS VERDES ESTATES PROPERTY TAX DOLLAR BREAKDOWN

EXHIBIT A



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

Data Source: Los Angeles County Assessor 2018/19 Annual Tax Increment Tables

Prepared On 3/25/2019 By KB

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

# THE CITY OF PALOS VERDES ESTATES GENERAL FUND REVENUE ESTIMATE

2019-20 Through 2023-24 Revenue Estimate Based on 2018-19 Values and Estimated Changes

General Fund	2019-20	2020-21	2021-22	2022-23	2023-24
<b>General Fund and BY Values</b>	<b>\$7,441,925,507</b>	<b>\$7,730,044,602</b>	<b>\$8,026,249,832</b>	<b>\$8,295,981,177</b>	<b>\$8,606,938,038</b>
<b>Real Property Value</b> (Incl. Prop 8 parcels)	<b>\$7,437,959,823</b>	<b>\$7,726,078,918</b>	<b>\$8,022,284,148</b>	<b>\$8,292,015,493</b>	<b>\$8,602,972,354</b>
CPI of Non Prop 8 Parcels (Max 2.0%)	\$142,982,993	148,745,375	155,012,682	160,741,914	167,179,457
Transfer of Ownership Assessed Value Change	\$145,136,102	146,836,494	114,718,663	145,430,643	183,007,801
Est. SFR Prop 8 Adj Based on Recent SFR Price	\$0	\$623,361	\$0	\$4,784,305	\$9,158,293
<b>Estimated Real Property Value</b>	<b>\$7,726,078,918</b>	<b>\$8,022,284,148</b>	<b>\$8,292,015,493</b>	<b>\$8,602,972,354</b>	<b>\$8,962,317,905</b>
Base Year Values	\$0	\$0	\$0	\$0	\$0
Secured Personal Property Value (0.0% growth)	\$68,750	\$68,750	\$68,750	\$68,750	\$68,750
Unsecured Personal Property Value (0.0% growth)	\$3,896,934	\$3,896,934	\$3,896,934	\$3,896,934	\$3,896,934
Nonunitary Utility Value (0.0% growth)	\$0	\$0	\$0	\$0	\$0
Enter Completed New Construction					
<b>Estimated Net Taxable Value</b>	<b>\$7,730,044,602</b>	<b>8,026,249,832</b>	<b>8,295,981,177</b>	<b>8,606,938,038</b>	<b>8,966,283,589</b>
<b>Estimated Total Percent Change</b>	<b>3.87%</b>	<b>3.83%</b>	<b>3.36%</b>	<b>3.75%</b>	<b>4.18%</b>
Taxed @ 1%	\$77,300,446	\$80,262,498	\$82,959,812	\$86,069,380	\$89,662,836
Aircraft Value	\$0	\$0	\$0	\$0	\$0
Average City Share 0.1111886664	\$8,594,934	\$8,924,280	\$9,224,191	\$9,569,940	\$9,969,491
Aircraft Rate (.01 * 0.333333333)	\$0	\$0	\$0	\$0	\$0
Enter Unitary Taxes Budgeted Flat					
<b>Net GF Estimate</b>	<b>\$8,594,934</b>	<b>\$8,924,280</b>	<b>\$9,224,191</b>	<b>\$9,569,940</b>	<b>\$9,969,491</b>
Enter Suppl. Apportionment - Average 3 Yrs.					
Enter Delinquent Apportionment - Average 3 Yrs.					



VLFAA	2019-20	2020-21	2021-22	2022-23	2023-24
<i>Citywide Net Taxable Value</i>	\$7,441,925,507	\$7,730,044,602	\$8,026,249,832	\$8,295,981,177	\$8,606,938,038
<b>Real Property Value (Incl. Prop 8 parcels)</b>	<b>\$7,437,959,823</b>	<b>\$7,726,078,918</b>	<b>\$8,022,284,148</b>	<b>\$8,292,015,493</b>	<b>\$8,602,972,354</b>
CPI of Non Prop 8 Parcels (Max 2.0%)	\$142,982,993	\$148,745,375	\$155,012,682	\$160,741,914	\$167,179,457
Transfer of Ownership Assessed Value Change	\$145,136,102	\$146,836,494	\$114,718,663	\$145,430,643	\$183,007,801
Est. SFR Prop 8 Adj Based on Recent SFR Price	\$0	\$623,361	\$0	\$4,784,305	\$9,158,293
<b>Estimated Real Property Value</b>	<b>\$7,726,078,918</b>	<b>\$8,022,284,148</b>	<b>\$8,292,015,493</b>	<b>\$8,602,972,354</b>	<b>\$8,962,317,905</b>
Secured Personal Property Value (0.0% growth)	\$68,750	\$68,750	\$68,750	\$68,750	\$68,750
Unsecured Personal Property Value (0.0% growth)	\$3,896,934	\$3,896,934	\$3,896,934	\$3,896,934	\$3,896,934
Nonunitary Utility Value	\$0	\$0	\$0	\$0	\$0
Enter Completed New Construction					
<b>Estimated Net Taxable Value</b>	<b>\$7,730,044,602</b>	<b>\$8,026,249,832</b>	<b>\$8,295,981,177</b>	<b>\$8,606,938,038</b>	<b>\$8,966,283,589</b>
<b>Estimated Total Percent Change</b>	<b>3.87%</b>	<b>3.83%</b>	<b>3.36%</b>	<b>3.75%</b>	<b>4.18%</b>
Base Value of VLFAA	\$1,524,025	\$1,583,005	\$1,643,634	\$1,698,860	\$1,762,567
Estimated Change to VLFAA	\$58,980	\$60,629	\$55,226	\$63,707	\$73,675
<b>VLFAA Estimate</b>	<b>\$1,583,005</b>	<b>\$1,643,634</b>	<b>\$1,698,860</b>	<b>\$1,762,567</b>	<b>\$1,836,243</b>

**NOTES:**

- Transfer of Ownership Assessed Value Change: For years 2020-21 and later a growth rate is applied that is representative of the historical and predicted average rate of real property growth due to properties that have transferred ownership. Real property is grown by the following percentages: 2020-21 @ 1.9%; 2021-22 @ 1.4%; 2022-23 @ 1.8%; 2023-24 @ 2.1%;
- Estimated Assessor Prop 8 Adjustments: Prop 8 reductions in value are TEMPORARY reductions applied by the assessor that recognize the fact that the current market value of a property has fallen below its trended (Prop 13) assessed value. For 2019-20 and later, properties with prior Prop 8 reductions are not included in the CPI increase, they are projected flat until either the Assessor begins to recapture value as the economy improves and median sale prices begin to increase, they are further reduced, or they sell and are reset per Prop 13.
- Where they exist, prop 8 restoration adjustments are based on projected median SFR home price growth. For this projection the following median year to year percentage changes are used for Palos Verdes Estates: 2020-21 @ 0.2%; 2021-22 @ 0.0%; 2022-23 @ 2.0%; 2023-24 @ 4.0%;
- Base Year Values Entry: With the dissolution of redevelopment, base year values are unlikely to change and are budgeted flat.
- Secured personal property and unsecured values are projected at 100% of 2018-19 levels. Unsecured escaped assessments may be included in the unsecured value. The value of escaped assessments is generally inconsistent and varies from year to year.
- Completed new construction entry: This data entry point allows for the inclusion of new construction projects completed annually. Due to processing delays we suggest that a time frame of November - October be selected. (i.e. Nov. 2017 - Oct. 2018 for the 2020-21 FY). If completed new construction has resulted in a sale of the property it is likely that the new value will appear in the value increase due to transfers of ownership entry and therefore should not be also included in the completed new construction value.
- Pooled Revenue Sources include supplemental allocations, redemptions for delinquent payments in Non-Teeter cities, tax payer refunds due to successful appeals, roll corrections and other adjustments applied after the release of the roll. The forecasting of these revenues should be developed based on historical averages over a minimum of 3 years.
- General Fund Revenue Estimate does not include any ad valorem voter approved debt service revenue.
- The revenue projection assumes 100% payment of taxes. Delinquency is not considered in the projection; however, rates of between 1% and 2.5% are typical.
- Pass through and residual revenues from former redevelopment agencies are not included in this estimate.



# COUNTY OF LOS ANGELES FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE  
LOS ANGELES, CALIFORNIA 90063-3294  
(323) 881-2401  
www.fire.lacounty.gov

*"Proud Protectors of Life, Property, and the Environment"*

EXHIBIT C  
BOARD OF SUPERVISORS

HILDA L. SOLIS  
FIRST DISTRICT

MARK RIDLEY-THOMAS  
SECOND DISTRICT

SHEILA KUEHL  
THIRD DISTRICT

JANICE HAHN  
FOURTH DISTRICT

KATHRYN BARGER  
FIFTH DISTRICT

DARYL L. OSBY  
FIRE CHIEF  
FORESTER & FIRE WARDEN

March 28, 2019

Anton Dahlerbruch, City Manager  
City of Palos Verdes Estates  
340 Palos Verdes Drive West  
Palos Verdes Estates, CA 90274

Dear Mr. Dahlerbruch:

This is to advise you that on March 29, 2019, my Financial Management Division will provide your Finance Director your City's Fee Summary for the Final 2018-19 Fee and the Estimated 2019-20 Fee (Enclosure) for fire protection and emergency medical services.

As you are aware, we have been invoicing your City since July 2018 based upon the Estimated 2018-19 Fee provided last March, which included a minor 0.2 percent increase. We cautioned in that estimate, as well as in our quarterly updates, that negotiations with our labor organizations were underway and would increase the Final 2018-19 Fee when negotiations concluded. While the new Memorandum of Understanding (MOU) with our firefighters' labor organization has not yet been ratified, following is a summary of the expected changes that will impact both the Final 2018-19 and Estimated 2019-20 fees:

- Proposed cost of living adjustment (COLA) and bonus increases that will result in an overall net 3.5 percent salary increase for the Final 2018-19 Fee and a 1.1 percent salary increase for the Estimated 2019-20 Fee:
  - 2.0 percent salary increase effective October 2018
  - 2.5 percent salary increase effective July 1, 2019
  - 2.0 percent Emergency Medical Technician bonus increase effective July 2018
  - 2.0 percent Paramedic bonus increase effective July 1, 2019
- Employee benefits, primarily for cafeteria plans, workers' compensation and retiree health insurance and other post-employment benefits:
  - 2.5 percent increase for the Final 2018-19 Fee
  - 3.2 percent increase for the Estimated 2019-20 Fee
- District Overhead:
  - 0.5 percent increase in the District Overhead for the Estimated 2019-20 Fee.

SERVING THE UNINCORPORATED AREAS OF LOS ANGELES COUNTY AND THE CITIES OF:

AGOURA HILLS  
ARTESIA  
AZUSA  
BALDWIN PARK  
BELL  
BELL GARDENS  
BELLFLOWER  
BRADBURY

CALABASAS  
CARSON  
CERRITOS  
CLAREMONT  
COMMERCE  
COVINA  
CUDAHY  
DIAMOND BAR  
DUARTE

EL MONTE  
GARDENA  
GLEN DORA  
HAWAIIAN GARDENS  
HAWTHORNE  
HERMOSA BEACH  
HIDDEN HILLS  
HUNTINGTON PARK

INDUSTRY  
INGLEWOOD  
IRVINDALE  
LA CANADA-FLINTRIDGE  
LA HABRA  
LA MIRADA  
LA PUENTE  
LAKEWOOD  
LANCASTER

LAWNDALE  
LOMITA  
LYNWOOD  
MALIBU  
MAYWOOD  
NORWALK  
PALMDALE  
PALOS VERDES ESTATES

PARAMOUNT  
PICO RIVERA  
POMONA  
RANCHO PALOS VERDES  
ROLLING HILLS  
ROLLING HILLS ESTATES  
ROSEMead  
SAN DIMAS  
SANTA CLARITA

SIGNAL HILL  
SOUTH EL MONTE  
SOUTH GATE  
TEMPLE CITY  
WALNUT  
WEST HOLLYWOOD  
WESTLAKE VILLAGE  
WHITTIER

Anton Dahlerbruch, City Manager  
March 28, 2019  
Page 2


The culmination of these changes will cause a 6.0 percent increase in the Final 2018-19 Fee from the Estimate provided last March. Also, the Estimated 2019-20 Fee will have a 4.8 percent increase compared to the Final 2018-19 Fee. Our service agreement anticipates that there will be years when such increases occur and provides a "soft cap" to lessen the impact to your City. Also, the difference between our Estimate and Final 2018-19 fees will be billed in 2019-20 as a prior year adjustment, so that your 2018-19 budget will not be impacted unless the City opts to pay the difference this year.

My financial management staff are available to meet with you and/or your Finance Directors to discuss the actual application of the cap and its impact on your City's payments. Please call Theresa R. Barrera, Financial Management Division Chief, at (323) 838-2301 to set up a meeting or to request more information.

As soon as the three-year MOU is ratified by our firefighters' labor organization, a copy will be sent to your City.

We will continue to provide your Finance Director with quarterly updates for any changes that may impact the Final 2019-20 Fee. If you have any questions, please contact me at (323) 881-6180.

Very truly yours,

  
DARYLL L. OSBY, FIRE CHIEF

DLO:lr

Enclosure

c: Assistant Fire Chief Scott Hale

**LOS ANGELES COUNTY FIRE DEPARTMENT  
CITY OF PALOS VERDES ESTATES - FEE SUMMARY**

	FINAL							ESTIMATE
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Actual Annual Fee (see attachments)	\$ 4,127,665	\$ 4,307,807	\$ 4,404,511	\$ 4,552,384	\$ 4,719,994	\$ 4,967,541	\$ 5,278,604	\$ 5,535,166
<b>% Increase from Previous Fiscal Year</b>	<b>3.78%</b>	<b>4.36%</b>	<b>2.24%</b>	<b>3.36%</b>	<b>3.68%</b>	<b>5.24%</b>	<b>6.26%</b>	<b>4.86%</b>
Annual Fee Limitation Excess Rollover	-	-	46,818	-	-	-	36,091	109,706
	<u>\$ 4,127,665</u>	<u>\$ 4,307,807</u>	<u>\$ 4,451,329</u>	<u>\$ 4,552,384</u>	<u>\$ 4,719,994</u>	<u>\$ 4,967,541</u>	<u>\$ 5,314,695</u>	<u>\$ 5,644,872</u>
<b>Annual Fee Cap Percentage</b> (1)	<b>3.89%</b>	<b>3.23%</b>	<b>3.64%</b>	<b>3.89%</b>	<b>4.06%</b>	<b>4.48%</b>	<b>4.78%</b>	<b>5.16%</b>
Annual Fee Limitation (percentage cap applied to prior year actual annual fee)	<u>\$ 4,131,913</u>	<u>\$ 4,260,989</u>	<u>\$ 4,464,611</u>	<u>\$ 4,575,846</u>	<u>\$ 4,737,210</u>	<u>\$ 4,931,450</u>	<u>\$ 5,204,989</u>	<u>\$ 5,550,980</u>
Annual Fee Limitation Excess (2)	-	46,818	-	-	-	36,091	109,706	93,892
Actual Net City Cost	\$ 4,127,665	\$ 4,260,989	\$ 4,451,329	\$ 4,552,384	\$ 4,719,994	\$ 4,931,450	\$ 5,204,989	To Be Determined
Estimated Net City Cost	\$ 4,131,037	\$ 4,260,989	\$ 4,432,846	\$ 4,522,970	\$ 4,659,578	\$ 4,931,450	\$ 5,013,801	\$ 5,550,980
Prior Year Fee Adjustment (3)	40,784	-	-	18,483 (6)	29,414	60,416	-	191,188
Current Year Fee Adjustment (4)	(3,372)	-	-	-	-	-	-	To Be Determined
Paramedic Pass-thru Fee Credit (5)	<u>\$ (16,664)</u>	<u>\$ (9,380)</u>	<u>\$ (10,767)</u>	<u>\$ (17,663)</u>	<u>\$ (8,720)</u>	<u>\$ (19,094)</u>	<u>\$ (57,555)</u>	To Be Determined
<b>Total Net City Payment</b> (7)	<u><b>\$ 4,151,786</b></u>	<u><b>\$ 4,251,609</b></u>	<u><b>\$ 4,422,079</b></u>	<u><b>\$ 4,523,790</b></u>	<u><b>\$ 4,680,272</b></u>	<u><b>\$ 4,972,772</b></u>	<u><b>\$ 4,956,246</b></u>	<u><b>\$ 5,742,168</b></u>
						<b>Estimated Monthly Invoice</b>		<u><b>\$ 478,514</b></u>

(1) Beginning in 2011, % cap determined by taking the average of the immediately preceding five years' actual annual fee % increase plus 1%.  
 (2) Amount that is deferred to a subsequent future fiscal year(s).  
 (3) Formula: Prior Year "Actual" minus Prior Year "Estimated" Net City Cost.  
 (4) Formula: Current Year "Actual" minus Current Year "Estimated" Net City Cost.  
 (5) Credits are posted directly to the monthly city billings based on actual revenue received from the ambulance companies. Actual year-end totals will not be available until the end of the fiscal year.  
 (6) Estimated amounts billed were based on the original March 2014 estimate rather than the updated April 2014 estimate. The difference was carried over as the Prior Year Fee Adjustment in 2015-16.  
 (7) Does not include any billing adjustment (i.e., utility usage).

**LOS ANGELES COUNTY FIRE DEPARTMENT  
FEE-FOR-SERVICE CITIES ANNUAL FEE SCHEDULE**

**\* CITY OF PALOS VERDES ESTATES \***

		<u>Staffing (a)</u>	<u>Resource Cost</u>	<u>Annual Rate (b)</u>
<b><u>2018-19</u></b>				
<i>Station Operations:</i>				
Fire Station 2	Engine	3	\$ 2,375,154	\$ 2,375,154
Fire Station 2	Squad	2	1,536,714	<u>1,536,714</u>
				<b>\$ 3,911,868</b>
District Overhead	34.9382%			<u>1,366,736</u>
<b>FINAL 2018-19 FEE</b>				<b><u>\$ 5,278,604</u></b>

(a) Station Operations staffing numbers reflect post positions (3 person staff each post position through a 56-hr work week). Station Operations include overtime required to maintain 24-hour constant staffing. Fire Prevention positions do not include overtime since constant staffing is not required.

(b) Rates for Squad staffing include paramedic bonuses, plus an additional paramedic bonus for the Fire Fighter on the engine.

**LOS ANGELES COUNTY FIRE DEPARTMENT  
FEE-FOR-SERVICE CITIES ANNUAL FEE SCHEDULE**

**\* CITY OF PALOS VERDES ESTATES \***

			<u>Staffing (a)</u>	<u>Resource Cost</u>	<u>Annual Rate (b)</u>
<b><u>2019-20</u></b>					
<i>Station Operations:</i>					
Fire Station 2	Engine	3	\$ 2,489,916	\$ 2,489,916	
Fire Station 2	Squad	2	1,607,163	1,607,163	
					<b><u>\$ 4,097,079</u></b>
District Overhead	35.1003%				<u>1,438,087</u>
<b>ESTIMATED 2019-20 FEE</b>					<b><u><u>\$ 5,535,166</u></u></b>

(a) Station Operations staffing numbers reflect post positions (3 person staff each post position through a 56-hr work week). Station Operations include overtime required to maintain 24-hour constant staffing. Fire Prevention positions do not include overtime since constant staffing is not required.

(b) Rates for Squad staffing include paramedic bonuses, plus an additional paramedic bonus for the Fire Fighter on the engine.

## Amended Exhibit B Palos Verdes Estates HRGreen Fee Schedule (Effective July 1, 2019 – June 30, 2020)

<u>CLASSIFICATION</u>	<u>HOURLY RATE</u>	<u>PREVAILING WAGE HOURLY RATE</u>
Principal-in-Charge/Program Manager	\$200-250	
<b><u>Building &amp; Safety / Code Enforcement</u></b>		
Building and Safety Official -	\$170-195	
Deputy Building Official / Sr. Building Inspector	\$135-170	
Senior Plan Check Engineer -	\$120-145	
Plan Check Engineer -	\$125-140	
Senior Building Inspector -	\$110-135	
Building Inspector (Combination)-	\$100-125	
CASp Inspector	\$125-160	
Senior Building Plan Checker -	\$110-130	
Building Plan Checker -	\$ 95-115	
Code Compliance Supervisor	\$100-125	
Code Compliance Officer –	\$ 85-110	
Permit Technician	\$ 80-100	
Administrative Assistant -	\$ 60- 85	
<b><u>Others</u></b>		
Special Projects Engineer	\$175-200	
Civil Plan Check Manager	\$170-200	
City Engineer/Senior Registered Engineer	\$170-200	
Senior Professional Engineer	\$150-185	
Professional Engineer	\$150-175	
Associate Engineer	\$135-160	
Assistant Engineer	\$110-140	
Environmental Associate (NPDES)	\$110-150	
Senior Civil Plan Checker	\$165-185	
Civil Plan Checker	\$140-165	
Designer	\$120-150	
Public Works Technician	\$100-115	
Traffic Engineer	\$165-185	
Transportation Manager	\$145-160	
Management Analyst	\$120-140	
Construction Manager	\$150-175	
Senior Public Works Inspector	\$115-140	\$165-200
Public Works Inspector	\$ 95-120	\$135-165
Administrative Assistant -	\$ 60- 85	

**Professional Reimbursement and Overtime:**

The hourly billing rates include the cost of salaries of the HR Green employees, plus sick leave, vacation, holiday and other fringe benefits. The percentage added to salary costs includes indirect overhead costs and fee (profit). For overtime all employees classified as “non-exempt” by the U.S. Department of Labor will be compensated at 1-1/2 times salary, as per state and Federal wage and hour laws. Billing rates will be calculated accordingly for these overtime hours.

**Prevailing Wages:**

Please note that for prevailing wage projects the total project cost can be higher than HR Green would otherwise charge. For prevailing wage projects, the billing rates for straight time will be as shown above. Overtime, weekend, holiday, and other special pay rates defined by the State of California Department of Industrial Relations Group II “Construction Inspector and Field Soils and Materials Tester” will be multiples of the straight hourly rates shown. Overtime and Saturday work will be billed at 1-1/2 times that shown above. Sunday and State Holidays will be billed at 1-3/4 times that shown above.

**Direct Expenses:**

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus ten (10%) percent for items such as:

- a. Maps, photographs, reproductions, printing, equipment rental and special supplies related to the work.
- b. Subconsultants and other outside services, if needed.
- c. Specific telecommunications and delivery charges.
- d. Special fees, insurance, permits, and licenses applicable to the work.
- e. Outside computer processing, computation, proprietary programs purchased for the work and other equipment.
- f. Vehicle Costs based on actual mileage charged for activities directly related to this contract or on a monthly lease amount.
- g. Travel expenses related to the performance of services, if required, including but not limited to airfare, per diem, lodging, food, vehicle rental, etc.

Our hourly fees/rates shall remain effective through June 30, 2020 and may be adjusted annually thereafter as negotiated and agreed to by the City.



## RESOLUTION R19-19

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PALOS VERDES ESTATES, CALIFORNIA  
ESTABLISHING THE FISCAL YEAR 2019-2020 APPROPRIATIONS LIMIT  
FOR THE CITY OF PALOS VERDES ESTATES**

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

WHEREAS, Article XIII B, as modified in June 1990, provides that the appropriations limit for fiscal year 2019-2020 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 2019-2020 Fiscal Year Appropriations Limit:

California per capita income, +3.85% (plus three and 85/100 percent).

Population Adjustment for the County of Los Angeles, -0.01% (MINUS 01/100 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 2019-2020 Fiscal Year Appropriations Limit and based on the foregoing figures (attached herein as EXHIBIT A) and the provisions of Article XIII B of the Constitution of the State of California, that the City of Palos Verdes Estates appropriations subject to limitation for the 2019-20 Fiscal Year shall be \$24,188,263.

Section 2. The City Clerk shall certify to the passage and adoption of Resolution R19-19. PASSED, APPROVED AND ADOPTED on this 25<sup>st</sup> day of June, 2019.

\_\_\_\_\_  
Kenneth J. Kao, Mayor

ATTEST:

\_\_\_\_\_  
Karina Bañales, for Lauren Pettit, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Christi Hogin, City Attorney

### GANN APPROPRIATIONS LIMIT

Article XIII B of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Appropriations Limit, was adopted by California voters in 1980 and placed limits on the amount of proceeds of taxes that state and local governmental agencies can appropriate and spend each year.

The limit is different for each agency and changes each year. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in FY 1978-79 in each agency, modified for changes in inflation and population in each subsequent year. Inflationary adjustments are, by law, based on increases in the California per capita income or the increase in non-residential assessed valuation due to new construction. Population adjustments are based on city population growth or county population growth.

For FY 2019-20 the City of Palos Verdes Estate's estimated tax proceeds to be received, as well as tax proceeds appropriated by the City Council will, as in prior years, continue to be under the legal limit. The appropriations limit for FY 2019-20 is \$24,188,263. This is the maximum amount of tax proceeds the City will be able to appropriate and spend in the coming fiscal year. The City's estimated proceeds of taxes is \$16,726,143 resulting in appropriations being under the limit by \$7,462,120.

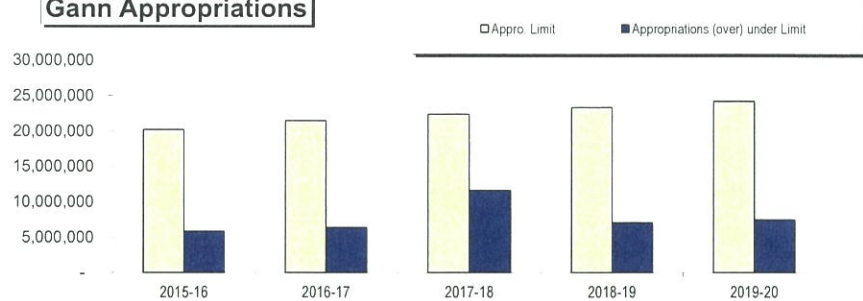
#### Trends

**Appropriation Limit**  
**Appropriations Subject to Limit**  
**Appropriations (Over) Under Limit**

	2015-16	2016-17	2017-18	2018-19	2019-20
Appropriation Limit	20,173,490	21,437,489	22,355,235	23,293,868	24,188,263
Appropriations Subject to Limit	14,354,934	15,092,331	10,770,790	16,276,494	16,726,143
Appropriations (Over) Under Limit	5,818,556	6,345,158	11,584,445	7,017,374	7,462,120

#### Gann Appropriations

**Appropriation Limit**  
**Appropriations Subject to Limit**



#### Appropriations Limit Worksheet 2018-19

A. Last Year's Limit (Audited)	23,293,868	pull from last year's Gann Worksheet
B. Adjustment Factors		
1 Population % - L.A. Co.	0.9999	State Department of Finance
2 Inflation % - Per Capita	1.0385	State Department of Finance
C. Total Adjustment (B1 x B2)	1.0384	
D. Other Adjustments:	0	
Sub-Total	0	
E. This Year's Limit	<b>\$ 24,188,263</b>	A x C

APPROPRIATIONS LIMIT  
CALCULATION OF PROCEEDS OF TAXES  
CITY OF PALOS VERDES ESTATES  
FY: 2019-20

REVENUE	PROCEEDS OF TAXES	NON-PROCEEDS OF TAXES	TOTAL
Taxes:			
Property Tax	\$ 8,542,564		\$ 8,542,564
VLF In-Lieu	-		-
Sales & Use Tax	356,000		356,000
Franchise Tax	587,060		587,060
Business License Tax	225,000		225,000
Police Parcel	4,973,000		4,973,000
Real Estate Transfer Tax	200,000		200,000
State Revenue:			
Motor Vehicle In-Lieu	1,570,592		1,570,592
Home Owner Relief		49,000	49,000
Gasoline Tax		356,954	356,954
SB 90 State Mandate Reimbursement		1,500	1,500
State Law Enforcement Grants		126,000	126,000
Other State Revenue		122,900	122,900
Other Government Revenue:			
Federal Law Enforcement Grants		-	-
Proposition A Transit		273,741	273,741
Proposition C Transit		227,061	227,061
Measure R		170,314	170,314
Measure M		193,002	193,002
RMRA		222,183	222,183
Measure W		260,000	260,000
Other		6,000	6,000
Local Revenue:			
Development Fees		1,511,025	1,511,025
Rents and Concessions		1,333,800	1,333,800
Fines and Forfeitures		150,000	150,000
User Fees		77,500	77,500
Administrative Allocation		1,285,453	1,285,453
Assessments			-
Other Revenue:			
Miscellaneous		46,000	46,000
<b>Total Non-Interest Revenue</b>	<b>16,454,216</b>	<b>6,412,433</b>	<b>22,866,649</b>
Interest Earnings	271,927	105,973	377,900
<b>Total Revenue</b>	<b>16,726,143</b>	<b>6,518,407</b>	<b>23,244,549</b>

APPROPRIATIONS LIMIT  
APPROPRIATIONS SUBJECT TO LIMITATION

Worksheet #3

CITY OF PALOS VERDES ESTATES  
FY: 2019-20

	<u>AMOUNT</u>
Appropriations Limit for 2018-19	\$ 23,293,868
Adjustment Factors:	
Change in Population - County	0.9999
Change in Per Capita income	1.0385
Total Adjustment %	1.0384
Annual/Other Adjustments:	
<b>Appropriations Limit for 2019-20</b>	<b><u>24,188,263</u></b>
Appropriations Subject to Limit:	
Proceeds of Taxes	16,726,143
Minus Exclusions	-
Appropriations Subject to Limit	16,726,143
<b>Appropriations Over (Under) Limit</b>	<b><u>\$ (7,462,120)</u></b>

APPROPRIATIONS LIMIT  
INTEREST EARNINGS  
PRODUCED BY TAXES

Worksheet #2

CITY OF PALOS VERDES ESTATES  
FY: 2019-20

	<u>AMOUNT</u>	<u>SOURCE</u>
A. Tax Proceeds (Excluding Interest)	\$ 16,454,216	Worksheet #1
B. Minus Exclusions	0	
C. Net Invested Taxes	16,454,216	
D. Total Revenue (Excluding Interest) Revenue + Reserve Withdrawals	22,866,649	Worksheet #1
E. Tax Proceeds as a % of Budget	71.96%	(C/D)
F. Interest Earnings	377,900	Budget
G. Amount of Interest Earned From Taxes	271,927	(E*F)
H. Amount of Interest Earned From Non-Taxes	105,973	(F-G)

## CITY OF PALOS VERDES ESTATES FY 2019-20 ESTIMATED REVENUES

DESCRIPTION	ACCOUNT	2016	2017	2018	2020
		BUDGET	BUDGET	BUDGET	PROPOSED
<b>GENERAL FUND:</b>					
SECURED PROPERTY TAX	30100	6,694,000	7,353,833	7,632,689	8,242,564
UNSECURED PROPERTY TAX	30200	255,000	287,000	292,000	292,000
PROPERTY TAX PRIOR	30600	(10,000)	(10,000)	(10,000)	(10,000)
PENALTIES & DELINQUENCIE	30900	47,000	18,000	18,000	18,000
HOMEOWNERS PTR	35210	47,000	49,000	49,000	49,000
<b>PROPERTY TAX</b>		<b>7,033,000.00</b>	<b>7,697,833.00</b>	<b>7,981,689.00</b>	<b>8,591,564.00</b>
ERAF/VLF TAX RETURN	35316	1,281,000	1,317,554	1,375,395	1,570,592
<b>PROPERTY TAX IN LIEU</b>		<b>1,281,000.00</b>	<b>1,317,554.00</b>	<b>1,375,395.00</b>	<b>1,570,592.00</b>
SALES TAX	31100	158,000	192,000	194,000	196,000
PSAF ( SALES TAX )	35300	147,000	160,000	160,000	160,000
ERAF/SALES TAX RETURN	35315	59,000	25,000	25,000	-
<b>SALES TAX</b>		<b>364,000.00</b>	<b>377,000.00</b>	<b>379,000.00</b>	<b>356,000.00</b>
PROPERTY TRANSFER	31500	205,000	200,000	200,000	200,000
<b>BUSINESS LICENSE TAX</b>		<b>213,000</b>	<b>208,000</b>	<b>208,000</b>	<b>225,000</b>
FRANCHISE TAX WATER	31300	134,000	114,854	115,000	125,000
FRANCHISE TAX GAS	31310	64,000	50,000	50,000	51,000
FRANCHISE TAX ELECTRIC	31320	137,000	128,000	130,560	132,600
FRANCHISE TAX CABLE	31330	252,000	268,281	273,646	278,460
<b>FRANCISE TAX</b>		<b>587,000.00</b>	<b>561,135.00</b>	<b>569,206.00</b>	<b>587,060.00</b>
CONSTRUCTION PERMITS	37100	438,000.00	425,000.00	425,000.00	648,812.50
REISSUED BUILDING PERMIT	37101	77,000.00	12,000.00	12,000.00	15,500.00
MISC PUBLIC WORKS PERMIT	37110	107,000.00	100,000.00	100,000.00	194,400.00
TREE TOPPING/REMOVAL					7,000.00
RESIDENTIAL RESALE REPOR	37210	22,000.00	22,000.00	22,000.00	20,000.00
GRADING/FILLING	37220	25,000.00	25,000.00	25,000.00	25,000.00
MISCELLANEOUS PLANNING	37230	29,000.00	80,000.00	80,000.00	147,099.79
PLAN CHECK	37240	192,000.00	220,000.00	220,000.00	196,688.73
NEIGHBORHOOD COMP. REVIE	37250	50,000.00	50,000.00	50,000.00	100,000.00
SITE PLAN REVIEW	37260	14,000.00	15,000.00	15,000.00	15,000.00
GEOTECHNICAL	37270	39,000.00	45,000.00	45,000.00	41,524.00
COMMUNITY PLANNING		-	-	-	50,000.00
TECH ENHANCEMENT		-	-	-	50,000.00
<b>DEVELOPMENT FEES</b>		<b>993,000.00</b>	<b>994,000.00</b>	<b>994,000.00</b>	<b>1,511,025.02</b>
INTEREST	34100	53,000.00	70,000	70,000.00	250,000.00
UNREALIZED INV. GAIN/LOS	34105			-	-
<b>INTEREST/GAIN(LOSS)</b>		<b>53,000.00</b>	<b>70,000.00</b>	<b>70,000.00</b>	<b>250,000.00</b>
MOTOR VEHICLE	35100	6,000	-	-	-
GOLF COURSE	34300	945,000	1,000,000	1,020,000	1,060,000
TENNIS CLUB	34400	38,000	38,000	38,000	38,000
BEACH & ATHLETIC CLUB	34500	140,000	163,600	168,600	178,800
MISCELLANEOUS RENT	34700	57,000	57,000	57,000	57,000
BALLFIELD LEASE	34750	4,000	4,500	4,500	-
<b>RENT</b>		<b>1,184,000.00</b>	<b>1,263,100.00</b>	<b>1,288,100.00</b>	<b>1,333,800.00</b>
ANIMAL LICENSES	32100	10,000	5,500	5,500	5,500
FILMING PERMIT	32500	25,000	25,000	25,000	25,000
<b>LICENSE &amp; PERMITS</b>		<b>35,000.00</b>	<b>30,500.00</b>	<b>30,500.00</b>	<b>30,500.00</b>
MISCELLANEOUS LICENSE	32600	-	-	-	-
VEHICLE CODE FINES	33100	55,000	50,000	50,000	50,000
MISCELLANEOUS COURT FINE	33200	6,000	-	-	-
COURT FINES PARKING	33400	140,000	100,000	100,000	100,000
<b>SAFETY FINES</b>		<b>201,000.00</b>	<b>150,000.00</b>	<b>150,000.00</b>	<b>150,000.00</b>
MISCELLANEOUS REVENUE	38010	269,000	24,420	523,091	23,000
EMERG. BACKPACK SALES	38011	1,000	1,000	1,000	1,000
STATE MANDATED REIMB.	35630	7,000	1,500	1,500	1,500
POST REIMBURSEMENT	35600	14,000	14,000	14,000	14,000
PVE CARES	38050	-	-	-	8,000
<b>OTHER FEES</b>		<b>291,000.00</b>	<b>40,920.00</b>	<b>539,591.00</b>	<b>47,500.00</b>
POLICE SERVICES	36100	9,000	4,500	4,500	4,500
BOOKING FEES	36105	4,000	4,000	4,000	4,000

## CITY OF PALOS VERDES ESTATES FY 2019-20 ESTIMATED REVENUES

DESCRIPTION	ACCOUNT	2016	2017	2018	2020
		BUDGET	BUDGET	BUDGET	PROPOSED
POLICE TRUSTY	36110	2,000	-	-	-
FALSE ALARM	36120	3,000	3,000	3,000	3,000
ADMINISTRATIVE CITATIONS	36121	-	-	-	1,000
COPY SALES, CERTIFICATIO	36130	2,000	2,000	2,000	-
RETURNED CHECK FEES	36135	-	-	-	-
VEHICLE IMPOUND FEES	36146	14,000	15,000	15,000	15,000
STREET/PARKS SERVICES	36150	3,000	3,000	3,000	3,000
MAILING MATRIX	36155	13,000	15,000	15,000	15,000
SPECIAL EVENTS	36160	2,000	1,500	1,500	1,500
HEALTH INSURANCE REIMB	36170	10,000	10,000	10,000	-
<b>SERVICE FEES</b>		<b>62,000.00</b>	<b>58,000.00</b>	<b>58,000.00</b>	<b>47,000.00</b>
<b>Total General Fund Revenues Before Transfers</b>		<b>12,508,000.00</b>	<b>12,968,042.00</b>	<b>13,843,481.49</b>	<b>14,900,041.02</b>
INTEREST	34100	1,000	1,000	1,000	1,200
GAS TAX (2103)	35500	148,000	32,875	32,875	116,437
GAS TAX (2105)	35510	68,000	85,753	85,753	75,081
GAS TAX (2106)	35520	58,000	46,657	46,657	49,130
GAS TAX (2107)	35530	84,000	191,907	191,907	98,061
GAS TAX (2107.5)	35540	3,000	3,000	3,000	3,000
Gov's Prop Addl Funds	35540	-	-	-	15,245
GAS TAX Loan Repayment					
<b>GAS TAX</b>		<b>362,000.00</b>	<b>361,192.00</b>	<b>361,192.00</b>	<b>358,154.00</b>
INTEREST	34100	500.00	500.00	500.00	1,100.00
<b>DRUG INTERVENTION</b>		<b>500.00</b>	<b>500.00</b>	<b>500.00</b>	<b>1,100.00</b>
INTEREST	34100	500.00	500.00	500.00	2,500.00
COPS Funds	35350	100,000.00	100,000.00	100,000.00	120,000.00
<b>POLICE GRANTS (SLESF)</b>		<b>100,500.00</b>	<b>100,500.00</b>	<b>100,500.00</b>	<b>122,500.00</b>
INTEREST	34100			-	9,000.00
MTA Fed Rd Exchange	35640	-	237,507.00	-	-
Pedestrian Bikeway	35650	14,000.00	9,000.00	9,000.00	9,000.00
CalRecycle Ruberized Pavement Grant	35660		-	-	68,900.00
Recycle AB939	35660	27,000.00	29,000.00	29,000.00	29,000.00
Recycle Container	35661	7,000.00	5,000.00	5,000.00	-
SCAQMD AB2766	35820	24,000.00	51,060.00	16,000.00	16,000.00
Parkland Paseo La Cresta	35855	40,000.00	40,000.00	40,000.00	-
<b>SPECIAL PROJECTS</b>		<b>112,000.00</b>	<b>371,567.00</b>	<b>99,000.00</b>	<b>131,900.00</b>
Corrections	35620	6,000.00	6,000.00	6,000.00	6,000.00
<b>CORRECTIONS</b>		<b>6,000.00</b>	<b>6,000.00</b>	<b>6,000.00</b>	<b>6,000.00</b>
INTEREST	34100			-	1,000.00
RMRA 2032	35500			-	222,183.00
<b>RMRA</b>				-	<b>223,183.00</b>
ASSESSMENT					260,000.00
INTEREST					-
<b>MEASURE W</b>					<b>260,000.00</b>
ASSESSMENT	31910	4,524,034.00	4,688,992.00	-	-
INTEREST	34100	500.00	-	-	-
FIRE UTILITIES	35750	9,000.00	9,000.00	-	-
<b>FIRE PARCEL TAX</b>		<b>4,533,534.00</b>	<b>4,697,992.00</b>	-	-
ASSESSMENT	31910	-	-	-	4,973,000.00
INTEREST	34100	-	-	-	-
<b>PVE LAW ENFORCEMENT FUND</b>		-	-	-	<b>4,973,000.00</b>

## CITY OF PALOS VERDES ESTATES FY 2019-20 ESTIMATED REVENUES

DESCRIPTION	ACCOUNT	2016	2017	2018	2020
		BUDGET	BUDGET	BUDGET	PROPOSED
MEASURE M SALES TAX	31215	-	-	-	193,002.00
INTEREST	34100	-	-	-	1,100.00
<b>MEASURE M</b>		-	-	-	<b>194,102.00</b>
PROP A SALES TAX	31200	208,100.00	251,565.00	256,596.30	273,741.00
INTEREST	34100	2,500.00	3,500.00	3,500.00	1,500.00
<b>PROP A</b>		<b>210,600.00</b>	<b>255,065.00</b>	<b>260,096.30</b>	<b>275,241.00</b>
INTEREST	34100	600.00	1,000.00	1,000.00	2,500.00
MEASURE R	31205	129,500.00	157,812.48	160,968.72	170,314.00
<b>MEASURE R</b>		<b>130,100.00</b>	<b>158,812.48</b>	<b>161,968.72</b>	<b>172,814.00</b>
PROP C SALES TAX	31210	173,400.00	209,892.02	214,089.86	227,061.00
INTEREST	34100	800.00	1,000.00	1,000.00	4,500.00
<b>PROP C</b>		<b>174,200.00</b>	<b>210,892.02</b>	<b>215,089.86</b>	<b>231,561.00</b>
INTEREST	34100	-	-	-	52,000.00
<b>CIP</b>		-	-	-	<b>52,000.00</b>
INTEREST	34100	-	-	-	500.00
<b>PARKLANDS</b>		-	-	-	<b>500.00</b>
INTEREST	34100	-	-	-	-
STABLE CONCESSION FEE	34710	31,600.00	35,000.00	35,000.00	-
<b>STABLES</b>		<b>31,600.00</b>	<b>35,000.00</b>	<b>35,000.00</b>	-
INTEREST	34100	14,000.00	15,000.00	15,000.00	16,000.00
MISC REV	38010	415,400.00	360,575.00	-	-
SALE OF PROPERTY	38020	6,000.00	6,000.00	6,000.00	6,000.00
<b>EQUIPMENT REPLACEMENT</b>		<b>435,400.00</b>	<b>381,575.00</b>	<b>21,000.00</b>	<b>22,000.00</b>
INTEREST	34100	30,000.00	30,000.00	30,000.00	31,000.00
UNREALIZED GAIN	34105	-	-	-	-
SEWER USER FEE	36700	-	-	-	-
<b>SEWER</b>		<b>30,000.00</b>	<b>30,000.00</b>	<b>30,000.00</b>	<b>31,000.00</b>
INTEREST	34100	-	-	-	4,000.00
CHARGES FOR SERVICES	36700	-	780,418.00	981,498.00	1,285,453.00
<b>INSURANCE</b>		-	<b>780,418.00</b>	<b>981,498.00</b>	<b>1,289,453.00</b>
<b>Total Non General Fund Revenues Before Transfers</b>		<b>6,126,434.00</b>	<b>7,389,513.50</b>	<b>2,271,844.88</b>	<b>8,344,508.00</b>
<b>Total Revenues Before Transfers</b>		<b>18,634,434.00</b>	<b>20,357,555.50</b>	<b>16,115,326.37</b>	<b>23,244,549.02</b>
		103,400	122,500	122,500	377,900



DEPARTMENT OF  
**FINANCE**GAVIN NEWSOM - GOVERNOR  
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 2019

Dear Fiscal Officer:

**Subject: Price Factor and Population Information****Appropriations Limit**

California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2019, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2019-20. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2019-20 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

**Population Percent Change for Special Districts**

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

**Population Certification**

The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2019.**

**Please Note:** The prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

KEELY BOSLER  
Director  
By:

Vivek Viswanathan  
Chief Deputy Director

Attachment

May 2019

## Attachment A

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2019-20 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2019-20	3.85

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2019-20 appropriation limit.

**2019-20:**

Per Capita Cost of Living Change = 3.85 percent

Population Change = 0.47 percent

Per Capita Cost of Living converted to a ratio:  $\frac{3.85 + 100}{100} = 1.0385$

Population converted to a ratio:  $\frac{0.47 + 100}{100} = 1.0047$

Calculation of factor for FY 2019-20:  $1.0385 \times 1.0047 = 1.0434$

Fiscal Year 2019-20

**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019**

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	2018-2019	1-1-18	1-1-19	1-1-2019
Los Angeles				
Agoura Hills	-0.15	20,874	20,842	20,842
Alhambra	-0.16	87,070	86,931	86,931
Arcadia	0.64	58,516	58,891	58,891
Artesia	0.05	16,824	16,833	16,919
Avalon	-0.29	3,856	3,845	3,845
Azusa	2.14	50,237	51,313	51,313
Baldwin Park	0.16	77,161	77,286	77,286
Bell	0.69	36,307	36,556	36,556
Bellflower	0.04	78,279	78,308	78,308
Bell Gardens	-0.35	43,123	42,972	42,972
Beverly Hills	-0.20	34,697	34,627	34,627
Bradbury	-0.65	1,084	1,077	1,077
Burbank	-0.21	106,175	105,952	105,952
Calabasas	-0.19	24,284	24,239	24,239
Carson	-0.01	93,609	93,604	93,604
Cerritos	0.86	50,280	50,711	50,711
Claremont	0.09	36,479	36,511	36,511
Commerce	-0.25	13,054	13,021	13,021
Compton	-0.28	98,985	98,711	98,711
Covina	-0.08	48,914	48,876	48,876
Cudahy	-0.28	24,333	24,264	24,264
Culver City	0.96	39,790	40,173	40,173
Diamond Bar	-0.13	57,572	57,495	57,495
Downey	-0.18	114,413	114,212	114,212
Duarte	-0.25	22,007	21,952	21,952
El Monte	0.76	116,315	117,204	117,204
El Segundo	-0.01	17,067	17,066	17,066
Gardena	-0.19	61,158	61,042	61,042
Glendale	0.73	204,782	206,283	206,283
Glendora	0.07	52,086	52,122	52,122
Hawaiian Gardens	-0.22	14,723	14,690	14,690
Hawthorne	-0.16	87,996	87,854	87,854
Hermosa Beach	0.17	19,814	19,847	19,847
Hidden Hills	-0.79	1,900	1,885	1,885
Huntington Park	-0.06	59,386	59,350	59,350
Industry	0.00	432	432	432
Inglewood	-0.19	112,759	112,549	112,549
Irwindale	4.08	1,447	1,506	1,506

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Fiscal Year 2019-20

**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019**

County City	Percent Change 2018-2019	--- Population Minus Exclusions ---		Total Population
		1-1-18	1-1-19	1-1-2019
La Canada Flintridge	-0.10	20,623	20,602	20,602
La Habra Heights	-0.07	5,489	5,485	5,485
Lakewood	-0.13	81,459	81,352	81,352
La Mirada	-0.05	49,585	49,558	49,558
Lancaster	0.28	156,841	157,273	161,604
La Puente	0.19	40,719	40,795	40,795
La Verne	-0.11	33,239	33,201	33,201
Lawndale	-0.27	33,527	33,436	33,436
Lomita	-0.06	20,776	20,763	20,763
Long Beach	-0.21	475,921	474,941	475,013
Los Angeles	0.05	4,035,356	4,037,190	4,040,079
Lynwood	-0.22	71,497	71,343	71,343
Malibu	-7.42	13,011	12,046	12,046
Manhattan Beach	-0.24	36,010	35,922	35,922
Maywood	-0.21	28,029	27,971	27,971
Monrovia	-0.14	38,582	38,529	38,529
Montebello	-0.11	64,316	64,247	64,247
Monterey Park	-0.38	62,061	61,828	61,828
Norwalk	-0.12	106,077	105,950	106,744
Palmdale	0.05	157,782	157,854	157,854
Palos Verdes Estates	-0.26	13,579	13,544	13,544
Paramount	-0.01	55,503	55,497	55,497
Pasadena	0.90	145,003	146,312	146,312
Pico Rivera	-0.42	64,306	64,033	64,033
Pomona	0.08	154,189	154,310	154,310
Rancho Palos Verdes	-0.24	42,647	42,543	42,560
Redondo Beach	0.16	68,361	68,473	68,473
Rolling Hills	-0.32	1,898	1,892	1,892
Rolling Hills Estates	-0.08	8,254	8,247	8,247
Rosemead	-0.25	55,237	55,097	55,097
San Dimas	-0.25	34,669	34,584	34,584
San Fernando	1.32	24,593	24,918	24,918
San Gabriel	-0.22	41,270	41,178	41,178
San Marino	-0.06	13,360	13,352	13,352
Santa Clarita	2.70	212,378	218,103	218,103
Santa Fe Springs	0.04	18,208	18,216	18,261
Santa Monica	-0.11	93,698	93,593	93,593
Sierra Madre	-0.27	11,165	11,135	11,135
Signal Hill	0.31	11,758	11,795	11,795
South El Monte	0.95	21,092	21,293	21,293

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Fiscal Year 2019-20

**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019**

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	2018-2019	1-1-18	1-1-19	1-1-2019
South Gate	-0.25	97,019	96,777	96,777
South Pasadena	-0.12	26,276	26,245	26,245
Temple City	0.37	36,447	36,583	36,583
Torrance	-0.24	148,408	148,054	148,054
Vernon	-0.33	302	301	301
Walnut	-0.02	30,557	30,551	30,551
West Covina	-0.25	108,388	108,116	108,116
West Hollywood	-0.17	36,723	36,660	36,660
Westlake Village	-0.86	8,451	8,378	8,378
Whittier	-0.26	87,756	87,526	87,526
Unincorporated	-0.87	1,055,092	1,045,918	1,046,858
County Total	-0.01	10,245,275	10,244,542	10,253,716

\*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

# MEMORANDUM

Agenda Item #: 1  
Meeting Date: June 11, 2019

**TO: HONORABLE MAYOR AND CITY COUNCIL**

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

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

**SUBJECT: PRESENTATION AND DISCUSSION OF YEAR TWO OF THE BIENNIAL FISCAL YEAR 2018-2020 BUDGET – INCLUDING FISCAL YEAR 2018-2019 PROJECTION AND FISCAL YEAR 2019-2020 ADJUSTED PLAN**

**DATE: JUNE 11, 2019**

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## **INTRODUCTION**

The budget serves as the City's roadmap for allocating resources. The budget is a resource allocation plan for providing city services and achieving the priorities and goals of the City Council that serve residents and the public. Importantly, the budget also represents the projections necessary for managing and monitoring annual revenue and expenditures in a fiscally responsible manner.

### ***The budgeting process***

The City's 2018-2020 Biennial Operating Budget and Capital Plan was adopted by the City Council on June 26, 2018. At that time, revenues and expenditures for fiscal year 2018-2019 were appropriated<sup>1</sup>. The adoption process of the biennial budget<sup>2</sup> by the City Council has historically included the following steps and components:

<sup>1</sup> The biennial budget is the two-year plan for appropriations that cover operations, services and projects. Appropriations for funding City operations, services and projects occur annually, typically in June of each year, before the beginning of the fiscal year on July 1. After July 1 and throughout the year, as circumstances change and City business is conducted, appropriations are requested that modify the budget; the adjustments are primarily for authorizing expenditures that do not match or trend with the two-year budget plan and existing appropriations.

<sup>2</sup> The steps described herein are typical for a municipal budget, whether it is an annual budget or a biennial budget.

## ATTACHMENT C

### Year One

1. Mid-year budget status update and report with request for mid-year appropriations (February)
2. Third-quarter budget status update and report (April)
3. Presentation of year-end revenue, expenditure and project projections, and presentation / discussion of future year revenue forecast (May)
4. Workshop to identify City Council priorities and review / validate the base budget<sup>3</sup> (May)
5. Workshop to discuss and approve “decision packages” (changes to the base budget) and capital improvement projects based on the City Council’s priorities<sup>4</sup>. (May)
6. Meeting(s) for annual review and approval of the City’s Investment Policy, and for review of update to the Schedule of Fees and Charges (May)
7. Public Hearing on the biennial budget and capital plan, and the Schedule of Fees and Charges (May)
8. Planning Commission review / approval of capital improvement projects for conformance with the General Plan (May/June)
9. City Council meeting to approve the budget and capital plan with adoption of the associated Resolutions (June)

### Year Two

After adoption of the budget and capital plan with the associated Resolutions, the City performs the following steps for the remainder of the period covered by the biennial budget:

10. First-quarter status update and report (October)
11. Mid-year budget status update and report with request for mid-year appropriations (February)
12. Third-quarter budget status update and report (April)
13. Meeting(s) for annual review and approval of the Investment Policy, and for review of update to the Schedule of Fees and Charges (April/May)
14. Presentation of year-end revenue, expenditure and project projections (May)
15. Budget overview workshop with discussion and requests for modifications to the second year of the biennial budget (May/June)
16. Public Hearing and approval of second year annual budget appropriation (June)
17. First quarter status update and report (October)
18. Begin again with #1 above

At any time, at its discretion, the City Council can/may change this process and the calendar<sup>5</sup>. The City is currently at Step 15 in the biennial budget process outlined above. Further discussion of Step 15 and Step 16 is provided below.

<sup>3</sup> The result of this workshop is: 1) an explanation of the staff resources for day-to-day operations, services and projects and 2) the identification of any excess staff resources and / or unrestricted fund balance that is available for the Council to allocate to priorities or new initiatives and projects.

<sup>4</sup> Through the discussion at this workshop, the City Council may / can allocate excess staff resources and / or unrestricted fund balance to its priorities. It will also determine what, if any, base budget resources will be reallocated or redirected to achieve the City Council’s priorities.

<sup>5</sup> The biennial budget and capital plan process and calendar is conducted with the routine, on-going, and project responsibilities of the Finance Department, notably including the year-end closing of financial records and preparation of the CAFR.

***Step 15: Budget overview workshop with discussion and requests for modifications to the second year of the biennial budget***

This evening, staff will present an overview of the Fiscal Year 2018-2019 year-end projections and the Fiscal Year 2019-2020 adjustments to the Proposed Plan including a review and analysis of departmental costs, and changes in projected revenues and expenditures and capital projects.

In the budget process, staff is focused on the prudent, cost-conscious control of costs, achieving the efficient and effective delivery of the highest quality of services possible with the funds available, stretching every dollar and revenue source opportunities to reduce the reliance on the General Fund, and being fiscally responsible. In turn, this adjusted FY 2019-20 proposed plan prepared by staff represents the revenue and expenditures for maintaining the current level of services and day-to-day operations.

***Step 16: Public Hearing and approval of second year annual budget appropriation***

June 25, 2019 City Council meeting: Public hearing and adoption of FY 2019-2020 appropriations. Review and approval of Gann Limit and Investment Policy (due to the change in the City Treasurer, this policy is scheduled to be reviewed in early FY 2019-20).

Every City Council meeting for discussion of the budget is public, and each includes the opportunity for public input. In addition, members of the Finance Advisory Committee have been included in each meeting.

**THIS BUDGET PRESENTATION**

This report provides the overview of FY 2018-2019 year-end projections<sup>6</sup> and the FY 2019-2020 adjusted proposed plan for maintaining current services. As such, the workshop will begin with an address from the City Manager followed with a Finance Department presentation for the purpose of explaining and establishing the projected year-end status and the fiscal position of the City. This will include a presentation on each Department's expenditure comparisons and will address proposed adjustments to the components and services associated with operational costs. Finally, the Capital Improvement Program will be presented including the identified infrastructure projects projected and budgeted in each year. At the conclusion of these presentations, staff seeks the City Council's concurrence on the adjusted FY 2019-20 Proposed Plan and it is recommended the City Council hold a public hearing on June 25, 2019, for the adoption FY 2019-2020 budget appropriations.

**DISCUSSION**

The California Government Code and Article XI of the California Constitution provide for the creation and existence of local government agencies. Cities exist to provide and maintain the services and quality of life benefits prioritized by the community. Taxes, in turn, are received and appropriated for achieving the community's priorities. Communities generally prioritize public safety, community programs (e.g., recreational programs), maintenance of public areas (parks, streets, medians, storm drains), planning and zoning, animal control, community events, etc. for use

<sup>6</sup> Year-End Projections – are derived from year to date actuals thru March 31 plus the estimated fourth quarter results.



## ATTACHMENT C

of its revenue and will save a portion for “a rainy day” (hold funds in reserve for the City to recover from a disaster). All revenue is spent in the interest of the public (for operations and capital improvements) or held at an appropriate level in reserve for an emergency. By policy, Palos Verdes Estates maintains a 50% operating reserve. With the reserve set aside, the City Council determines how to allocate any residual revenue (undesignated Fund Balance) for programs and services.

Palos Verdes Estates has limited revenue to accomplish the broad and varied interests of the community. Revenue is constituted primarily of property taxes and a parcel tax that is dedicated to public safety (Police); with the exception of the failure of Measure D and the passage of Measure E during the last two years, revenue has not significantly fluctuated from year to year. Expenses of a City are primarily its in-house and contract personnel who provide services. As such, state and federal laws exist that define and prescribe employees, consultants and contractors. In summary, current service levels and staffing, with associated costs, are maintained on a fixed income. The following describes the projected revenue with the commensurate cost of providing existing services along with resulting year-end Fund Balance.

### **Overview of the City’s General Fund balance and General Fund Reserve**

The presentation below compares the projected Fund Balance at June 30, 2019, to the proposed Fund Balance as of June 30, 2020. With the passage of Measure E, the projected Law Enforcement Fund FY 2018-19 revenue is projected to be \$4,973,000 and remains flat through FY 2019-20; these funds will be 100% fully expended in FY 2018-19 and FY 2019-20 for the Police Department proposed and planned expenditures and are recorded as a transfer into the General Fund.

#### *How to View Fund Balance*

The Fund Balance for each Fund should be viewed individually, as a discrete figure, as each Fund has a specific purpose and unique expenses and revenues.

#### General Fund – Fund Balance

The General Fund is the operating Fund of the City. It provides for, and serves as, the clearing house for meeting day-to-day obligations and responsibilities of the City. For FY 2018-19 and FY 2019-20, the General Fund is balanced, with revenues exceeding expenditures. The current General Fund Reserve Policy requires the City to maintain a fiscal reserve at 50% of operating expenditures, exceeding the minimum two-month reserve recommended by the Government Finance Officers Association. The General Fund balance committed for emergency contingencies is established as \$7.2 million and projected to be maintained through FY 2019-20 (this is inclusive of the fiscal reserve of 50% of expenditures). It is projected for FY 2018-19 and FY 2019-20 that the fiscal reserve balance of 50% of expenditures will also be maintained, with the undesignated fund balance to increase by 2,050,393 from FY 2017-18 and \$1,040,685 from projected FY 2018-19. (The appropriate General Fund reserve balance will also be evaluated in conjunction with the Finance Advisory Committee in the upcoming fiscal year) The projected FY 2018-19 and proposed FY 2019-20 undesignated fund balances are estimated to be \$2,721,794 and \$3,254,757, respectively (**Attachment D, E & F**).

It is important to point out, in FY 2018-19 the City entered into an exchange of SCE Rule 20A credits with the City of Rolling Hills for General Fund revenue in the amount of \$675,295. These revenues

**ATTACHMENT C**

have been recorded in the General Fund balance and will be designated as Assigned Funds to be used for one-time expenditures directed by City Council (*see the ending fund balance breakout below*).

GENERAL FUND	Adopted	Adjusted	Projected	Change to	%	Adopted	Adjusted	Change	%
	FY18-19	FY18-19	FY18-19	Adjusted		Proposed	Proposed		
						FY 19-20	FY19-20		
<b>Beginning Fund Balance*</b>	10,255,152	10,255,152	10,255,152			12,305,545	12,305,545		
Revenues	14,461,039	15,156,651	15,304,133			14,853,416	14,900,041		
Expenditures	18,124,717	18,432,269	17,816,912			18,430,671	18,832,356		
Net Revenue/Expenditure (before transfs)	<b>(3,663,678)</b>	<b>(3,275,618)</b>	<b>(2,512,779)</b>			<b>(3,577,255)</b>	<b>(3,932,315)</b>		
Transfers In/Out	4,543,552	4,563,172	4,563,172			4,973,000	4,973,000		
Net Revenue/Expenditure (after transfs)	<b>879,874</b>	<b>1,287,554</b>	<b>2,050,393</b>			<b>1,395,745</b>	<b>1,040,685</b>		
<b>Ending Fund Balance</b>	11,135,026	11,542,706	12,305,545	762,839	6%	13,701,290	13,346,230	(355,060)	-3%
Reserved Fund Balance	9,062,359	9,216,135	8,908,456	(307,679)		9,215,336	9,416,178	200,843	
Assigned Fund Balance **		675,295	675,295	-		675,295	675,295	-	
Undesignated Fund Balance	2,072,668	1,651,277	2,721,794	1,070,518		3,810,660	3,254,757	(555,903)	
* - used the audited ending fund balance FY17-18, ie beginning fund balance FY 2018-19									
** - The Assignment of SCE Rule 20A monies are an assumed carryover to FY19-20 until the one-time expenditure use has been identified by Council									

Capital Project Funds – Fund Balance

The Capital Project Funds receive revenue from a variety of sources that are “transferred-in” when such sources have revenues to transfer-in. Revenue may consist of Undesignated Fund Balance from the General Fund, Special Revenue and Restricted Funds such as Gas Tax, and Proposition C (transportation), or a dedicated parcel tax source such as the Sewer Tax that previously existed. As revenue is collected in the Capital Project Funds, it is banked until enough has accumulated for large infrastructure improvement or maintenance projects. As such, the annual project expenses reduce the fund balance each year until transfers-in re-accumulate in the Fund for future projects. Most of the projects are one-time events, but it is necessary to continually transfer-in for future infrastructure needs.

It is also important to point out – the adjusted proposed Capital Improvement fund balance for FY 2019-20 includes the total identified capital project expenditures reducing the fund balance by \$4.6M as compared to the projected capital fund balance ending June 30, 2019; however, the limited number of infrastructure projects that commence in a year reflect the time it takes to initiate and develop projects once the budget is authorized. Thus, the annual capital expenditures reducing this fund may not occur all in FY 2019-20 and any carryover will be expended in future years. **(See Attachment D, E & F for details)**

Special Revenue and Restricted Funds - Fund Balance

Special Revenue and Restricted Funds hold revenue and include expenses that can be used only for specific, legally defined purposes. Similar to Capital Project Funds, as revenue is collected in Special Revenue Funds, it is banked until enough has been accumulated to spend for the specific purpose. The Fund Balance represents the result of having spent the accumulated funds for the dedicated purpose of the Special Revenue. Based on the taxing program, some Special Revenue funds can be used for qualifying department expenditures and are recorded directly to these funds

**ATTACHMENT C**

offsetting the use of General Fund monies. Restricted fund revenues, such as Measure R<sup>77</sup>, are received in a special revenue fund and then subsequently transferred to the Capital Improvement fund for a qualifying capital project.

New for FY 2019-20 - The Safe, Clean Water Program (Measure W) was passed in Los Angeles County in November 2018. 40% of funds collected by the County will be allocated directly to municipalities. The City is estimated to receive \$260K in FY 2019-20 from Measure W funds of which \$162K will be used towards Public Works and Streets department expenditures related to storm drain cleaning and repairs. A new restricted fund will be set up to receipt these funds and the related department expenditures are included in this fund for FY 2019-20 Adjusted Proposed Plan.

**Internal Service Funds – Fund Balance**

Internal Service Funds receive “transfers-in” (also known as “allocations”) from the General Fund Departments for expenses that are for a specific, defined purpose as defined by the City. Similar to Capital Project Funds, as the transfers-in are collected in the Internal Service Funds, it is banked until it is appropriate time to spend the funds for the specific purpose. The Fund Balance represents the result of having accumulated funds for the dedicated purpose of the Internal Service expenditures. Currently, the Fund Balance for Equipment Replacement is under evaluation through an inventory and asset valuation process to determine if the appropriate level of funds are being maintained for the future replacement of equipment.

**Fund Balance – Summary**

The following chart presents a summary overview of the projected fund balance for all funds.

<b>FUNDS</b>	<b>Audited Fund Balance June 30, 2018</b>	<b>Adopted Fund Balance June 30, 2019</b>	<b>Adjusted* Fund Balance June 30, 2019</b>	<b>Projected* Fund Balance June 30, 2019</b>	<b>Adopted Fund Balance June 30, 2020</b>	<b>Adjusted* Fund Balance June 30, 2020</b>
Fiscal Policy Reserve***	7,200,000	9,062,359	9,216,135	8,908,456	9,215,335	9,416,178
Assigned				675,295	-	675,295
Undesignated	3,055,152	1,613,606	2,326,571	2,721,794	2,856,377	3,254,757
<b>Total General Fund</b>	<b>10,255,152</b>	<b>10,675,965</b>	<b>11,542,706</b>	<b>12,305,545</b>	<b>12,071,712</b>	<b>13,346,230</b>
Special Projects	956,829	994,688	931,445	916,127	1,023,688	950,407
Fire/Paramedic Parcel Tax	142,172	-	-	-	-	-
PVE Law Enforcement****	-	-	-	-	-	-
Transit Proposition A	38,867	69,867	69,997	69,997	90,268	88,356
Capital Improvement Fund	5,120,706	1,609,278	1,745,886	5,288,083	587,528	631,529
Sewer Capital Projects Fund	3,718,492	2,925,645	2,956,243	3,646,743	2,590,328	2,936,735
Total Other Governmental Funds **	2,147,302	2,763,508	2,787,063	2,915,099	3,689,853	3,910,773
Equipment Replacement	2,231,019	2,180,131	2,023,078	2,143,922	2,042,781	1,853,412
Insurance	1,051,968	1,056,064	1,056,968	1,056,968	1,060,064	1,060,968

\* - used the audited ending fund balance FY17-18, ie beginning fund balance FY 2018-19

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

\*\*\* Fiscal Reserve Balance is budgeted at 50% of Expenditures for FY18-19 & FY19-20.

\*\*\* Includes the 7.2 million emergency contingency

\*\*\*\*PVE Law Enforcement funds-100% transferred in FY18-19 & FT19-20 to the General Fund

<sup>77</sup> Measure R – funds are generated from the ½ sales tax levied in Los Angeles County in November of 2008 to provide for transportation related projects and programs. Funds are received from the LA Metropolitan Transportation Authority.

ATTACHMENT C

**GENERAL FUND - Net Revenues over Expenditures**

FY 2018-19 projected General Fund revenues (excluding transfers) are higher than audited FY 2017-18 revenues by 7.73% and 5.83% higher than FY 2018-19 Adopted Budget. Property tax remains the key driver with an increase projected to be 2.09% from audited FY 2017-18. Much of the increase in FY 2018-19 revenues is attributed to the City's exchange of SCE Rule 20A credits with the City of Rolling Hills for General Fund revenue in the amount of \$675,295. These revenues have been recorded in Other Fees and will be designated as assigned funds to be used for one-time expenditures directed by Council (see **Attachment A**)

Adjusted Proposed FY 2019-20 revenues continue this trend and are planned to be 1.85% higher than projected FY 2018-19 revenues mostly due to property tax revenues (*when the receipt of SCE Rule 20A credits are excluded.*)

Overall, FY 2018-19 projected net General Fund revenues (inclusive of proposed transfers from the Law Enforcement Fund and return balance of prior year transferred monies from the Fire/Paramedic Parcel Tax Fund) are \$2,050,393 over proposed expenditures (inclusive of proposed transfers to the Capital Improvement and Parklands funds). The Adjusted Proposed FY 2019-20 net General Fund revenues (inclusive of planned transfers from the Law Enforcement Fund) are also over adjusted proposed expenditures by \$1,040,685. This is less favorable from the Adopted Proposed FY 2019-20 by \$355,060. This is mostly attributed to significant increases in the Fire Services Contract and CJPIA insurance rates. (see **Attachment A & B**)

**Overview of the City's General Fund Revenue Sources**

GENERAL FUND REVENUES	Audited FY 2017-18	Adopted FY 2018-19	Adusted FY 2018-19	Projected FY 2018-19	Adopted Proposed FY 2019-20	Adjusted Proposed FY 2019-20
PROPERTY TAX	8,116,415	8,296,297	8,296,297	8,286,297	8,591,564	8,591,564
PROPERTY TAX - VLF (IN LIEU)	1,349,745	1,514,992	1,514,992	1,514,992	1,570,592	1,570,592
SALES TAX	388,757	354,000	354,000	370,051	356,000	356,000
REAL ESTATE TRANSFER TAX	263,281	200,000	200,000	217,419	200,000	200,000
BUSINESS LICENSE TAX	209,938	221,250	221,250	224,947	225,000	225,000
FRANCHISE FEES	589,616	578,500	578,500	585,264	587,060	587,060
COMMUNITY DEVELOPMENT	1,597,841	1,532,500	1,539,500	1,554,244	1,532,500	1,511,025
INTEREST INCOME	(84,708)	133,500	135,900	294,405	144,500	250,000
<b>KEY REVENUES</b>	<b>12,430,886</b>	<b>12,831,039</b>	<b>12,840,439</b>	<b>13,047,619</b>	<b>13,207,216</b>	<b>13,291,241</b>
CONCESSIONS AND RENT	1,377,144	1,346,000	1,344,917	1,344,425	1,371,200	1,333,800
LICENSES & PERMITS	16,916	30,500	30,500	15,406	30,500	30,500
SAFETY FINES	128,610	150,000	150,000	112,693	150,000	150,000
SERVICE CHARGES	90,933	49,000	49,000	53,666	47,000	47,000
OTHER FEES	161,893	54,500	741,795	730,323	47,500	47,500
<b>OTHER REVENUES</b>	<b>1,775,497</b>	<b>1,630,000</b>	<b>2,316,212</b>	<b>2,256,513</b>	<b>1,646,200</b>	<b>1,608,800</b>
<b>REVENUES BEFORE TRANSFRS</b>	<b>14,206,382</b>	<b>14,461,039</b>	<b>15,156,651</b>	<b>15,304,133</b>	<b>14,853,416</b>	<b>14,900,041</b>
TRANSFERS IN	1,626,796	5,095,552	5,115,172	5,115,172	4,973,000	4,973,000
<b>TOTAL REVENUES INCLUDING TRANSFERS</b>	<b>15,833,178</b>	<b>19,556,591</b>	<b>20,271,823</b>	<b>20,419,305</b>	<b>19,826,416</b>	<b>19,873,041</b>

## Overview of the City's General Fund Expenditures

Overall, the projected FY 2018-19 General Fund (operating) expenditures are projected to be at 96.66% percent of the adjusted budget. This is a favorable position of 3.24% below budget expectations. See **Attachment B & C** for the General Fund department adjusted budget to projected expenditures by program. Where a line item budget is exceeded, there were other offsetting savings to cover costs. The only division projected to be above their Adjusted Budget is Administration. Administration is higher due to the City Manager separation agreement costs partially offset by budgeted expenditures for consultant and professional services that were not utilized and the remaining unused contingency reserve resulting in a net unfavorable difference of (\$68,819) – see **Attachment J**. The Fire services contract is also higher due to cost increases, see page 8 for the details.

It is important to point out, for FY 2018-19, the Police Department has a favorable position of 6.26% below the adjusted budget and 4.43% below the adopted budget. This is mostly due to the budget savings resulting from eliminated positions and other personnel changes since adoption of the 2018-2020 biennial budget. The savings were partially offset by the July 2018 - January 2020 Memorandum of Understanding (MOU) for salary and benefit adjustments. The 4% salary increase was effective the first pay-period following the ratification of the MOU - February 4, 2019 (impacting approximately 5 months of Fiscal Year 2018-2019.)

The original Adopted Proposed FY 2019-20 General Fund expenditures were \$18,430,671. Since the original adoption, changes to vendor contracts and rates will impact the adopted plan. Additional adjustments will both contribute to savings and increased expenditures; both are discussed below. The total General Fund department expenditure adjustments to the original adopted plan result in a total increase in expenditures of \$401,685 or 2.18% of total adopted expenditures. The following list includes the significant changes; for a detailed department listing - see **Attachment B & K**.

- **Health Benefits** - While the adopted FY 2019-20 plan included a 10% increase in medical insurance costs included in the department expenditures, it is important to highlight that the City has entered into an agreement with a new Health Insurance Broker, Keenan & Associates. Keenan along with the Assistant to the City Manager, Karina Banales, have identified new health insurance providers, and without reducing employee benefits, are currently negotiating the contract premium rates. Based on the Broker's initial estimates, the direct savings for the City in health insurance benefits is \$50,000 to \$60,000 annually, depending on the employee's benefit selections. These savings are currently not reflected in the Adjusted Proposed FY2019-20 budget due to the timing; but Staff will return with better estimates once the premium rates are finalized.
- **JPIA Insurance** - The JPIA General Liability, Property and Worker's Compensation Insurance costs have increased by \$241,385 as compared to projected FY 2018-19. The City budgeted for a 10% increase in annual cost for a net impact on the Fiscal Year 2019-20 of \$194,027. This includes adjusting the budget for the Property Invoice of \$52,855 which was not in the original adopted budget. The California Joint Powers Insurance Authority (CJPIA) estimated total costs for the Adjusted Proposed FY 2019-20 at \$1,285,453.
- **Fire Services** - On March 28, 2019, the City was informed by the Los Angeles County Fire Department that 2018-2019 contract fire and paramedic service costs are increasing 6.26% from 2017-18 - **See Attachment Q**. The City's adopted budget anticipated a 3% increase of the gross

## ATTACHMENT C

fees based on historical average and as such, the projected impact to FY 2018-19 is \$10,736 (after credits received.) The Actual Fee has been projected and will be accrued for FY 2018-19. The Adjusted Proposed FY 2019-20 additional budget adjustment is estimated to be \$275,365 (before credits). The Adopted Plan FY 2019-20 was \$5,275,615 and the Adjusted Plan is \$5,550,980.

- Administration Department- MOU salary and benefit charges and City Manager separation agreement in the amount of \$21,709.
- Non-Department - The Non-Department has been adjusted to include a contingency of \$60,000 to cover the impact of potential contract negotiations and personnel related expenditures and an anticipated increase in the retiree health stipend of \$16,500.
- Finance Department - The Finance department has been adjusted to continue the part-time Budget Analyst position. This position was approved for one year, FY 2018-19, and staff is seeking Council approval to continue this position for FY 2019-20; the estimated annual cost is \$35,150. This is a non-PERSable position and the Finance department has recently found savings in other department expenditures to partially offset this expense by (\$12,000) and there is a potential for further reductions relating to merchant service fees. As the Finance department is increasing the annual financial reporting requirements, this position is pivotal in meeting all reporting deadlines. The Department is also responsible for finance management and administration, fiscal reporting and filing, payroll, purchasing, banking, business license administration, accounting, and the processing of accounts payable and receivable. For this and all its work responsibilities, the Department consists of two professional staff (Director and Senior Accountant) and two support staff (Permit Technicians).
- Police Department - The Police Department has been adjusted for the annual Holiday bank payout. The annual holiday bank is a temporary bank to accrue holiday leave during a fiscal year. Per the memorandum of understanding, Police Officer Association employees accrue 10 hours of holiday leave per holiday for a total of 120 hours to be utilized at any time during the year or sell-back hours for cash. At the end of the fiscal year (*in June*) this bank is emptied by either being paid for any remaining balance and/or rolling up to 60 hours to a carryover holiday bank. The adjusted proposed FY 2019-20 budget has been adjusted for an estimate of \$110,000 for the annual holiday payout, as this was not included in the original adopted plan.
- Community Development and Public Works Department –
  - Planning and Public Works Divisions have been adjusted for the department re-organization (*including eliminating the Deputy City Manager Position*) and current year MOU impact for approximate net reduction of (\$149,769) and anticipated CEQA review services (\$16,000).
  - Building Division - HR Green professional services have been revised down to reflect a better estimate based on contract terms and revenues based on current and anticipated permit activity.
  - Public Works Division General Fund expenditures have been revised down for the Measure W funding towards storm drain repairs and maintenance in the amount of (\$162,400) (*discussed earlier in the staff report*).
  - Streets Division has been adjusted for use of seasonal workers in the amount of \$18,968; this is a partial carryover from the previous year as this program was deferred in FY 2018-19.

ATTACHMENT C

- City Properties Division has been adjusted for the last remaining payment for the capital commitment to the Stable Concession of \$25,000 and carryover projects into FY 2019-20.

GENERAL FUND EXPENDITURES	AUDITED FY 2017-18	ADOPTED FY 2018-19	ADJUSTED FY 2018-19	PROJECTED FY 2018-19	ADOPTED FY 2019-20	ADJUSTED FY 2019-20
CITY MANAGER	650,335	626,905	630,389	718,504	643,370	667,915
CITY ATTORNEY	240,135	213,000	293,000	295,868	203,000	203,000
CITY CLERK	279,598	280,197	330,562	328,018	238,539	254,151
NON-DEPARTMENTAL	178,251	297,227	139,872	120,252	158,861	251,321
<b>ADMINISTRATION</b>	<b>1,348,320</b>	<b>1,417,329</b>	<b>1,393,823</b>	<b>1,462,642</b>	<b>1,243,770</b>	<b>1,376,387</b>
FINANCE	780,665	796,437	814,398	769,002	701,188	759,731
CITY TREASURER	41,683	44,963	45,604	61,159	47,517	41,259
<b>FINANCE</b>	<b>822,348</b>	<b>841,400</b>	<b>860,002</b>	<b>830,161</b>	<b>748,705</b>	<b>800,990</b>
<b>POLICE</b>	<b>6,539,154</b>	<b>6,896,226</b>	<b>7,031,505</b>	<b>6,591,027</b>	<b>7,137,129</b>	<b>7,252,941</b>
<b>FIRE *</b>	<b>-</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>5,275,615</b>	<b>5,550,980</b>
BUILDING	893,401	874,471	870,181	637,617	897,798	750,552
PLANNING	442,286	371,269	392,992	452,248	398,377	387,885
PARKLANDS	1,268,727	1,318,683	1,324,923	1,326,889	1,363,136	1,374,978
<b>PLANNING &amp; BUILDING</b>	<b>2,604,414</b>	<b>2,564,423</b>	<b>2,588,097</b>	<b>2,416,754</b>	<b>2,659,311</b>	<b>2,513,415</b>
PUBLIC WORKS ADMN	796,761	883,429	930,719	915,478	909,830	903,700
STREETS	85,053	193,551	196,465	170,499	262,862	188,491
CITY PROPERTIES	174,849	206,402	309,703	297,658	193,449	245,453
<b>PUBLIC WORKS</b>	<b>1,056,662</b>	<b>1,283,382</b>	<b>1,436,887</b>	<b>1,383,635</b>	<b>1,366,141</b>	<b>1,337,643</b>
<b>EXPENDITURES BEFORE TRANSFERS</b>	<b>12,370,898</b>	<b>18,124,717</b>	<b>18,432,269</b>	<b>17,816,912</b>	<b>18,430,671</b>	<b>18,832,356</b>
<b>TRANSFERS OUT</b>	<b>4,345,858</b>	<b>552,000</b>	<b>552,000</b>	<b>552,000</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES INCL TRANSFERS</b>	<b>16,716,756</b>	<b>18,676,717</b>	<b>18,984,269</b>	<b>18,368,912</b>	<b>18,430,671</b>	<b>18,832,356</b>

\* - Starting FY 2018-19 Fire Services are recorded in the General Fund expenditures.

**Expenditures by Cost Category – General Fund excluding transfers**

GENERAL FUND EXPENDITURES BY COST TYPE (excl transfers)	2017-2018		2018-2019		2019-20		2019-20	
	Actuals*	% Total	PROJECTION	% Total	ADOPTED PROPOSED	% Total	ADJUSTED PROPOSED	% Total
SALARIES	5,516,294	45%	5,292,913	30%	5,550,414	30%	5,566,204	30%
BENEFITS	2,545,822	21%	2,660,545	15%	3,103,463	17%	3,124,096	17%
<b>SALARIES AND BENEFITS</b>	<b>8,062,116</b>	<b>65%</b>	<b>7,953,458</b>	<b>45%</b>	<b>8,653,876</b>	<b>47%</b>	<b>8,690,300</b>	<b>46%</b>
SUPPLIES AND SERVICES *	3,677,505	30%	9,253,159	52%	9,112,403	49%	9,304,627	49%
ALLOCATIONS	615,175	5%	610,295	3%	661,640	4%	834,678	4%
CAPITAL OUTLAY	16,102	0%	-	0%	2,750	0%	2,750	0%
<b>TOTAL GENERAL FUND</b>	<b>12,370,898</b>	<b>100%</b>	<b>17,816,912</b>	<b>100%</b>	<b>18,430,670</b>	<b>100%</b>	<b>18,832,355</b>	<b>100%</b>

\* - Starting FY 2018-19 Fire Services are recorded in the General Fund expenditures.

**Pension Costs** – The CalPERS normal cost and unfunded accrued liability (UAL) costs are included in benefits within the department expenditures. The current pension costs are based on the most recent valuation report with a measurement date of August 2018 and an annual valuation date as of June 30, 2017. Generally, the City receives a CalPERS annual update in August with projected results and anticipated contributions for the upcoming fiscal years. The City is eligible for a UAL discount if the UAL portion of the employer contribution is prepaid by July 31. The current August

**ATTACHMENT C**

2018 report provides the required contributions for FY 2019-20 and these rates and discounted UAL amount are reflected in the adjusted budget. The FY 2018-19 contribution rates and discounted UAL are included in the projections. The following is a recap of the rates and UAL costs.

FY 2018-19 PENSION COSTS		Normal Costs		UAL	
		EMPLOYEE Contribution Rates	EMPLOYER Contribution Rates	Employer Paid	Employer Paid (with prepay disc)
Rate Plan#					
Classic Safety	479	8.989%	20.556%	\$ 599,344.00	\$ 578,395.00
Pepra Safety	25381	12.000%	12.141%	\$ 567.00	\$ 547.00
Classic Misc	478	6.902%	9.409%	\$ 119,373.00	\$ 115,200.00
Pepra Misc	26358	6.250%	6.842%	\$ 362.00	\$ 349.00
			Total	\$ 719,646.00	\$ 694,491.00

FY 2019-20 PENSION COSTS		Normal Costs		UAL	
		EMPLOYEE Contribution Rates	EMPLOYER Contribution Rates	Employer Paid	Employer Paid (with prepay disc)
Rate Plan#					
Classic Safety	479	8.989%	21.927%	\$ 739,444.00	\$ 714,014.00
Pepra Safety	25381	12.000%	13.034%	\$ 1,347.00	\$ 1,301.00
Classic Misc	478	6.906%	10.221%	\$ 171,284.00	\$ 165,393.00
Pepra Misc	26358	6.750%	6.985%	\$ 2,280.00	\$ 2,201.00
			Total	\$ 914,355.00	\$ 882,909.00

CalPERS also issues risk pool reports as the City of Palos Verdes Estates is designated by CalPERS as part of a risk pool (a process of combining assets and liabilities across employers to produce larger, risk sharing pools that reduces the volatility of employer contribution rates). Participation in either the miscellaneous or safety risk pools is mandatory for public agencies with fewer than 100 active members. The City’s UAL is affected by changes/fluctuations of the pool, as a whole, and as such, the risk pool directly affects the City’s individual pension liability. In other words, the City may pay down its UAL, but the changes/fluctuations of the pool that subsequently impacts the UAL is not in the City’s control. The risk pool reports can be accessed [here](#).

**Other Fund Revenues**

A variety of other Funds hold revenue that are dedicated and restricted for special services. Four of note are the Gas Tax Fund, RMRA Fund, Proposition “C” Fund and Measure W.

Gas Tax revenues are projected to increase by \$64K from the adopted FY 2019-20 plan. The Road Repair and Accountability Act of 2017 (SB1 Beall) removed the BOE’s<sup>8</sup> discretionary rate setting role over the Section 2103 variable rate and resets the variable rate at 17.3 cents per gallon on July 1, 2019, thus increasing this Section 2103 funding by \$64K. This additional funding can be used to

<sup>8</sup> California State Board of Equalization oversees 30 tax and fee programs, which generate 30% of the State’s revenue.



## ATTACHMENT C

offset construction and maintenance of the road network system for the City. The California Department of Finance projects all other section revenues to remain flat in FY 2019-20. Growth in Gas Tax revenues has overall declined due to the combination of lower fuel prices, higher efficiency vehicles and electric vehicles.

In FY 2017-18, the City began receiving funding generated from the recently enacted Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017), which is known as the “*Road Repair and Accountability Act of 2017*”. This Act increases per gallon fuel excise taxes, diesel fuel sales taxes and vehicle registration taxes; stabilizes the price-based fuel tax rates; and provides for inflationary adjustments to rates in future years, which is deposited into the State Controller’s newly created Road Maintenance and Rehabilitation Account (RMRA). RMRA funds can be used for basic road maintenance, rehabilitation, and critical safety projects on the local streets and road system. Revenues the City receives from RMRA are currently being accumulated as Fund Balance and are proposed to be appropriated for a qualifying project at a later time. The revenues are projected to remain flat thru FY 2019-20.

The City began accumulating Proposition “C” Transportation Funds in FY 2016-17, rather than exchanging these funds at a discount for General Funds. Annual receipts remained flat between FY 2017-18 and FY 2018-19 and are projected to increase modestly in FY 2019-20. These funds will be used to improve the condition of streets utilized by fixed transit service. Revenues the City receives from Proposition C are currently being accumulated as Fund Balance and will be appropriated upon development of a qualifying project. The projected fund balance thru June 30, 2020 is \$1,065,401.

As discussed earlier, Measure W – New for FY 2019-20 - The Safe, Clean Water Program (Measure W) was passed in November 2018. 40% of funds will be allocated directly to municipalities. The City is estimated to receive \$260K in FY 2019-20 from Measure W funds, of which \$162K will be used towards Public Works and Streets department expenditures related to storm drain cleaning and repairs. A new restricted fund will be set up to receipt these funds and the related department expenditures are included in this fund for FY 2019-20 Adjusted Proposed Plan.

### **Capital Projects**

The total projected and adjusted proposed Capital Improvement Program for FY 2018-19 and FY 2019-20 is \$742,721 and \$5,082,757, respectively (excluding transfers). FY 2018-19 included transfers from the General Fund of \$552,000, Special Projects fund of \$125,715 and Measure R fund of \$168,368. Future infrastructure projects, planning and funding will be a subject for additional discussion by the City Council and Financial Advisory Committee at conclusion of development of the infrastructure management plan in October of 2019. (**Attachment G**)

### **Equipment Replacement, Inventory and Reserve Funding**

The total projected and adjusted proposed Equipment Replacement expenditures for FY 2018-19 and FY 2019-20 are \$104,746 and \$312,510, respectively. Some of the projects were not completed in FY 2018-19 and are carry-over to FY 2019-20. The purchase of one patrol car has been revised down for FY 2019-20 and the Streets Division has identified a vehicle replacement for FY 2019-20 for approximately \$60,000. The annual allocation was suspended for this fund based on current needs and funding resources. It has been identified that a long-range replacement assessment is

## ATTACHMENT C

necessary. The annual depreciation expense calculation is prepared during the year-end financial audit process and is not included in this budget presentation. Mindful of maintaining and replacing the City's assets, both an inventory of assets and an evaluation of the Equipment Replacement Reserve funding is in progress and is due to be completed by first quarter of FY 2019-20. See **Attachment H** for the list of projects.

### **Treatment / Presentation of Palos Verdes Estates Law Enforcement Fund**

With the passage of Measure E, the projected Law Enforcement Fund revenue is projected to be \$4,973,000 (includes a % for delinquency) in FY 2018-19 and is expected to be relatively flat during the life of the levy; an increase in revenue will be minimal based on redevelopment of property. These funds will be 100% fully expended each year during the life of levy as the Police Department expenditures will exceed annual revenues.

The budget presents Police Department expenditures in the General Fund. As such, all Police operating costs are together for reporting, presentation and accounting; Department costs and the General Fund expenditures for services are therefore fully represented in one place. The parcel tax revenue, on the other hand, will be collected and contained in a special Law Enforcement Fund. In this scenario, it is anticipated that the Citizen Oversight Committee will review the detailed expenditures to-date of the Police Department at least twice a year and upon being satisfied that expenses are equal to or exceed parcel tax revenue, a recommendation will be made to the City Council to "transfer in" to the General Fund for Department expenditures. This method of accounting will ensure the community and Citizen Oversight Committee and the City Council full review of the Police Department budget to validate appropriate use of parcel tax revenue. From an accounting perspective, this eliminates line-item account adjustments ("transfers out") from the General Fund into the Law Enforcement Fund, which would be time consuming and new work for staff that may also seem arbitrary as decisions are made to determine each expense line to transfer.

### **NOTIFICATION**

This matter was posted and noticed for the City Council meeting consistent with the City's routine process.

### **CONCLUSION**

In the budget process, staff is focused on presenting a balanced budget that continues the City's prudent, cost-conscious control of costs, achieves the efficient and effective delivery of the highest quality of services possible with the funds available, stretches every dollar and revenue source opportunity to reduce the reliance on the General Fund, and is fiscally responsible. As such, the budget being presented represents the revenue and expenditures for maintaining the current level of services and day-to-day operations inclusive of the priorities of the City Council.

The budget intends to meet three objectives: It represents the City's resources. It presents projected revenues and expenditures for current services. It shows a balanced budget with revenues exceeding expenditures.

## ATTACHMENT C

This report and the attachments progress from top-level summary to detailed Department line-items. Based on additional modifications from this workshop, the final budget will be prepared and presented for City Council approval on June 25, 2019.

### **ALTERNATIVES AVAILABLE TO COUNCIL**

The following alternatives are available to the City Council:

- 1) Direct staff to agendaize the FY 2019-20 budget and associated Resolutions for public adoption on June 25, 2019.
- 2) Direct modifications to the FY 2019-20 budget and to agendaize the FY 2019-20 budget and associated Resolutions for public adoption on June 25, 2019.
- 3) Request additional information or provide alternate direction.

### **RECOMMENDATION**

It is recommended that the City Council comment on the FY 2019-20 City of Palos Verdes Estates budget, provide direction accordingly, and direct staff to prepare the budget with associated Resolutions for a public hearing and approval on June 25, 2019.

Attachments:

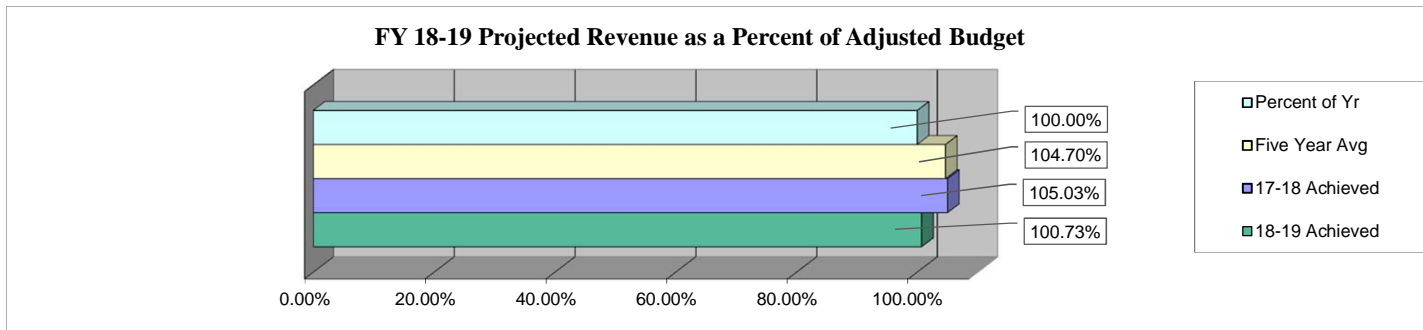
- A. Revenue Projections FY 18-19 and Adjusted Proposed FY 19-20 General Fund
- B. Expenditures by Program Projections FY 18-19 and Adjusted Proposed FY 19-20 General Fund
- C. Expenditures by Type Projections FY 18-19 and Adjusted Proposed FY 19-20 General Fund
- D. Projected FY 18-19 Fund Balance - As of June 30, 2019
- E. Adopted Proposed FY 19-20 Fund Balance - As of June 30, 2020
- F. Adjusted Proposed FY 19-20 Fund Balance - As of June 30, 2020
- G. Capital Funds – Projected FY 18-19 and Adjusted Proposed FY 19-20
- H. Equipment and Technology Fund - Projected FY 18-19 and Adjusted Proposed FY 19-20
- I. Department Expenditure Detail – Projected FY 18-19 and Adjusted Proposed FY 19-20
- J. Summary of Projected Adjustments FY18-19
- K. Summary of Proposed Adjustments for FY19-20
- L. General Fund Monthly Roll-Forward
- M. Citywide Organization chart of positions
- N. Citywide Positions
- O. Description of Funds & Fund Types
- P. HdL Property Tax Reports
- Q. Palos Verdes Estates 18-19 Final Fire Department 19-20 cost estimate



**City of Palos Verdes Estates  
Approved Biennial Budget FY 2018-2020  
Revenue Budget to Actual Comparisons - General Fund  
Fiscal Year 2018-2019 Year-End Projections and 2019-2020 Proposed**

REVENUE SOURCES	2017-2018	2018-2019					2019-2020			FIVE YEAR AVERAGE	PERCENT OF YEAR EXPIRED
	AUDITED ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	PROJECTION	ADJUSTED BUDGET TO ACTUAL \$	ADJUSTED BUDGET TO ACTUAL %	ADOPTED PROPOSED	ADJUSTED PROPOSED	PROPOSED % CHANGE		
<b>GENERAL FUND REVENUES</b>											
PROPERTY TAX	8,116,415	8,296,297	8,296,297	8,286,297	(10,000)	99.88%	8,591,564	8,591,564	0.00%		
PROPERTY TAX - VLF (IN LIEU)	1,349,745	1,514,992	1,514,992	1,514,992	0	100.00%	1,570,592	1,570,592	0.00%		
SALES TAX	388,757	354,000	354,000	370,051	16,051	104.53%	356,000	356,000	0.00%		
REAL ESTATE TRANSFER TAX	263,281	200,000	200,000	217,419	17,419	108.71%	200,000	200,000	0.00%		
BUSINESS LICENSE TAX	209,938	221,250	221,250	224,947	3,697	101.67%	225,000	225,000	0.00%		
FRANCHISE FEES	589,616	578,500	578,500	585,264	6,764	101.17%	587,060	587,060	0.00%		
COMMUNITY DEVELOPMENT	1,597,841	1,532,500	1,539,500	1,554,244	14,744	100.96%	1,532,500	1,511,025	-1.42%		
INTEREST INCOME	(84,708)	133,500	135,900	294,405	158,505	216.63%	144,500	250,000	42.20%		
<b>KEY REVENUES</b>	<b>12,430,886</b>	<b>12,831,039</b>	<b>12,840,439</b>	<b>13,047,619</b>	<b>207,180</b>	<b>101.61%</b>	<b>13,207,216</b>	<b>13,291,241</b>	<b>0.63%</b>		
CONCESSIONS AND RENT	1,377,144	1,346,000	1,344,917	1,344,425	(492)	99.96%	1,371,200	1,333,800	-2.80%		
LICENSES & PERMITS	16,916	30,500	30,500	15,406	(15,094)	50.51%	30,500	30,500	0.00%		
SAFETY FINES	128,610	150,000	150,000	112,693	(37,307)	75.13%	150,000	150,000	0.00%		
SERVICE CHARGES	90,933	49,000	49,000	53,666	4,666	109.52%	47,000	47,000	0.00%		
OTHER FEES	161,893	54,500	741,795	730,323	(11,472)	98.45%	47,500	47,500	0.00%		
<b>OTHER REVENUES</b>	<b>1,775,497</b>	<b>1,630,000</b>	<b>2,316,212</b>	<b>2,256,513</b>	<b>(59,699)</b>	<b>97.42%</b>	<b>1,646,200</b>	<b>1,608,800</b>	<b>-2.32%</b>		
<b>REVENUES BEFORE TRANSFERS</b>	<b>14,206,382</b>	<b>14,461,039</b>	<b>15,156,651</b>	<b>15,304,133</b>	<b>147,482</b>	<b>100.97%</b>	<b>14,853,416</b>	<b>14,900,041</b>	<b>0.31%</b>		
TRANSFERS IN *	1,626,796	5,095,552	5,115,172	5,115,172	0	100.00%	4,973,000	4,973,000	0.00%		
<b>TOTAL REVENUES INCLUDING TRANSFERS</b>	<b>15,833,178</b>	<b>19,556,591</b>	<b>20,271,823</b>	<b>20,419,305</b>	<b>147,482</b>	<b>100.73%</b>	<b>19,826,416</b>	<b>19,873,041</b>	<b>0.23%</b>	<b>104.70%</b>	<b>100.00%</b>
Revenue Over (Under) Prior Year Dollars				4,586,127							
Budget to Actual Over (Under) Prior Year %									-4.30%		
Budget to Actual Over (Under) Annual Average %										-3.97%	

\*PVE Law Enforcement tax revenue included as a transfer in starting FY 2018-19



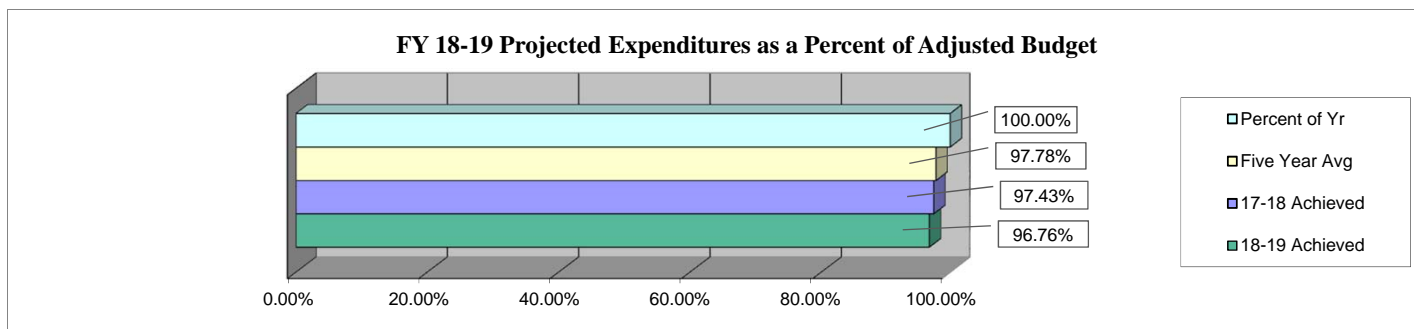
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**City of Palos Verdes Estates  
Approved Biennial Budget FY 2018-2020  
Budget to Projected Expenditures by Program - General Fund  
Fiscal Year 2018-2019 Year-End Projections and 2019-2020 Proposed**

% of Yr  
100.00%

GENERAL FUND DEPT / DIVISION EXPENDITURES	2017-2018	2018-2019						2019-2020			TO ADOPTED % CHANGE
	AUDITED ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	PROJECTION	% OF ADJUSTED	ADJUSTED	% OF AVAILABLE	ADOPTED PROPOSED	PROPOSED	ADJUSTED	
					USED	AVAILABLE			BUDGET	PROPOSED	
		<i>a</i>	<i>b</i>	<i>b</i>	<i>% b/a</i>	<i>(a-b=c)</i>	<i>% c/a</i>	<i>d</i>	<i>e</i>	<i>d+e</i>	<i>% e/d</i>
CITY MANAGER	650,335	626,905	630,389	718,504	113.98%	(88,115)	-13.98%	643,370	24,545	667,915	
CITY ATTORNEY	240,135	213,000	293,000	295,868	100.98%	(2,868)	-0.98%	203,000	-	203,000	
CITY CLERK	279,598	280,197	330,562	328,018	99.23%	2,544	0.77%	238,539	15,612	254,151	
NON-DEPARTMENTAL ADMINISTRATION	178,251	297,227	139,872	120,252	85.97%	19,619	14.03%	158,861	92,460	251,321	
<b>ADMINISTRATION</b>	<b>1,348,320</b>	<b>1,417,329</b>	<b>1,393,823</b>	<b>1,462,642</b>	<b>104.94%</b>	<b>(68,819)</b>	<b>-4.94%</b>	<b>1,243,770</b>	<b>132,617</b>	<b>1,376,387</b>	<b>10.66%</b>
FINANCE	780,665	796,437	814,398	769,002	94.43%	45,396	5.57%	701,188	58,543	759,731	
CITY TREASURER	41,683	44,963	45,604	61,159	134.11%	(15,555)	-34.11%	47,517	(6,258)	41,259	
<b>FINANCE</b>	<b>822,348</b>	<b>841,400</b>	<b>860,002</b>	<b>830,161</b>	<b>96.53%</b>	<b>29,841</b>	<b>3.47%</b>	<b>748,705</b>	<b>52,285</b>	<b>800,990</b>	<b>6.98%</b>
<b>POLICE</b>	<b>6,539,154</b>	<b>6,896,226</b>	<b>7,031,505</b>	<b>6,591,027</b>	<b>93.74%</b>	<b>440,477</b>	<b>6.26%</b>	<b>7,137,129</b>	<b>115,812</b>	<b>7,252,941</b>	<b>1.62%</b>
<b>FIRE</b>	<b>-</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>100.21%</b>	<b>(10,736)</b>	<b>-0.21%</b>	<b>5,275,615</b>	<b>275,365</b>	<b>5,550,980</b>	<b>5.22%</b>
BUILDING	893,401	874,471	870,181	637,617	73.27%	232,565	26.73%	897,798	(147,246)	750,552	
PLANNING	442,286	371,269	392,992	452,248	115.08%	(59,256)	-15.08%	398,377	(10,492)	387,885	
PARKLANDS	1,268,727	1,318,683	1,324,923	1,326,889	100.15%	(1,966)	-0.15%	1,363,136	11,842	1,374,978	
<b>PLANNING &amp; BUILDING</b>	<b>2,604,414</b>	<b>2,564,423</b>	<b>2,588,097</b>	<b>2,416,754</b>	<b>93.38%</b>	<b>171,343</b>	<b>6.62%</b>	<b>2,659,311</b>	<b>(145,896)</b>	<b>2,513,415</b>	<b>-5.49%</b>
PUBLIC WORKS ADMN	796,761	883,429	930,719	915,478	98.36%	15,241	1.64%	909,830	(6,130)	903,700	
STREETS	85,053	193,551	196,465	170,499	86.78%	25,966	13.22%	262,862	(74,371)	188,491	
CITY PROPERTIES	174,849	206,402	309,703	297,658	96.11%	12,044	3.89%	193,449	52,004	245,453	
<b>PUBLIC WORKS</b>	<b>1,056,662</b>	<b>1,283,382</b>	<b>1,436,887</b>	<b>1,383,635</b>	<b>96.29%</b>	<b>53,251</b>	<b>3.71%</b>	<b>1,366,141</b>	<b>(28,498)</b>	<b>1,337,643</b>	<b>-2.09%</b>
<b>GENERAL FUND EXPENDITURES BEFORE TRANSFERS</b>	<b>12,370,898</b>	<b>18,124,717</b>	<b>18,432,269</b>	<b>17,816,912</b>	<b>96.66%</b>	<b>615,357</b>	<b>3.34%</b>	<b>18,430,671</b>	<b>401,685</b>	<b>18,832,356</b>	<b>2.18%</b>
<b>TRANSFERS OUT</b>	<b>4,345,858</b>	<b>552,000</b>	<b>552,000</b>	<b>552,000</b>	<b>100.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GENERAL FUND EXPENDITURES INCLUDING TRANSFERS</b>	<b>16,716,756</b>	<b>18,676,717</b>	<b>18,984,269</b>	<b>18,368,912</b>	<b>96.76%</b>	<b>615,357</b>	<b>3.24%</b>	<b>18,430,671</b>	<b>401,685</b>	<b>18,832,356</b>	<b>2.18%</b>



## ATTACHMENT C

City of Palos Verdes Estates  
Approved Biennial Budget FY 2018-2020  
Budget to Projected Expenditures by Cost Category - General Fund  
Fiscal Year 2018-2019 Year-End Projections and 2019-2020 Proposed

GENERAL FUND DEPT / DIVISION EXPENDITURES	% of Yr 100.00%										
	2017-2018	2018-2019						2019-2020			PROPOSED TO ADOPTED % CHANGE
	AUDITED ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	PROJECTION	% OF ADJUSTED USED	ADJUSTED AVAILABLE BALANCE	% OF AVAILABLE	ADOPTED PROPOSED	PROPOSED BUDGET APPORTIONS	ADJUSTED PROPOSED	
		a	b	% b/a	(a-b=c)	% c/a	d	e	d+e	% e/d	
SALARIES	465,608	413,920	417,781	549,052	131.42%	(131,272)	-31.42%	413,920	(11,160)	402,760	
BENEFITS	193,706	161,054	161,271	169,334	105.00%	(8,063)	-5.00%	187,843	31,595	219,439	
SUPPLIES AND SERVICES	601,530	773,618	739,889	671,998	90.82%	67,890	9.18%	560,919	91,695	652,614	
ALLOCATIONS	72,835	66,113	72,257	72,257	100.00%	0	0.00%	78,337	20,487	98,824	
CAPITAL OUTLAY	14,642	2,625	2,625	-	0.00%	2,625	100.00%	2,750	-	2,750	
<b>ADMINISTRATION</b>	<b>1,348,320</b>	<b>1,417,329</b>	<b>1,393,823</b>	<b>1,462,642</b>	<b>104.94%</b>	<b>(68,819)</b>	<b>-4.94%</b>	<b>1,243,769</b>	<b>132,617</b>	<b>1,376,386</b>	<b>10.66%</b>
SALARIES	273,703	359,670	363,444	305,664	84.10%	57,781	15.90%	320,419	32,275	352,694	
BENEFITS	70,796	105,471	105,642	94,147	89.12%	11,495	10.88%	129,204	4,327	133,531	
SUPPLIES & SERVICES	459,404	359,517	372,617	412,052	110.58%	(39,434)	-10.58%	279,246	10,495	289,741	
ALLOCATIONS	18,444	16,742	18,298	18,298	100.00%	-	0.00%	19,837	5,188	25,025	
<b>FINANCE</b>	<b>822,348</b>	<b>841,400</b>	<b>860,002</b>	<b>830,161</b>	<b>96.53%</b>	<b>29,841</b>	<b>3.47%</b>	<b>748,705</b>	<b>52,285</b>	<b>800,991</b>	<b>6.98%</b>
SALARIES	3,914,354	3,927,253	4,035,402	3,788,850	93.89%	246,552	6.11%	3,944,421	98,265	4,042,687	
BENEFITS	2,007,461	2,254,964	2,254,964	2,146,059	95.17%	108,905	4.83%	2,454,223	10,920	2,465,143	
SUPPLIES & SERVICES	436,539	551,221	563,221	478,201	84.90%	85,021	15.10%	545,598	(43,819)	501,779	
ALLOCATIONS	179,341	162,787	177,917	177,917	100.00%	-	0.00%	192,886	50,446	243,332	
CAPITAL OUTLAY	1,460	-	-	-	-	-	-	-	-	-	
<b>POLICE</b>	<b>6,539,154</b>	<b>6,896,226</b>	<b>7,031,505</b>	<b>6,591,027</b>	<b>93.74%</b>	<b>440,477</b>	<b>6.26%</b>	<b>7,137,129</b>	<b>115,812</b>	<b>7,252,941</b>	<b>1.62%</b>
<b>FIRE</b>	<b>-</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>100.21%</b>	<b>(10,736)</b>	<b>-0.21%</b>	<b>5,275,615</b>	<b>275,365</b>	<b>5,550,980</b>	<b>5.22%</b>
SALARIES	638,429	607,162	501,680	414,190	82.56%	87,490	17.44%	616,411	(137,175)	479,235	
BENEFITS	213,128	229,987	194,469	185,905	95.60%	8,564	4.40%	257,934	(27,789)	230,146	
SUPPLIES AND SERVICES	1,578,928	1,569,398	1,719,398	1,644,110	95.62%	75,288	4.38%	1,597,899	(29,856)	1,568,043	
ALLOCATIONS	173,929	157,876	172,550	172,550	100.00%	-	0.00%	187,066	48,924	235,990	
<b>PLANNING &amp; BUILDING</b>	<b>2,604,414</b>	<b>2,564,423</b>	<b>2,588,097</b>	<b>2,416,754</b>	<b>93.38%</b>	<b>171,343</b>	<b>6.62%</b>	<b>2,659,310</b>	<b>(145,896)</b>	<b>2,513,414</b>	<b>-5.49%</b>
SALARIES	224,200	255,243	257,627	235,157	91.28%	22,470	8.72%	255,243	33,585	288,828	
BENEFITS	60,731	66,969	67,092	65,099	97.03%	1,993	2.97%	74,258	1,579	75,837	
SUPPLIES AND SERVICES	601,104	806,294	942,894	914,106	96.95%	28,788	3.05%	853,126	(111,656)	741,470	
ALLOCATIONS	170,626	154,877	169,273	169,273	100.00%	-	0.00%	183,514	47,994	231,508	
<b>PUBLIC WORKS</b>	<b>1,056,662</b>	<b>1,283,383</b>	<b>1,436,886</b>	<b>1,383,635</b>	<b>96.29%</b>	<b>53,251</b>	<b>3.71%</b>	<b>1,366,141</b>	<b>(28,498)</b>	<b>1,337,643</b>	<b>-2.09%</b>
<b>GENERAL FUND EXPENDITURES BEFORE TRANSFERS</b>	<b>12,370,898</b>	<b>18,124,719</b>	<b>18,432,269</b>	<b>17,816,912</b>	<b>96.66%</b>	<b>615,358</b>	<b>3.34%</b>	<b>18,430,670</b>	<b>401,685</b>	<b>18,832,355</b>	<b>2.18%</b>
<b>TRANSFERS OUT</b>	<b>4,345,858</b>	<b>552,000</b>	<b>552,000</b>	<b>552,000</b>	<b>100.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GENERAL FUND EXPENDITURES INCLUDING TRANSFERS</b>	<b>16,716,756</b>	<b>18,676,719</b>	<b>18,984,269</b>	<b>18,368,912</b>	<b>96.76%</b>	<b>615,358</b>	<b>3.24%</b>	<b>18,430,670</b>	<b>401,685</b>	<b>18,832,355</b>	<b>2.18%</b>

ATTACHMENT C

City of Palos Verdes Estates  
Approved Biennial Budget FY 2018-2020  
Projected FY 18-19 Fund Balance

FUNDS	Audited Fund Balance June 30, 2018	FY 18-19 Projected Revenues	FY 18-19 Projected Expenditures	Revenues / Expenditures	Capital	FY 18-19 Projected Transfers - In	FY 18-19 Projected Transfers - Out	FY 18-19 Net Transfers	Projected Fund Balance June 30, 2019
Fiscal Policy Reserve	7,200,000	-	-			-	-	-	8,908,456
Assigned									675,295
Undesignated	3,055,152	15,304,133	17,816,912	(2,512,779)		5,115,172	552,000	4,563,172	2,721,794
<b>01 Total General Fund</b>	<b>10,255,152</b>	<b>15,304,133</b>	<b>17,816,912</b>	<b>(2,512,779)</b>	<b>-</b>	<b>5,115,172</b>	<b>552,000</b>	<b>4,563,172</b>	<b>12,305,545</b>
Special Projects	956,829	169,126	82,543	86,583		-	127,284	(127,284)	916,127
22 Fire/Paramedic Parcel Tax	142,172	-	-	-		-	142,172	(142,172)	-
23 PVE Law Enforcement	-	4,973,000	-	4,973,000		-	4,973,000	(4,973,000)	-
26 Transit Proposition A	38,867	268,423	237,293	31,130		-	-	-	69,997
<b>Total Special Revenue Funds</b>	<b>1,137,868</b>	<b>5,410,549</b>	<b>319,836</b>	<b>5,090,713</b>	<b>-</b>	<b>-</b>	<b>5,242,456</b>	<b>(5,242,456)</b>	<b>986,124</b>
Capital Improvement Fund	5,120,706	48,000	-	48,000	656,706	776,083	-	776,083	5,288,083
62 Sewer Capital Projects Fund	3,718,492	29,000	14,733	14,267	86,015	-	-	-	3,646,743
<b>Total Capital Projects Funds</b>	<b>8,839,198</b>	<b>77,000</b>	<b>14,733</b>	<b>62,267</b>	<b>742,721</b>	<b>776,083</b>	<b>-</b>	<b>776,083</b>	<b>8,934,827</b>
Gas Tax	64,505	291,122	318,606	(27,484)		-	-	-	37,021
03 Drug Intervention	643,727	1,700	-	1,700		-	-	-	645,427
05 Police Grants (SLESF)	372,133	150,946	59,269	91,677		-	-	-	463,810
07 Corrections	5,690	6,000	4,700	1,300		-	-	-	6,990
27 Measure R	176,677	168,368	-	168,368		-	168,368	(168,368)	176,677
28 Prop C	608,020	225,820	-	225,820		-	-	-	833,840
31 Parklands	51,166	500	-	500	-	70,000	-	70,000	121,666
08 RMRA	80,139	214,837	-	214,837		-	-	-	294,976
25 Measure M	145,245	189,447	-	189,447		-	-	-	334,692
<b>Total Other Governmental Funds *</b>	<b>2,147,302</b>	<b>1,248,740</b>	<b>382,575</b>	<b>866,165</b>	<b>-</b>	<b>70,000</b>	<b>168,368</b>	<b>(98,368)</b>	<b>2,915,099</b>
Equipment Replacement	2,231,019	16,080	104,746	(88,666)		1,569	-	1,569	2,143,922
65 Insurance	1,051,968	1,050,167	1,045,167	5,000		-	-	-	1,056,968
<b>Total Internal Service Funds</b>	<b>3,282,987</b>	<b>1,066,247</b>	<b>1,149,913</b>	<b>(83,666)</b>	<b>-</b>	<b>1,569</b>	<b>-</b>	<b>1,569</b>	<b>3,200,890</b>

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

ATTACHMENT C

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

FUNDS	Projected Fund Balance June 30, 2019	FY 19-20 Adopted Proposed Revenues	FY 19-20 Adopted Proposed Expenditures	Revenues / Expenditures	Capital	FY 19-20 Adopted Proposed Transfers - In	FY 19-20 Adopted Proposed Transfers - Out	FY 19-20 Net Transfers	Projected Fund Balance June 30, 2020
Fiscal Policy Reserve	8,908,456	-	-			-	-	-	9,215,335
Assigned	-								-
Undesignated	2,721,794	14,853,416	18,430,669	(3,577,253)		4,973,000	-	4,973,000	3,810,663
<b>01 Total General Fund</b>	<b>11,630,250</b>	<b>14,853,416</b>	<b>18,430,669</b>	<b>(3,577,253)</b>		<b>4,973,000</b>	<b>-</b>	<b>4,973,000</b>	<b>13,025,997</b>
Special Projects	916,127	63,000	34,000	29,000		-	-	-	945,127
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	276,946	256,545	20,401		-	-	-	90,398
<b>Total Special Revenue Funds</b>	<b>986,124</b>	<b>5,312,946</b>	<b>290,545</b>	<b>5,022,401</b>		<b>-</b>	<b>4,973,000</b>	<b>(4,973,000)</b>	<b>1,035,525</b>
30 Capital Improvement Fund	5,288,083	52,000		52,000	1,073,750	-	-	-	4,266,333
62 Sewer Capital Projects Fund	3,646,743	31,000	366,371	(335,371)		-	-	-	3,311,372
<b>Total Capital Projects Funds</b>	<b>8,934,827</b>	<b>83,000</b>	<b>366,371</b>	<b>(283,371)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>7,577,706</b>
02 Gas Tax	37,021	302,363	315,982	(13,619)		-	-	-	23,402
03 Drug Intervention	645,427	1,100	-	1,100		-	-	-	646,527
05 Police Grants (SLESF)	463,810	102,500	-	102,500		-	-	-	566,310
07 Corrections	6,990	6,000	4,700	1,300		-	-	-	8,290
27 Measure R	176,677	173,859	-	173,859		-	-	-	350,536
28 Prop C	833,840	232,975	-	232,975		-	-	-	1,066,815
31 Parklands	121,666	500	-	500		-	-	-	122,166
08 RMRA	294,976	232,426	-	232,426		-	-	-	527,402
25 Measure M	334,692	195,303	-	195,303		-	-	-	529,995
21 Measure W	-	-	-	-		-	-	-	-
<b>Total Other Governmental Funds *</b>	<b>2,915,099</b>	<b>1,247,026</b>	<b>320,682</b>	<b>926,344</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>3,841,443</b>
60 Equipment Replacement	2,073,842	22,000	159,350	(137,350)		-	-	-	1,936,492
65 Insurance	1,056,968	1,095,426	1,091,426	4,000		-	-	-	1,060,968
<b>Total Internal Service Funds</b>	<b>3,130,810</b>	<b>1,117,426</b>	<b>1,250,776</b>	<b>(133,350)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>2,997,460</b>

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



ATTACHMENT C

<p>City of Palos Verdes Estates                  Approved Biennial Budget FY 2018-2020                  Adjusted Proposed FY 19-20 Fund Balance</p>
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	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	-	-			-	-	-	9,416,178
	Assigned	675,295								675,295
	Undesignated	2,721,794	14,900,041	18,832,356	(3,932,315)		4,973,000	-	4,973,000	3,254,757
01	<b>Total General Fund</b>	<b>12,305,545</b>	<b>14,900,041</b>	<b>18,832,356</b>	<b>(3,932,315)</b>		<b>4,973,000</b>	<b>-</b>	<b>4,973,000</b>	<b>13,346,230</b>
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>-</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>-</b>	<b>-</b>	<b>-</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>-</b>	<b>-</b>	<b>-</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>-</b>	<b>-</b>	<b>-</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



**City of Palmdale**  
**APPROPRIATION C**  
**Approved Biennial Budget FY 2018-2020**  
**Capital Funds**  
**Fiscal Year 2018-2019 Year-End Projections and 2019-2020 Proposed**

FD PROJ #	PROJECT TYPE	CAPITAL PROJECT	% of Year 100.00%								FUNDING SOURCES	
			2017-2018	2018-2019					2019-2020			
			AUDITED ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	PROJECTION	ADJUSTED/ CARRYOVER	% OF ADJUSTED BUDGET	ADOPTED PROPOSED	PROPOSED BUDGET APPORTIONS		ADJUSTED PROPOSED
		a	b	(a-b=c)	% b/a	d	e	d+e				
80050	Streets & Roadways	SLURRY SEAL	-	242,800	242,800	5,000	237,800	2.06%	240,000	237,800	477,800	CIP
80103	Streets & Roadways	CROSS GUTTER	-	35,000	35,000	17,234	17,766	49.24%	35,000	28,752	63,752	CIP
80800	Streets & Roadways	STREET CONST. & MT.	-	364,000	364,000	71,094	292,906	19.53%	360,000	292,906	652,906	CIP, Meas R, Prop C, Spec Rev- Prop 84 & Grant & Meas M
80891	Streets & Roadways	ON-CALL ROADWAY MAINT/RE	151,042	412,580	412,580	240,805	171,775	58.37%	180,000	240,805	420,805	CIP, Measure R & Measure M
80896	Streets & Roadways	ADA UPGRADES CITYWIDE	-	302,500	302,500	-	302,500	0.00%	105,000	302,500	407,500	CIP & Spec Rev-TDA
80909	Streets & Roadways	PVDW TRIANGLE STUDY	-	100,000	100,000	21,143	78,858	21.14%	-	78,858	78,858	CIP
80892	Streets & Roadways	PAVEMENT MANAGEMENT SYSTEM	56,640	-	-	-	-	0.00%	-	-	-	
81300	Streets & Roadways	CURB & GUTTERS	22,860	126,523	126,523	-	126,523	0.00%	75,000	126,523	201,523	CIP
80047	Traffic Safety	TRAFFIC CALMING	9,945	27,500	27,500	-	27,500	0.00%	28,750	-	28,750	CIP
81310	Traffic Safety	GUARDRAIL PROJECT	7,310	253,000	253,000	12,521	240,479	4.95%	-	240,479	240,479	HSIP Grant
81315	Traffic Safety	REFLECT ROAD REG SIGNS	-	100,000	100,000	-	100,000	0.00%	-	100,000	100,000	CIP
80806	Traffic Safety	PINALE LANE EMERGENCY RP	70,899	-	-	-	-	0.00%	-	-	-	
80919	Traffic Safety	AUTO LICENSE READER	9,120	-	-	2,273	(2,273)	0.00%	-	-	-	
80895	Traffic Safety	LIGHTED CROSSWALK RESTORATION	20,920	-	-	-	-	0.00%	-	-	-	
80849	Facility Improvements	CITY HALL SAFETY PROJECT	-	110,000	110,000	-	110,000	0.00%	-	110,000	110,000	CIP
80855	Facility Improvements	CITY HALL ADA IMPROVEMEN	-	188,000	188,000	-	188,000	0.00%	-	188,000	188,000	CIP
80898	Facility Improvements	EOC CONVERSION	-	47,000	47,000	3,048	43,953	6.48%	-	-	-	CIP
80899	Facility Improvements	SERVER ROOM UPGRADE	-	150,000	150,000	-	150,000	0.00%	-	150,000	150,000	CIP
80900	Facility Improvements	ADA UPGRADES FOR CITY HALL & PD	-	200,000	200,000	-	200,000	0.00%	-	200,000	200,000	CIP
80902	Infrastructure	INFRASTRUCTURE MANAGEMENT PLAN	-	-	20,000	20,000	-	100.00%	-	57,250	57,250	CIP
80100	Infrastructure	REPAIRS STORM	3,102	400,000	400,000	24,322	375,678	6.08%	50,000	375,678	425,678	CIP
80102	Infrastructure	CATCH BASIN REPLACEMENT	-	375,000	375,000	-	375,000	0.00%	-	375,000	375,000	CIP
81514	Infrastructure	TORRANCE APT STRM WTR INF	6,115	-	-	-	-	0.00%	-	-	-	
80159	Infrastructure	MS4: FULL CAPTURE SM BAY	63,404	210,000	210,000	90,074	119,926	42.89%	-	119,926	119,926	CIP & Spec Rev - Prop 84
80904	Infrastructure	CTY STM DRN #3 REPAIR	-	300,000	300,000	13,173	286,828	4.39%	-	286,828	286,828	CIP
80906	Beautification	TREE MGMT PLAN	-	50,000	50,000	-	50,000	0.00%	-	50,000	50,000	CIP
80910	Beautification	FARNHAM MARTIN PARK FNTN	-	23,500	23,500	-	23,500	0.00%	-	23,500	23,500	CIP
80911	Beautification	ROSSLER FOUNTAIN UPGRADE	-	1,500	1,500	1,500	-	100.00%	-	-	-	CIP
80913	Beautification	LNDA BY PLZA ENHANCEMENT	-	150,000	150,000	134,520	15,480	89.68%	-	-	-	CIP
80916	Beautification	TREE INVENTORY	-	50,000	50,000	-	50,000	0.00%	-	50,000	50,000	CIP
<b>30 - CAPITAL IMPROVEMENT YEAR TO DATE CAPITAL EXPENDITURES</b>			<b>421,355</b>	<b>4,218,903</b>	<b>4,238,903</b>	<b>656,706</b>	<b>3,582,197</b>	<b>15%</b>	<b>1,073,750</b>	<b>3,634,804</b>	<b>4,708,554</b>	
80920	Beautification	PARKLANDS PROJECTS	-	70,000	70,000	-	-	0.00%	-	-	-	Parklands Fund
<b>31 - PARKLANDS</b>			<b>-</b>	<b>70,000</b>	<b>70,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
80101	Infrastructure	SEWER REPAIR	11,191	-	-	2,453	(2,453)	0.00%	-	-	-	Sewer Fund
80155	Infrastructure	VIA CORONEL/ZURITA UPGRA	7,955	325,000	325,000	50,797	274,203	15.63%	-	274,203	274,203	Sewer Fund
80158	Infrastructure	SEWER COND ASSESSMENT	12,222	100,000	100,000	32,765	67,235	32.77%	-	100,000	100,000	Sewer Fund
<b>62 - SEWER</b>			<b>31,368</b>	<b>425,000</b>	<b>425,000</b>	<b>86,015</b>	<b>338,985</b>	<b>20%</b>	<b>-</b>	<b>374,203</b>	<b>374,203</b>	
<b>Grand Total</b>			<b>452,723</b>	<b>4,713,903</b>	<b>4,733,903</b>	<b>742,721</b>	<b>3,921,182</b>	<b>16%</b>	<b>1,073,750</b>	<b>4,009,007</b>	<b>5,082,757</b>	

FUND BALANCE ROLL-FORWARD		BEGINNING FUND BALANCE	ADJUSTED REVENUES	ADJUSTED EXPENDITURES	ADJUSTED CAPITAL EXPENDITURES	NET TRANSFERS	PROJECTED ENDING FUND BALANCE
<b>30 - CAPITAL IMPROVEMENTS</b>	FY2018-2019	5,120,706	48,000	-	656,706	776,083	5,288,083
	FY2019-2020	5,288,083	52,000	-	4,708,554	-	631,529
<b>31 - PARKLANDS</b>	FY2018-2019	51,166	500	-	-	70,000	121,666
	FY2019-2020	121,666	500	-	-	-	122,166
<b>62 - SEWER</b>	FY2018-2019	3,718,492	29,000	(71,282)	86,015	-	3,732,759
	FY2019-2020	3,732,759	31,000	366,805	374,203	-	3,022,751

Note - Transfers from special revenue and restricted funds will be identified and presented to council when the project is completed  
Once the Capital Master Plan is completed the annual expenditures/allocation will be allocated by year



**City of Palos Verdes Estates**  
**Approved Biennial Budget FY 2018-2020**  
**Equipment and Technology Replacement Fund**  
**Fiscal Year 2018-2019 Year-End Projections and 2019-2020 Proposed**

FUND PROJECT #	EQUIPMENT REPLACEMENT	% of Year 100.00%								
		2017-2018	2018-2019				2019-2020			
		AUDITED ACTUAL	ADOPTED BUDGET	ADJUSTED BUDGET	PROJECTION	ADJUSTED AVAILABLE BALANCE	% OF ADJUSTED BUDGET	ADOPTED PROPOSED	PROPOSED BUDGET APPORTIONS	ADJUSTED PROPOSED
		<i>a</i>	<i>b</i>	<i>(a-b=c)</i>	<i>% b/a</i>	<i>d</i>	<i>e</i>	<i>d+e</i>		
70770	FINANCIAL SOFTWARE UPGRADE	-	13,110	13,110	-	13,110	0.00%	-	13,110	13,110
70770	NETWORK UPGRADE AND CABLES	4,037	-	-	-	-	0.00%	-	-	-
70770	NEW NETWORK SWITCHES	-	-	-	-	-	0.00%	-	-	-
70770	REGULAR WORKSTATION (32)	-	2,100	2,100	2,100	-	100.00%	21,750	-	21,750
70770	DISPATCH WORKSTATION (1)	-	2,000	2,000	2,000	-	100.00%	-	-	-
70770	REGULAR LAPTOP (3)	-	3,000	3,000	3,328	(328)	110.93%	-	-	-
70770	ADVANCED LAPTOP (2)	-	4,000	4,000	3,068	932	76.70%	-	-	-
70770	MONITORS (5)	514	1,000	1,000	1,000	-	100.00%	-	-	-
70770	PROFESSIONAL SERVICES	25,233	2,700	2,700	2,700	-	100.00%	9,600	-	9,600
70770	ADD'L 4GB RAM FOR REMAIN. WORKSTATIONS	-	1,050	1,050	-	1,050	0.00%	-	1,050	1,050
70770	HYPER-V SERVER HARDWARE	-	13,000	13,000	-	13,000	0.00%	-	13,000	13,000
70770	HYPER-V SERVER SOFTWARE	-	8,000	8,000	-	8,000	0.00%	-	8,000	8,000
70770	HYPER-V SERVER - PROFESSIONAL SERV.	-	15,000	15,000	-	15,000	0.00%	-	15,000	15,000
70720	CITY HALL PHONE SYSTEM UPGRADE	173,107	-	7,550	7,550	-	100.00%	-	-	-
70720	CITY HALL NEEDS ASSESSMENT	-	75,000	75,000	-	75,000	0.00%	-	75,000	75,000
707XX	STREETS - CHEVORLET SILVERADO 2500HD	-	-	-	-	-	-	-	60,000	60,000
70750	VEHICLE REPL. PATROL CARS	5,488	83,000	83,000	83,000	-	100.00%	128,000	(32,000)	96,000
<b>60 - EQUIPMENT REPLACEMENT</b>		<b>208,378</b>	<b>222,960</b>	<b>230,510</b>	<b>104,746</b>	<b>125,764</b>	<b>45.44%</b>	<b>159,350</b>	<b>153,160</b>	<b>312,510</b>

FUND BALANCE ROLL-FORWARD		AUDITED BEGINNING FUND BALANCE	ADJUSTED REVENUES	ADJUSTED EXPENDITURES	NET TRANSFERS	PROJECTED ENDING FUND BALANCE
60 - EQUIPMENT REPLACEMENT	FY2018-2019	2,231,019	16,080	104,746	1,569	2,143,922
	FY2019-2020	2,143,922	22,000	312,510		1,853,412

# Administration

## RESOURCES

Cost Category	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
	2017/18	BUDGET	BUDGET		PROPOSED	PROPOSED
	2018/19	2018/19	2018/19	2018/19	2019/20	2019/20
SALARIES	465,608	413,920	417,781	549,052	413,920	402,760
BENEFITS	193,706	161,054	161,271	169,334	187,843	219,439
SUPPLIES AND SERVICES (01)	601,530	773,618	739,889	671,998	560,919	652,614
SUPPLIES AND SERVICES (26)	6,378	6,740	6,740	6,740	6,740	7,077
<b>TOTAL SUPPLIES AND SERVICES</b>	<b>607,907</b>	<b>780,358</b>	<b>746,629</b>	<b>678,738</b>	<b>567,659</b>	<b>659,691</b>
ALLOCATIONS	72,835	66,113	72,257	72,257	78,337	98,824
CAPITAL OUTLAY	14,642	2,625	2,625	-	2,750	2,750
<b>TOTAL</b>	<b>1,354,698</b>	<b>1,424,069</b>	<b>1,400,563</b>	<b>1,469,382</b>	<b>1,250,509</b>	<b>1,383,463</b>

TOTAL BY FUND	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
	2017/18	BUDGET	BUDGET		PROPOSED	PROPOSED
	2018/19	2018/19	2018/19	2018/19	2019/20	2019/20
GENERAL	1,348,320	1,417,329	1,393,823	1,462,642	1,243,769	1,376,386
PROP A	6,378	6,740	6,740	6,740	6,740	7,077
<b>TOTAL</b>	<b>1,354,698</b>	<b>1,424,069</b>	<b>1,400,563</b>	<b>1,469,382</b>	<b>1,250,509</b>	<b>1,383,463</b>

# The Sharper Pencil



<b>CITY MANAGER</b>						
<b>2000</b>		<b>ADOPTED</b>	<b>ADJUSTED</b>		<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>PROJECTED</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
	<b>2017/18</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
40005 Salaries	360,951	302,520	304,818	436,783	302,520	309,180
40007 Car Allowance	4,500	4,500	4,500	4,500	4,500	4,500
40008 Phone Allowance	720	720	720	720	720	720
41055 Overtime	-	-	-	-	-	-
<b>SALARIES</b>	<b>366,171</b>	<b>307,740</b>	<b>310,038</b>	<b>442,003</b>	<b>307,740</b>	<b>314,400</b>
50080 Retirement	43,920	53,343	53,498	56,287	67,221	67,789
50085 Workers' Compensation	2,706	3,279	3,279	3,279	3,241	3,399
50090 Health Insurance	61,234	58,199	58,199	60,782	63,657	77,266
50091 Disability Insur	1,604	1,392	1,392	1,552	1,392	1,411
50094 Social Security	764	-	-	-	-	-
50095 Medicare	5,242	4,462	4,462	6,391	4,462	4,559
50097 Unemployment Insurance	-	-	-	664	-	-
<b>BENEFITS</b>	<b>115,469</b>	<b>120,675</b>	<b>120,830</b>	<b>128,955</b>	<b>139,974</b>	<b>154,423</b>
61105 Dues & Memberships	3,500	5,030	5,030	1,570	5,220	5,220
61115 Mileage	-	-	-	-	-	-
61120 Training	12,743	49,507	49,507	45,864	48,400	48,400
61125 Subscriptions	-	-	-	-	-	-
61130 Travel & Meetings	2,683	5,350	5,350	3,069	3,575	3,575
62215 Printing & Binding	-	-	-	-	-	-
62290 General Service	1,110	1,500	1,500	1,418	1,530	1,530
64425 Professional Services	128,165	87,200	87,200	69,680	87,200	87,200
64430 Contractual Service	-	24,000	24,000	-	24,000	24,000
62244 Legal Services	1,925	-	-	-	-	-
64599 Hiring	2,968	6,865	6,865	6,164	6,993	6,993
64680 Employee Recognition	3,387	7,950	7,950	7,662	5,600	5,600
<b>SUPPLIES &amp; SERVICES</b>	<b>156,481</b>	<b>187,402</b>	<b>187,402</b>	<b>135,427</b>	<b>182,518</b>	<b>182,518</b>
66605 Insurance Allocation	12,215	11,088	12,118	12,118	13,138	16,574
<b>ALLOCATIONS</b>	<b>12,215</b>	<b>11,088</b>	<b>12,118</b>	<b>12,118</b>	<b>13,138</b>	<b>16,574</b>
70770 Computer Equipment	-	-	-	-	-	-
<b>CAPITAL OUTLAY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>650,335</b>	<b>626,905</b>	<b>630,389</b>	<b>718,504</b>	<b>643,370</b>	<b>667,915</b>

# The Sharper Pencil



## CITY ATTORNEY

3040	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items	2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
		2018/19	2018/19	2018/19	2019/20	2019/20
62244 Legal Services	-	-	-	-	-	-
64418 Retainer	102,000	102,000	102,000	102,000	102,000	102,000
64425 Professional Services	138,135	111,000	191,000	193,868	101,000	101,000
<b>SUPPLIES AND SERVICES</b>	<b>240,135</b>	<b>213,000</b>	<b>293,000</b>	<b>295,868</b>	<b>203,000</b>	<b>203,000</b>
<b>TOTAL</b>	<b>240,135</b>	<b>213,000</b>	<b>293,000</b>	<b>295,868</b>	<b>203,000</b>	<b>203,000</b>

# The Sharper Pencil



<b>NON-DEPARTMENTAL</b>						
<b>3160</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>	<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
		<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
50090	Health Insurance - Cobra	43,017	-	-	-	-
50092	Flexible Spending Accounts	500	600	600	1,200	1,200
50093	Employee Wellness	-	-	-	-	-
50096	Retiree Health Stipend	19,800	19,800	19,800	19,250	23,100
	<b>BENEFITS</b>	<b>63,317</b>	<b>20,400</b>	<b>20,400</b>	<b>20,450</b>	<b>23,700</b>
61105	Dues & Memberships	13,912	12,491	12,491	11,808	12,591
61105	Dues & Memberships (26)	6,378	6,740	6,740	6,740	6,740
61125	Subscriptions	538	695	695	540	695
61130	Travel & Meetings	4,637	5,885	5,885	2,427	5,950
62290	General Services	(266)	-	2,800	928	-
64419	LA County Processing Fee	-	-	-	-	-
64425	Professional Service	286	-	-	-	-
64430	Contractual Services	2,436	2,050	2,050	2,114	2,150
64520	SB Juv. Diversion	-	-	-	-	-
65090	Lease Agreement	19,619	25,100	25,100	22,996	25,100
66601	Contingency Reserve	19,218	181,087	16,330	4,867	30,000
	<b>SUPPLIES AND SERVICES</b>	<b>66,758</b>	<b>234,048</b>	<b>72,091</b>	<b>52,421</b>	<b>83,226</b>
66605	Insurance Allocation	54,554	49,519	54,121	54,121	58,675
	<b>ALLOCATIONS</b>	<b>54,554</b>	<b>49,519</b>	<b>54,121</b>	<b>54,121</b>	<b>58,675</b>
	<b>TOTAL NON-DEPARTMENTAL</b>	<b>184,629</b>	<b>303,967</b>	<b>146,612</b>	<b>126,992</b>	<b>165,601</b>
	<b>GENERAL FUND</b>	<b>178,251</b>	<b>297,227</b>	<b>139,872</b>	<b>120,252</b>	<b>158,861</b>
	<b>OTHER FUNDS</b>	<b>6,378</b>	<b>6,740</b>	<b>6,740</b>	<b>6,740</b>	<b>7,077</b>
	<b>TOTAL</b>	<b>184,629</b>	<b>303,967</b>	<b>146,612</b>	<b>126,992</b>	<b>258,398</b>

# The Sharper Pencil



<b>CITY CLERK</b>							
<b>3010</b>		<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>		<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>		<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>PROJECTED</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
			<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
40005	Salaries City	98,257	103,680	105,242	107,049	103,680	85,860
40010	Temporary Salaries / OT	-	2,500	2,500	-	2,500	2,500
41055	Regular Overtime	1,180	-	-	-	-	-
	<b>SALARIES</b>	<b>99,437</b>	<b>106,180</b>	<b>107,742</b>	<b>107,049</b>	<b>106,180</b>	<b>88,360</b>
50080	Retirement	12,243	16,468	16,531	16,577	20,674	20,456
50085	Workers' Compensation	1,012	1,226	1,226	1,226	1,212	1,271
50090	Health Insurance	51	100	100	164	100	128
50091	Disability Insur	57	365	365	424	365	374
50094	Social Security	122	-	-	-	-	-
50095	Medicare	1,434	1,819	1,819	1,537	1,819	1,986
50097	Unemployment	-	-	-	-	-	-
	<b>BENEFITS</b>	<b>14,920</b>	<b>19,978</b>	<b>20,041</b>	<b>19,929</b>	<b>24,170</b>	<b>24,216</b>
61105	Dues & Memberships	290	175	175	170	200	200
61120	Training	-	3,200	3,200	1,888	-	3,200
61130	Travel & Meetings	915	900	900	-	925	925
62225	Public Information	23,001	23,306	23,306	24,502	24,700	24,700
62245	Legal Publishing	10,226	8,000	8,000	3,332	9,000	9,000
62265	Elections	74,147	80,400	109,400	110,337	31,500	31,500
62290	General Service	3,087	2,700	2,700	5,033	2,700	5,000
64425	Professional Services	16,381	17,370	29,470	33,050	19,390	45,570
64430	Contractual Service	16,485	9,857	16,985	16,710	10,500	10,500
	<b>SUPPLIES &amp; SERVICES</b>	<b>144,533</b>	<b>145,908</b>	<b>194,136</b>	<b>195,022</b>	<b>98,915</b>	<b>130,595</b>
66605	Insurance Allocation	6,066	5,506	6,018	6,018	6,524	8,230
	<b>ALLOCATIONS</b>	<b>6,066</b>	<b>5,506</b>	<b>6,018</b>	<b>6,018</b>	<b>6,524</b>	<b>8,230</b>
70740	Office Equipment	6,193	2,625	2,625	-	2,750	2,750
70770	Computer Equipment	8,449	-	-	-	-	-
	<b>CAPITAL OUTLAY</b>	<b>14,642</b>	<b>2,625</b>	<b>2,625</b>	<b>-</b>	<b>2,750</b>	<b>2,750</b>
	<b>TOTAL CITY CLERK</b>	<b>279,598</b>	<b>280,197</b>	<b>330,562</b>	<b>328,018</b>	<b>238,539</b>	<b>254,151</b>



# Finance Department

## RESOURCES

Cost Category	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
SALARIES	273,703	359,670	363,444	305,664	320,419	352,694
BENEFITS	70,796	105,471	105,642	94,147	129,204	133,531
SUPPLIES & SERVICES	459,404	359,517	372,617	412,052	279,246	289,741
ALLOCATIONS	18,444	16,742	18,298	18,298	19,837	25,025
CAPITAL OUTLAY	-	-	-	-	-	-
<b>TOTAL</b>	<b>822,348</b>	<b>841,400</b>	<b>860,002</b>	<b>830,161</b>	<b>748,705</b>	<b>800,991</b>

# The Sharper Pencil



<b>FINANCE</b>						
<b>3000</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>	<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
		<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
40005 Salaries	263,628	341,728	345,394	288,719	301,327	330,417
40007 Car Allowance	2,250	4,500	4,500	-	4,500	4,500
40008 Phone Allowance	360	720	720	-	720	720
41055 Regular Overtime	470	1,500	1,500	241	1,500	1,500
<b>SALARIES</b>	<b>266,708</b>	<b>348,448</b>	<b>352,114</b>	<b>288,960</b>	<b>308,047</b>	<b>337,137</b>
50080 Retirement	21,746	39,995	40,159	33,575	50,986	50,520
50085 Workers' Compensation	1,665	2,018	2,018	2,018	1,994	2,092
50090 Health Insurance	36,765	51,002	51,002	43,969	64,344	66,696
50091 Disability Insur	619	1,690	1,690	890	1,539	1,539
50094 Social Security	3,128	1,500	1,500	4,843	-	1,465
50095 Medicare	3,827	4,115	4,115	4,289	4,716	4,791
<b>BENEFITS</b>	<b>67,750</b>	<b>100,320</b>	<b>100,484</b>	<b>89,583</b>	<b>123,579</b>	<b>127,102</b>
61105 Dues & Memberships	290	795	795	795	795	795
61120 Training	725	5,830	5,830	1,454	5,830	5,830
61125 Subscriptions	-	-	-	-	-	-
61130 Travel & Meetings	37	-	-	-	-	-
62215 Printing & Binding	1,479	2,094	2,094	2,501	2,094	2,094
62225 Public Information	350	1,400	4,500	3,663	1,400	1,400
62290 General Service	2,571	3,500	3,500	2,479	3,500	3,500
64425 Professional Services	251,298	116,393	116,393	186,121	41,641	43,686
64599 Hiring	-	-	-	-	-	-
64430 Contractual Services	177,247	206,573	216,573	181,330	201,170	221,619
<b>SUPPLIES &amp; SERVICES</b>	<b>433,996</b>	<b>336,585</b>	<b>349,685</b>	<b>378,344</b>	<b>256,430</b>	<b>278,925</b>
66605 Insurance Allocation	12,211	11,084	12,114	12,114	13,133	16,568
66606 Services Allocation	-	-	-	-	-	-
<b>ALLOCATIONS</b>	<b>12,211</b>	<b>11,084</b>	<b>12,114</b>	<b>12,114</b>	<b>13,133</b>	<b>16,568</b>
70770 Computer Equipment	-	-	-	-	-	-
70730 Furniture & Fixtures	-	-	-	-	-	-
<b>CAPITAL OUTLAY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL FINANCE</b>	<b>780,665</b>	<b>796,437</b>	<b>814,398</b>	<b>769,002</b>	<b>701,188</b>	<b>759,732</b>

# The Sharper Pencil



## CITY TREASURER

3020 Line Items	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
40005 Salaries	6,959	11,222	11,330	16,652	12,372	15,557
41055 Regular Overtime	36	-	-	51	-	-
<b>SALARIES</b>	<b>6,995</b>	<b>11,222</b>	<b>11,330</b>	<b>16,703</b>	<b>12,372</b>	<b>15,557</b>
50080 Retirement	555	1,192	1,200	847	1,467	2,203
50085 Workers' Compensation	115	139	139	139	138	144
50090 Health Insurance	2,247	3,601	3,601	3,413	3,781	3,781
50091 Disability Insur	31	55	55	43	60	75
50095 Medicare	99	163	163	123	179	226
50097 Unemployment Insurance	-	-	-	-	-	-
<b>BENEFITS</b>	<b>3,046</b>	<b>5,150</b>	<b>5,158</b>	<b>4,564</b>	<b>5,625</b>	<b>6,429</b>
61105 Dues & Memberships	155	155	155	155	155	155
61120 Training	-	-	-	-	-	-
61125 Subscriptions	-	-	-	-	-	-
61130 Travel & Meetings	32	-	-	-	-	-
62215 Printing & Binding	-	-	-	-	-	-
62290 General Service	234	235	235	336	235	235
63320 Misc. Equip. Supplies	-	-	-	-	-	-
64480 Banking Services	24,987	22,542	22,542	33,216	22,426	10,426
<b>SUPPLIES &amp; SERVICES</b>	<b>25,408</b>	<b>22,932</b>	<b>22,932</b>	<b>33,707</b>	<b>22,816</b>	<b>10,816</b>
66605 Insurance Allocations	6,233	5,658	6,184	6,184	6,704	8,457
<b>ALLOCATIONS</b>	<b>6,233</b>	<b>5,658</b>	<b>6,184</b>	<b>6,184</b>	<b>6,704</b>	<b>8,457</b>
<b>TOTAL CITY TREASURER</b>	<b>41,683</b>	<b>44,963</b>	<b>45,604</b>	<b>61,159</b>	<b>47,517</b>	<b>41,259</b>

ATTACHMENT C

# POLICE

## RESOURCES

Cost Category	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
SALARIES	3,914,354	3,927,253	4,035,402	3,788,850	3,944,421	4,042,687
BENEFITS	2,007,461	2,254,964	2,254,964	2,146,059	2,454,223	2,465,143
SUPPLIES & SERVICES	439,929	555,921	749,927	542,170	550,298	594,656
ALLOCATIONS	179,341	162,787	177,917	177,917	192,886	243,332
CAPITAL OUTLAY	1,460	-	-	-	-	-
<b>TOTAL</b>	<b>6,542,544</b>	<b>6,900,926</b>	<b>7,218,210</b>	<b>6,654,996</b>	<b>7,141,829</b>	<b>7,345,818</b>

Cost Category	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
SALARIES (01)	3,914,354	3,927,253	4,035,402	3,788,850	3,944,421	4,042,687
SALARIES (05)	-	-	-	-	-	-
<b>TOTAL SALARIES</b>	<b>3,914,354</b>	<b>3,927,253</b>	<b>4,035,402</b>	<b>3,788,850</b>	<b>3,944,421</b>	<b>4,042,687</b>
BENEFITS (01)	2,007,461	2,254,964	2,254,964	2,146,059	2,454,223	2,465,143
BENEFITS (05)	-	-	-	-	-	-
<b>TOTAL BENEFITS</b>	<b>2,007,461</b>	<b>2,254,964</b>	<b>2,254,964</b>	<b>2,146,059</b>	<b>2,454,223</b>	<b>2,465,143</b>
SUPPLIES & SERVICES (01)	436,539	551,221	563,221	478,201	545,598	501,779
SUPPLIES & SERVICES (05)	-	-	182,005	59,269	-	88,177
SUPPLIES & SERVICES (06)	(890)	-	-	-	-	-
SUPPLIES & SERVICES (07)	4,280	4,700	4,700	4,700	4,700	4,700
<b>TOTAL SUPPLIES &amp; SERVICE</b>	<b>439,929</b>	<b>555,921</b>	<b>749,927</b>	<b>542,170</b>	<b>550,298</b>	<b>594,656</b>
ALLOCATIONS (01)	179,341	162,787	177,917	177,917	192,886	243,332
CAPITAL OUTLAY (01)	1,460	-	-	-	-	-
CAPITAL OUTLAY (05)	-	-	-	-	-	-
<b>TOTAL CAPITAL OUTLAY</b>	<b>1,460</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>6,542,544</b>	<b>6,900,926</b>	<b>7,218,210</b>	<b>6,654,996</b>	<b>7,141,829</b>	<b>7,345,818</b>

Fund	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
GENERAL	6,539,154	6,896,226	7,031,505	6,591,027	7,137,129	7,252,941
SLESF	-	-	182,005	59,269	-	88,177
SPECIAL PROJECTS	(890)	-	-	-	-	-
CORRECTIONS	4,280	4,700	4,700	4,700	4,700	4,700
<b>TOTAL</b>	<b>6,542,544</b>	<b>6,900,926</b>	<b>7,218,210</b>	<b>6,654,996</b>	<b>7,141,829</b>	<b>7,345,818</b>

# The Sharper Pencil



<b>POLICE</b>							
<b>4000</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	
<b>Line Items</b>	<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>	
		<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	
40005	Salaries	3,474,538	3,520,705	3,628,854	3,274,487	3,543,109	3,642,375
40005	Salaries (05)	-	-	-	-	-	-
40008	Phone Allowance	120	-	-	-	-	-
40010	Temporary Salaries	16,672	31,068	31,068	22,033	32,832	32,832
40020	Shooting Pay	5,480	5,480	5,480	5,520	5,480	5,480
40030	Acting Pay	(528)	-	-	-	-	-
41055	Regular Overtime	223,746	182,000	182,000	228,989	175,000	175,000
41055	Regular Overtime (05)	-	-	-	-	-	-
41056	Special Enforcement OT	14,887	16,500	16,500	10,000	16,500	16,500
41057	Sick Leave Replacement	95,352	95,000	95,000	181,084	95,000	95,000
41058	Training Overtime	48,388	35,000	35,000	35,000	35,000	35,000
41060	Outside Overtime (100% Reimb -	(1,439)	2,000	2,000	992	2,000	1,000
41065	Call Back O/T	-	-	-	-	-	-
41070	Court Overtime	27,662	30,000	30,000	11,452	30,000	30,000
41059	Student & the Law	-	-	-	-	-	-
41090	Detective O/T Pay	8,929	9,500	9,500	19,293	9,500	9,500
41095	K-9 Pay	547	-	-	-	-	-
	<b>SALARIES</b>	<b>3,914,354</b>	<b>3,927,253</b>	<b>4,035,402</b>	<b>3,788,850</b>	<b>3,944,421</b>	<b>4,042,687</b>
50075	Uniform Allowance	28,943	27,225	27,225	26,400	27,225	27,225
50075	Uniform Allowance (05)	-	-	-	-	-	-
50080	Retirement	1,042,572	1,182,916	1,182,916	1,139,718	1,350,720	1,371,370
50080	All benefits (05)	-	-	-	-	-	-
50085	Workers' Compensation	319,298	386,898	386,898	386,898	382,371	401,045
50090	Health Insurance	534,470	586,972	586,972	523,333	622,896	594,493
50091	Disability Insurance	24,573	17,155	17,155	16,592	16,862	16,862
50094	Social Security	1,849	1,766	1,766	1,793	1,766	1,766
50095	Medicare	55,305	52,032	52,032	51,325	52,383	52,383
50097	Unemployment	450	-	-	-	-	-
	<b>BENEFITS</b>	<b>2,007,461</b>	<b>2,254,964</b>	<b>2,254,964</b>	<b>2,146,059</b>	<b>2,454,223</b>	<b>2,465,143</b>
61105	Dues & Memberships	1,669	2,530	2,530	2,135	2,530	2,530
61110	Uniform Supplies	(36)	4,800	4,800	6,853	4,800	4,800

# The Sharper Pencil



<b>POLICE</b>							
<b>4000</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	
<b>Line Items</b>	<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>	
		<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	
61120	Training	20,572	35,000	35,000	34,999	34,000	34,000
61125	Subscriptions	800	1,000	1,000	951	1,000	1,150
61130	Travel & Meetings	1,477	1,200	1,200	1,200	1,200	1,200
61135	Reserve Officer	1,238	2,050	2,050	1,998	2,050	2,050
61140	Prisoner Expenses	7,577	10,500	10,500	9,740	10,500	10,500
62215	Printing & Binding	2,608	3,800	3,800	3,200	3,800	3,800
62220	Photography	-	500	500	500	-	-
62255	Utilities	52,688	55,000	55,000	31,459	55,000	36,625
62260	Canine Maintenance + K9	-	-	-	-	-	-
62290	General Service	28,746	26,100	26,100	26,047	26,100	26,100
63000	Cleaning Supplies	722	800	800	744	800	800
63305	Auto Supplies	85,064	107,300	107,300	107,081	107,300	102,300
63305	Auto Supplies (06)	(890)	-	-	-	-	-
63310	Safety Equipment	2,983	3,500	15,500	1,757	3,500	3,500
63310	Safety Equipment (05)	-	-	87,005	52,446	-	-
63315	Computer Maintenance Contract	58,235	84,167	84,167	54,272	75,294	62,350
62292	PVE CARES	10,115	7,850	7,850	8,977	7,850	7,850
62293	Volunteer Program	1,366	1,550	1,550	1,495	1,550	1,550
62294	Community Support	6,937	9,000	9,000	6,926	9,000	9,000
63330	Radio Communications	-	-	-	-	-	-
63345	Comm. Services Officer Equip.	1,156	1,350	1,350	1,337	1,350	1,350
62244	Legal Services	-	-	-	-	-	-
64425	Professional Services	-	-	-	-	-	-
64425	Professional Services (05)	-	-	95,000	6,823	-	88,177
64430	Contractual Services	95,629	125,570	125,570	113,754	128,270	121,120
64475	Vaccinations	-	-	-	-	-	-
64500	Criminal Justice	18,773	18,500	18,500	15,803	18,500	18,500
64599	Hiring	6,295	8,100	8,100	15,084	8,100	9,600
64640	Animal Control	8,212	18,000	18,000	9,229	20,000	18,000
64641	Peafowl Management	5,006	5,250	5,250	5,258	5,250	5,250
64650	Jail & Correction (01)	873	-	-	-	-	-
64650	Jail & Correction (07)	4,280	4,700	4,700	4,700	4,700	4,700
65090	Copier Lease	8,514	8,000	8,000	8,000	8,000	8,000

# The Sharper Pencil



<b>POLICE</b>							
<b>4000</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	
<b>Line Items</b>	<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>	
		<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	
64750	-	-	-	-	-	-	-
65000	7,432	9,805	9,805	9,402	9,855	9,855	
65005	1,890	-	-	-	-	-	-
<b>SUPPLIES &amp; SERVICES</b>	<b>439,929</b>	<b>555,921</b>	<b>749,927</b>	<b>542,170</b>	<b>550,298</b>	<b>594,656</b>	
66602	-	-	-	-	-	-	-
66605	179,341	162,787	177,917	177,917	192,886	243,332	
<b>ALLOCATIONS</b>	<b>179,341</b>	<b>162,787</b>	<b>177,917</b>	<b>177,917</b>	<b>192,886</b>	<b>243,332</b>	
70723	1,460	-	-	-	-	-	-
70720	-	-	-	-	-	-	-
70730	-	-	-	-	-	-	-
70750	-	-	-	-	-	-	-
70765	-	-	-	-	-	-	-
70766	-	-	-	-	-	-	-
70770	-	-	-	-	-	-	-
xxxxx	-	-	-	-	-	-	-
<b>CAPITAL OUTLAY</b>	<b>1,460</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL POLICE</b>	<b>6,542,544</b>	<b>6,900,926</b>	<b>7,218,210</b>	<b>6,654,996</b>	<b>7,141,829</b>	<b>7,345,818</b>	
<b>GENERAL FUND</b>	<b>6,539,154</b>	<b>6,896,226</b>	<b>7,031,505</b>	<b>6,591,027</b>	<b>7,137,129</b>	<b>7,252,941</b>	
<b>OTHER FUNDS</b>	<b>3,390</b>	<b>4,700</b>	<b>186,705</b>	<b>63,969</b>	<b>4,700</b>	<b>92,877</b>	
<b>TOTAL</b>	<b>6,542,544</b>	<b>6,900,926</b>	<b>7,218,210</b>	<b>6,654,996</b>	<b>7,141,829</b>	<b>7,345,818</b>	

# The Sharper Pencil



## PARAMEDIC & FIRE SERVICES

4100		ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items		2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
			2018/19	2018/19	2018/19	2019/20	2019/20
62255	Utilities	-	-	-	-	-	-
64425	Professional Services	-	-	-	-	-	-
64430	Contractual Services (01)	-	5,121,957	5,121,957	5,132,693	5,275,615	5,550,980
64430	Contractual Services (22)	4,960,172	-	-	-	-	-
	<b>SUPPLIES &amp; SERVICES</b>	<b>4,960,172</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>5,275,615</b>	<b>5,550,980</b>
	<b>TOTAL FIRE</b>	<b>4,960,172</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>5,275,615</b>	<b>5,550,980</b>
	<b>GENERAL FUND</b>	-	5,121,957	5,121,957	5,132,693	5,275,615	5,550,980
	<b>OTHER FUNDS</b>	4,960,172	-	-	-	-	-
	<b>TOTAL</b>	<b>4,960,172</b>	<b>5,121,957</b>	<b>5,121,957</b>	<b>5,132,693</b>	<b>5,275,615</b>	<b>5,550,980</b>

\*As of FY 18-19 the Fire & Paramedic services expenditures are now recorded in the General Fund as a result of the loss of Measure D



# Building & Planning

## RESOURCES

Cost Category	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
	2017/18	BUDGET	BUDGET		PROPOSED	PROPOSED
		2018/19	2018/19	2018/19	2019/20	2019/20
SALARIES (01)	638,429	607,162	501,680	414,190	616,411	479,235
BENEFITS (01)	213,128	229,987	194,469	185,905	257,934	230,146
SUPPLIES AND SERVICES (01)	1,578,928	1,569,398	1,719,398	1,644,110	1,597,899	1,568,043
SUPPLIES AND SERVICES (06)	1,988	-	-	-	-	-
<b>SUPPLIES AND SERVICES TOTAL</b>	1,580,916	1,569,398	1,719,398	1,644,110	1,597,899	1,568,043
ALLOCATIONS (01)	173,929	157,876	172,550	172,550	187,066	235,990
<b>TOTAL</b>	<b>2,606,402</b>	<b>2,564,423</b>	<b>2,588,097</b>	<b>2,416,754</b>	<b>2,659,310</b>	<b>2,513,414</b>

# The Sharper Pencil



<b>BUILDING</b>							
<b>4200</b>		<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>		<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
			<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
40005	Salaries	133,277	123,829	113,319	34,867	128,454	32,796
40007	Car Allowance	2,250	2,250	2,250	-	2,250	-
40008	Phone Allowance	360	360	360	-	360	-
40010	Temporary Salaries	-	-	-	-	-	-
41055	Regular Overtime	978	600	600	1,136	600	1,135
	<b>SALARIES</b>	<b>136,864</b>	<b>127,039</b>	<b>116,529</b>	<b>36,003</b>	<b>131,664</b>	<b>33,931</b>
50080	Retirement	20,406	18,730	18,815	11,454	23,241	15,307
50085	Workers' Compensation	359	435	435	435	430	451
50090	Health Insurance	17,411	18,005	18,005	11,379	18,906	9,595
50091	Disability Insur	557	595	595	194	617	158
50095	Medicare	1,905	1,833	1,833	516	1,900	476
50097	Unemployment	-	-	-	-	-	-
	<b>BENEFITS</b>	<b>40,638</b>	<b>39,599</b>	<b>39,684</b>	<b>23,978</b>	<b>45,094</b>	<b>25,987</b>
62215	Printing & Binding	1,346	500	500	-	1,500	1,500
62290	General Services	404	400	400	400	400	400
64423	Professional Services Fee Related	571,192	579,710	579,710	464,891	579,710	533,820
64425	Professional Services	-	-	-	-	-	-
64430	Contractual Svcs (Tech Enhance)	10,308	14,700	14,700	-	14,700	14,700
64530	Geotechnical & Geological	51,570	46,500	46,500	40,000	46,500	41,524
64660	Strong Motion	6,443	-	-	187	-	-
64665	Strong Motion /SB 1473	1,898	-	-	-	-	-
	<b>SUPPLIES &amp; SERVICES</b>	<b>643,162</b>	<b>641,810</b>	<b>641,810</b>	<b>505,478</b>	<b>642,810</b>	<b>591,944</b>
66605	Insurance Allocations	72,736	66,023	72,158	72,158	78,230	98,690
	<b>ALLOCATIONS</b>	<b>72,736</b>	<b>66,023</b>	<b>72,158</b>	<b>72,158</b>	<b>78,230</b>	<b>98,690</b>
	<b>TOTAL BUILDING</b>	<b>893,401</b>	<b>874,471</b>	<b>870,181</b>	<b>637,617</b>	<b>897,798</b>	<b>750,552</b>

# The Sharper Pencil



<b>PLANNING</b>							
<b>4800</b>		<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>		<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
			<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
40005	Salaries	225,016	210,361	112,209	113,284	214,986	183,768
40007	Car Allowance	2,250	2,250	2,250	-	2,250	-
40008	Phone Allowance	360	360	360	-	360	-
41055	Regular Overtime	6,283	6,750	6,750	1,751	6,750	1,135
40045	Minutes	-	-	-	-	-	-
	<b>SALARIES</b>	<b>233,908</b>	<b>219,721</b>	<b>121,569</b>	<b>115,035</b>	<b>224,346</b>	<b>184,903</b>
50075	Uniform Allowance	-	-	-	-	-	-
50080	Retirement	21,729	33,533	15,485	23,775	41,624	37,849
50085	Workers' Compensation	718	870	870	870	860	902
50090	Health Insurance	30,852	32,634	14,932	18,546	34,898	28,785
50091	Disability Insurance	1,039	1,013	1,013	214	1,034	557
50094	Social Security	43	-	-	(0)	-	-
50095	Medicare	3,307	3,088	3,088	1,601	3,155	2,667
50097	Unemployment	10,012	-	-	1,010	-	-
	<b>BENEFITS</b>	<b>67,700</b>	<b>71,138</b>	<b>35,387</b>	<b>46,015</b>	<b>81,572</b>	<b>70,759</b>
61105	Dues and Membership	-	-	-	-	-	510
61120	Training	182	-	-	-	-	-
61130	Travel & Meeting	-	1,250	1,250	1,250	1,250	1,250
62291	Code Enforcement Supplies	-	-	-	214	-	500
62215	Printing & Binding	-	200	200	200	200	200
62245	Legal Publishing/Public Info	1,644	3,327	3,327	3,327	4,187	4,187
62225	Legal Publishing	7,428	8,266	8,266	7,827	8,266	8,266
62290	General Services	2,723	2,850	2,850	2,850	2,850	2,850
64423	Professional Services Fee Related	-	-	-	-	-	-
64425	Professional Services	53,503	-	150,000	205,388	-	-
64430	Contractual Services	8,527	4,000	4,000	4,000	4,000	24,000
	<b>SUPPLIES &amp; SERVICES</b>	<b>74,008</b>	<b>19,893</b>	<b>169,893</b>	<b>225,056</b>	<b>20,753</b>	<b>41,763</b>
66605	Insurance Allocation	66,670	60,517	66,142	66,142	71,706	90,459
66602	Equipment Allocation	-	-	-	-	-	-
	<b>ALLOCATIONS</b>	<b>66,670</b>	<b>60,517</b>	<b>66,142</b>	<b>66,142</b>	<b>71,706</b>	<b>90,459</b>
	<b>TOTAL PLANNING</b>	<b>442,286</b>	<b>371,269</b>	<b>392,992</b>	<b>452,248</b>	<b>398,377</b>	<b>387,884</b>

# The Sharper Pencil



<b>PARKLANDS</b>		<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>6000</b>	<b>Line Items</b>	<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
			<b>2018/19</b>	<b>2018/19</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>
40005	6000 Salaries	256,060	258,402	261,581	253,968	258,402	258,402
40010	6000 Temporary Salaries	9,302	-	-	-	-	-
40030	6000 Acting Pay	240	-	-	-	-	-
40045	6000 Minutes	-	-	-	-	-	-
41055	6000 Overtime	1,989	2,000	2,000	9,183	2,000	2,000
41065	6000 Call Back Overtime	64	-	-	-	-	-
	<b>SALARIES</b>	<b>267,656</b>	<b>260,402</b>	<b>263,581</b>	<b>263,151</b>	<b>260,402</b>	<b>260,402</b>
50075	6000 Uniform Allowance	750	750	750	375	750	750
50080	6000 Retirement	30,767	37,878	38,025	36,424	46,544	47,107
50085	6000 Workers' Compensation	16,509	20,004	20,004	20,004	19,770	20,736
50090	6000 Health Insurance	52,531	55,601	55,601	55,636	59,187	59,187
50091	6000 Disability	1,256	1,253	1,253	1,362	1,253	1,253
50094	6000 Social Security	740	-	-	-	-	-
50095	6000 Medicare	2,236	3,764	3,764	2,112	3,764	4,367
50097	6000 Unemployment	-	-	-	-	-	-
	<b>BENEFITS</b>	<b>104,790</b>	<b>119,250</b>	<b>119,397</b>	<b>115,912</b>	<b>131,268</b>	<b>133,400</b>
61110	6000 Uniform Supplies	467	250	250	250	250	250
61130	6000 Travel & Meetings /Training	84	500	500	23	500	500
62255	6000 Utilities	172,677	188,500	188,500	191,031	193,500	193,500
62290	6000 General Services	168	-	-	-	-	-
63305	6000 Auto Supplies	-	-	-	-	-	-
63330	6000 Radio Communications	-	-	-	-	-	-
63353	6000 Annual Landscape Mt. (06)	1,988	-	-	-	-	-
64415	6000 Parklands Supplies/Maintenance	21,327	21,000	21,000	55,587	21,000	21,000
64425	6000 Professional Services	-	-	-	-	-	-
64435	6000 Weed Abatement	203,078	205,000	205,000	205,000	210,000	210,000
64436	6000 Parklands Maint Cont.	151,232	185,000	185,000	185,000	192,000	192,000
64440	6000 Tree Maintenance Contract	282,180	275,445	275,445	275,445	285,086	285,086
64444	6000 Tree Bank Expense	30,546	32,000	32,000	1,240	32,000	32,000
	<b>SUPPLIES &amp; SERVICES</b>	<b>863,746</b>	<b>907,695</b>	<b>907,695</b>	<b>913,576</b>	<b>934,336</b>	<b>934,336</b>
66602	6000 Equipment Repl. Allocation	-	-	-	-	-	-
66605	6000 Insurance Allocation	34,523	31,336	34,250	34,250	37,130	46,841
	<b>ALLOCATIONS</b>	<b>34,523</b>	<b>31,336</b>	<b>34,250</b>	<b>34,250</b>	<b>37,130</b>	<b>46,841</b>
	<b>TOTAL PARKLANDS</b>	<b>1,270,715</b>	<b>1,318,683</b>	<b>1,324,923</b>	<b>1,326,889</b>	<b>1,363,136</b>	<b>1,374,978</b>
	<b>GENERAL FUND</b>	<b>1,268,727</b>	<b>1,318,683</b>	<b>1,324,923</b>	<b>1,326,889</b>	<b>1,363,136</b>	<b>1,374,978</b>
	<b>OTHER FUNDS</b>	<b>1,988</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>TOTAL</b>	<b>1,270,715</b>	<b>1,318,683</b>	<b>1,324,923</b>	<b>1,326,889</b>	<b>1,363,136</b>	<b>1,374,978</b>

# PUBLIC WORKS

## RESOURCES

Cost Category	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
	2017/18	BUDGET 2018/19	BUDGET 2018/19	2018/19	PROPOSED 2019/20	PROPOSED 2019/20
SALARIES (01)	224,200	255,243	257,627	235,157	255,243	288,828
SALARIES (02)	170,137	164,635	167,030	177,527	164,635	168,914
SALARIES (62)	-	-	-	5,982	-	6,361
<b>TOTAL SALARIES</b>	<b>394,338</b>	<b>419,877</b>	<b>424,656</b>	<b>418,666</b>	<b>419,877</b>	<b>464,103</b>
BENEFITS (01)	60,731	66,969	67,092	65,099	74,258	75,837
BENEFITS (02)	81,383	92,947	93,041	95,454	101,957	103,299
BENEFITS (62)	-	-	-	1,249	-	1,369
<b>TOTAL BENEFITS</b>	<b>142,115</b>	<b>159,916</b>	<b>160,133</b>	<b>161,802</b>	<b>176,215</b>	<b>180,506</b>
SUPPLIES AND SERVICES (01)	601,104	806,294	942,894	914,106	853,126	741,470
SUPPLIES AND SERVICES (02)	61,729	48,625	48,625	45,625	49,390	46,750
SUPPLIES AND SERVICES (06)	20,957	34,000	146,500	82,543	34,000	97,620
SUPPLIES AND SERVICES (21)	-	-	-	-	-	162,400
<b>TOTAL SUPPLIES AND SERVICES</b>	<b>683,790</b>	<b>888,919</b>	<b>1,138,019</b>	<b>1,042,274</b>	<b>936,516</b>	<b>1,048,240</b>
ALLOCATIONS (01)	170,626	154,877	169,273	169,273	183,514	231,508
<b>TOTAL ALLOCATIONS</b>	<b>170,626</b>	<b>154,877</b>	<b>169,273</b>	<b>169,273</b>	<b>183,514</b>	<b>231,508</b>
<b>TOTAL</b>	<b>1,390,869</b>	<b>1,623,590</b>	<b>1,892,082</b>	<b>1,792,015</b>	<b>1,716,123</b>	<b>1,924,357</b>

TOTAL BY FUND	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	PROPOSED
	2017/18	2018/19	BUDGET 2018/19	2018/19	PLANNED 2019/20	PROPOSED 2019/20
GENERAL	1,056,662	1,283,383	1,436,886	1,383,635	1,366,141	1,337,643
GAS TAX	313,249	306,207	308,696	318,606	315,982	318,963
SEWER	-	-	-	7,230	-	7,730
SPECIAL PROJECTS	20,957	34,000	146,500	82,543	34,000	97,620
MEASURE W	-	-	-	-	-	162,400
<b>TOTAL</b>	<b>1,390,869</b>	<b>1,623,590</b>	<b>1,892,082</b>	<b>1,792,015</b>	<b>1,716,123</b>	<b>1,924,357</b>

## The Sharper Pencil



PUBLIC WORKS ADMINISTRATION						
5000	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items	2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
		2018/19	2018/19	2018/19	2019/20	2019/20
40005 Salaries	211,813	208,153	210,537	221,482	208,153	222,770
40005 Salaries (62)	-	-	-	3,695	-	4,030
40007 Car Allowance	4,500	4,388	4,388	4,388	4,388	4,388
40007 Car Allowance (62)	-	-	-	113	-	113
40008 Phone Allowance	720	702	702	702	702	702
40008 Phone Allowance (62)	-	-	-	18	-	18
40045 Minutes	-	-	-	-	-	-
40006 Housing Allowance	-	-	-	-	-	-
41055 Regular Overtime	47	-	-	-	-	-
<b>SALARIES</b>	<b>217,079</b>	<b>213,243</b>	<b>215,627</b>	<b>230,398</b>	<b>213,243</b>	<b>232,021</b>
50080 Retirement	21,769	26,975	27,098	28,019	32,490	33,492
50080 Retirement (62)	-	-	-	303	-	276
50085 Workers' Compensation	287	348	348	348	344	361
50090 Health Insurance	34,594	35,561	35,561	32,364	37,339	37,900
50090 Health Insurance (62)	-	-	-	450	-	480
50091 Disability Insurance	1,089	1,000	1,000	1,155	1,000	1,000
50091 Disability Insurance (62)	-	-	-	18	-	18
50094 Social Security	-	-	-	-	-	-
50095 Medicare	2,991	3,085	3,085	3,213	3,085	3,085
50095 Medicare (62)	-	-	-	55	-	60
<b>BENEFITS</b>	<b>60,731</b>	<b>66,969</b>	<b>67,092</b>	<b>65,925</b>	<b>74,258</b>	<b>76,671</b>
70800 Refuse Containers (06)	-	-	-	-	-	-
61105 Dues and Memberships	449	490	490	245	740	740
61120 Training	-	2,500	2,500	-	2,600	2,600
61130 Travel/Meetings	127	3,610	3,610	-	3,710	3,710
62225 Public Information	-	2,440	2,440	1,835	2,440	2,440
62245 Legal Publications	-	-	-	-	-	-
62290 General Services	1,338	1,950	1,950	1,950	1,975	1,975
63322 NPDES-MOU City Contribution	79,945	97,970	97,970	98,938	99,318	42,418
63322 NPDES-MOU City Contribution (21)	-	-	-	-	-	56,900
64425 Profes Servs	269,529	290,020	302,520	284,319	296,030	296,030
64425 Profes Servs (06)	-	-	112,500	48,880	-	63,620
64429 Prof Servs. NPDES	53,578	80,500	80,500	80,500	82,500	82,500
64430 Contractual Services GIS	17,000	35,706	59,806	59,806	28,706	36,000
64428 Recycling AB969 (06)	20,957	29,000	29,000	29,000	29,000	29,000
XXXX) Recycle Containers (06)	-	5,000	5,000	4,663	5,000	5,000
<b>SUPPLIES &amp; SERVICES</b>	<b>442,923</b>	<b>549,186</b>	<b>698,286</b>	<b>610,136</b>	<b>552,019</b>	<b>622,933</b>
66605 Insurance Allocation	96,984	88,032	96,214	96,214	104,310	131,590
<b>ALLOCATIONS</b>	<b>96,984</b>	<b>88,032</b>	<b>96,214</b>	<b>96,214</b>	<b>104,310</b>	<b>131,590</b>
<b>TOTAL PUBLIC WORKS ADMIN.</b>	<b>817,718</b>	<b>917,429</b>	<b>1,077,219</b>	<b>1,002,673</b>	<b>943,830</b>	<b>1,063,215</b>
<b>GENERAL FUND</b>	<b>796,761</b>	<b>883,429</b>	<b>930,719</b>	<b>915,478</b>	<b>909,830</b>	<b>903,700</b>
<b>OTHER FUNDS</b>	<b>20,957</b>	<b>34,000</b>	<b>146,500</b>	<b>87,195</b>	<b>34,000</b>	<b>159,515</b>
<b>TOTAL</b>	<b>817,718</b>	<b>917,429</b>	<b>1,077,219</b>	<b>1,002,673</b>	<b>943,830</b>	<b>1,063,215</b>

# The Sharper Pencil

ATTACHMENT C



STREETS						
5100	ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items	2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
		2018/19	2018/19	2018/19	2019/20	2019/20
40005 01-5100-40005	Salaries	-	-	-	-	-
40005 02-5100-40005	Salaries (02)	169,798	164,635	167,030	170,895	168,914
40005 62-5100-40005	Salaries (62)	-	-	-	2,156	2,199
40007 02-5100-40007	Temporary Salaries (02)	-	-	-	-	-
40008 02-5100-40008	Phone Allowance (02)	-	-	-	-	-
40010 01-5100-40010	Temporary Salaries	-	25,000	25,000	4,032	43,968
40030 02-5100-40030	Acting Pay (02)	240	-	-	-	-
41055 01-5100-41055	Regular Overtime	-	-	-	259	-
41055 02-5100-41055	Regular Overtime (02)	220	-	-	2,191	-
41065 01-5100-41065	Call Back Overtime	7,121	17,000	17,000	4,294	17,000
41065 02-5100-41065	Call Back Overtime (02)	(121)	-	-	4,441	-
41066 01-5100-41066	Special Event Overtime	-	-	-	-	-
	<b>SALARIES</b>	<b>177,258</b>	<b>206,635</b>	<b>209,030</b>	<b>188,268</b>	<b>232,082</b>
50075 01-5100-50075	Uniform Allowance	-	-	-	-	-
50075 02-5100-50075	Uniform Allowance (02)	750	750	750	750	750
50080 01-5100-50080	Retirement	-	-	-	-	-
50080 02-5100-50080	Retirement (02)	23,846	28,608	28,702	30,732	35,252
50080 62-5100-50080	Retirement (62)	-	-	-	163	225
50085 01-5100-50085	Workers' Compensation	-	-	-	-	-
50085 02-5100-50085	Workers' Compensation (02)	16,222	19,656	19,656	19,656	20,375
50090 01-5100-50090	Health Insurance	-	-	-	-	-
50090 02-5100-50090	Health Insurance (02)	38,998	40,733	40,733	42,559	43,636
50090 62-5100-50090	Health Insurance (62)	-	-	-	249	270
50091 01-5100-50091	Disability Insurance	-	-	-	-	-
50091 02-5100-50091	Disability Insurance (02)	740	796	796	858	820
50091 62-5100-50091	Disability Insurance (62)	-	-	-	10	10
50094 02-5100-50094	Social Security (02)	-	-	-	-	-
50095 02-5100-50095	Medicare (02)	827	2,405	2,405	899	2,465
50095 62-5100-50095	Medicare (62)	-	-	-	-	31
50097 01-5100-50097	Unemployment Insurance	-	-	-	-	-
	<b>BENEFITS</b>	<b>81,383</b>	<b>92,947</b>	<b>93,041</b>	<b>95,877</b>	<b>103,834</b>
61110 01-5100-61110	Uniform Supply	7,416	7,500	7,500	7,500	7,500
61130 01-5100-61130	Travel & Meetings	32	500	500	500	500
62255 01-5100-62255	Utilities	1,276	1,340	1,340	1,340	1,407
62290 01-5100-62290	General Services	397	750	750	750	750
63305 01-5100-63305	Auto Supplies	23,842	23,625	23,625	27,820	23,625
63310 01-5100-63310	Safety Equipment	553	3,000	3,000	3,000	3,200
63330 01-5100-63330	Radio Communication	7,529	8,500	8,500	11,754	8,700
63350 02-5100-63350	Street Maintenance (02)	5,418	20,000	20,000	20,000	20,500
63360 01-5100-63360	Street & Traffic Signs	-	30,000	30,000	30,000	30,000
63360 02-5100-63360	Street & Traffic Signs (02)	6,317	-	-	-	-
64425 01-5100-64425	Professional Services	-	-	-	-	-
64425 02-5100-64425	Professional Services (02)	-	3,000	3,000	-	2,640
64430 01-5100-64430	Contractual Service	-	2,000	2,000	2,000	2,000
64432 02-5100-64432	Street Striping (02)	25,000	25,625	25,625	25,625	26,250
64433 01-5100-64433	Storm Drain Cleaning	-	40,000	40,000	40,000	105,500
64433 21-5100-64433	Storm Drain Cleaning (21)	-	-	-	-	105,500
64433 02-5100-64433	Storm Drain Cleaning (02)	24,994	-	-	-	-
64434 01-5100-64434	Street Sweeping	-	-	-	-	-
64460 01-5100-64460	Equipment Rental	2,363	3,000	3,000	3,000	3,000
	<b>SUPPLIES &amp; SERVICES</b>	<b>105,138</b>	<b>168,840</b>	<b>168,840</b>	<b>173,289</b>	<b>232,932</b>
66602 01-5100-66602	Equipment Repl. Allocation	-	-	-	-	-
66605 01-5100-66605	Insurance Allocations	34,523	31,336	34,250	34,250	37,130
	<b>ALLOCATIONS</b>	<b>34,523</b>	<b>31,336</b>	<b>34,250</b>	<b>34,250</b>	<b>46,841</b>
	<b>TOTAL STREETS</b>	<b>398,302</b>	<b>499,758</b>	<b>505,161</b>	<b>491,683</b>	<b>615,689</b>
	<b>GENERAL FUND</b>	<b>85,053</b>	<b>193,551</b>	<b>196,465</b>	<b>170,499</b>	<b>188,491</b>
	<b>OTHER FUNDS</b>	<b>313,249</b>	<b>306,207</b>	<b>308,696</b>	<b>321,184</b>	<b>427,198</b>
	<b>TOTAL</b>	<b>398,302</b>	<b>499,758</b>	<b>505,161</b>	<b>491,683</b>	<b>615,689</b>

# The Sharper Pencil



## CITY PROPERTIES

3080		ACTUAL	ADOPTED	ADJUSTED	PROJECTED	ADOPTED	ADJUSTED
Line Items		2017/18	BUDGET	BUDGET	2018/19	PROPOSED	PROPOSED
			2018/19	2018/19		2019/20	2019/20
62255	Utilities City	66,456	84,004	84,004	84,004	87,470	87,470
63325	Building Supplies	29,516	54,080	54,080	38,080	30,984	46,984
64425	Professional Services	-	-	-	-	-	-
64430	Contractual Services	39,758	32,809	132,809	136,765	32,921	57,921
<b>SUPPLIES AND SERVICES</b>		<b>135,729</b>	<b>170,894</b>	<b>270,893</b>	<b>258,849</b>	<b>151,375</b>	<b>192,375</b>
66602	Equipment Repl. Allocation	-	-	-	-	-	-
66605	Insurance Allocation	39,119	35,509	38,809	38,809	42,074	53,078
<b>ALLOCATIONS</b>		<b>39,119</b>	<b>35,509</b>	<b>38,809</b>	<b>38,809</b>	<b>42,074</b>	<b>53,078</b>
<b>TOTAL CITY PROPERTIES</b>		<b>174,849</b>	<b>206,403</b>	<b>309,702</b>	<b>297,658</b>	<b>193,449</b>	<b>245,453</b>



# The Sharper Pencil



<b>SEWER FUND</b>						
<b>7200</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>	<b>PROJECTED</b>	<b>ADOPTED</b>	<b>ADJUSTED</b>
<b>Line Items</b>	<b>2017/18</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>2018/19</b>	<b>PROPOSED</b>	<b>PROPOSED</b>
		<b>2018/19</b>	<b>2018/19</b>		<b>2019/20</b>	<b>2019/20</b>
40005 Salaries	-	5,795	5,851	-	5,795	-
40007 Auto Allowance	-	113	113	-	113	-
40008 Phone Allowance	-	18	18	-	18	-
<b>SALARIES</b>	<b>-</b>	<b>5,926</b>	<b>5,981</b>	<b>-</b>	<b>5,926</b>	<b>-</b>
50080 Retirement	-	451	456	-	460	-
50090 Health Insurance	-	699	699	-	742	-
50091 Disability Insurance	-	28	28	-	28	-
50095 Medicare	-	86	86	-	86	-
<b>BENEFITS</b>	<b>-</b>	<b>1,264</b>	<b>1,268</b>	<b>-</b>	<b>1,316</b>	<b>-</b>
64425 Prof Servs	-	7,500	7,500	7,503	7,500	7,500
64426 Sanitary Sewer Prof. Servs	-	-	-	-	-	-
64430 Contractual Services	-	1,500	1,500	-	1,575	1,575
63354 Citywide Sewer Repairs	-	350,000	350,000	-	350,000	350,000
<b>SUPPLIES &amp; SERVICES</b>	<b>-</b>	<b>359,000</b>	<b>359,000</b>	<b>7,503</b>	<b>359,075</b>	<b>359,075</b>
80101 Citywide Sewer Repairs	11,191	-	-	2,453	-	-
80155 Via Coronel/Zurita Upgrade	7,955	325,000	325,000	50,797	-	274,203
80156 Backflow Devices	-	-	-	-	-	-
80157 Sewer Upgrades (6" to 8")	-	-	-	-	-	-
80158 Sewer Conditions Assessment	12,222	100,000	100,000	32,765	-	100,000
87000 Capital Projects/sewer repair	-	-	-	-	-	-
<b>CAPITAL PROJECTS</b>	<b>31,368</b>	<b>425,000</b>	<b>425,000</b>	<b>86,015</b>	<b>-</b>	<b>374,203</b>
<b>TOTAL SEWER</b>	<b>31,368</b>	<b>791,189</b>	<b>791,250</b>	<b>93,518</b>	<b>366,317</b>	<b>733,278</b>

The total expenditures are made up of three departments - 7200 - Sewer, 5000 - Public Works & 5100 - Streets

## Sewer Fund 62 RECAP

Sewer - 7200	31,368	791,189	791,250	93,518	366,317	733,278
Public Works - 5000	-	-	-	4,652	-	4,995
Streets - 5100	-	-	-	2,578	-	2,735
<b>Total Sewer Fund 62</b>	<b>31,368</b>	<b>791,189</b>	<b>791,250</b>	<b>100,749</b>	<b>366,317</b>	<b>741,008</b>

# Other Funds

The funds below represent important internal service, facility or other governmental funds that receive allocated or special/restricted revenues for designated expenditures.

## RESOURCES

Service Area	ACTUAL 2017/18	ADOPTED BUDGET 2018/19	ADJUSTED BUDGET 2018/19	PROJECTED 2018/19	ADOPTED PROPOSED 2019/20	ADJUSTED PROPOSED 2019/20
SPECIAL PROJECTS	-	-	-	-	-	-
RMRA	-	-	-	-	-	-
MEASURE M	-	-	-	-	-	-
PROP A TRANSIT	212,785	230,553	230,553	230,553	249,805	237,469
MEASURE R	-	-	-	-	-	-
PROP C TRANSIT	-	-	-	-	-	-
EQUIPMENT REPLACEMENT	208,378	222,960	230,510	104,746	159,350	312,510
INSURANCE	974,149	993,267	1,045,167	1,045,167	1,091,426	1,285,453
INT SRVS FIXED ASSET	-	-	-	-	-	-
<b>TOTAL FUND EXPENDITURES</b>	<b>1,395,312</b>	<b>1,446,780</b>	<b>1,506,230</b>	<b>1,380,466</b>	<b>1,500,581</b>	<b>1,835,432</b>

### Key Budget Changes/Comments

- Insurance costs reflect increases in insurance rates. The above amounts include a retrospective premium adjustment reported by the joint Powers Authority in the year past.
- Prop A funds support the P.V. Transit system via the City's share of the allocation.
- Prop C, Measures M and R, and RMRA funds support street improvements, repairs, maintenance and Americans with Disability Act improvements.
- Equipment Replacement reflect council approved equipment and technology requests.



**City of Palos Verdes Estates**  
**Approved Biennial Budget FY 2018-2020**  
**Summary of Projected 2018-2019 Comparison to Adjust Budget**  
**Fiscal Year 2018-2019**

GENERAL FUND EXPENDITURES	Significant Variances	FY18-19
ADMINISTRATION		68,819
	City Manager Separation Agreement	124,000
	City Manager - Budget Communication Consultant	(24,000)
	City Manager - Professional Services	(17,520)
	Non-Dept - Contingency Reserve-Unused	(19,670)
FINANCE		(29,841)
POLICE	Majority - MOU & Eliminated Positions & Personnel related	(440,477)
FIRE		10,736
PLANNING & BUILDING		(171,343)
	MOU & Eliminated Positions & Re-Organization	(41,824)
	Building - Contractual Services - carryover to 19-20	(14,700)
	Building - Professional Services	(114,819)
PUBLIC WORKS		(53,251)
	PW - MOU changes	14,771
	PW - Professional Services	(18,201)
	Streets - Seasonal Workers unused	(20,968)
	Streets - Call-Back OT reduced	(12,706)
	City Properties - Building Supplies	(16,000)
<b>TOTAL</b>		<b>(615,357)</b>

## ATTACHMENT C

**City of Palos Verdes Estates**  
**Approved Biennial Budget FY 2018-2020**  
**Summary of 2019-2020 Budget Appropriations**  
**Fiscal Year 2019-2020**



GENERAL FUND REVENUES		19-20 PROPOSED	OTHER FUND - REVENUES		19-20 PROPOSED
PROPERTY TAX		0	FUND 02 - GAS TAX	Resetting of Section 2103 gas tax	55,791
COMMUNITY DEVELOPMENT		(21,475)	FUND 21 - MEASURE W	New for FY 2019-20	260,000
INTEREST INCOME		105,500	FUND 23 - PVE LAW ENFORCEMENT		0
CONCESSIONS AND RENT - suspension of Stable Concession		(37,400)	FUND 25 - MEASURE M		(1,201)
TRANSFERS IN		0	FUND 31 - PARKLANDS		0
<b>TOTAL</b>		<b>46,625</b>	FUND 60 - EQP REPL		0
			FUND 62 - SEWER		0
			FUND 65 - INSURANCE	Dept Allocations - Increase in rates for FY 2019-20	194,027
GENERAL FUND EXPENDITURES		19-20 PROPOSED	OTHER FUND - EXPENDITURES		19-20 PROPOSED
ADMINISTRATION		132,617	FUND 02 - GAS TAX		2,981
MOU salary & benefit changes, CM Separation Agreement	21,709		FUND 05 - SLESF	Police Dept - disaster preparedness consultant	88,177
Costs Associated Temporary Personnel	8,406		FUND 06 - SPECIAL REV	Special Grant project	63,620
Retiree Health Stipend	16,500		FUND 07 - CORRECTIONS		0
Contingency Reserve	60,000		FUND 21 - MEASURE W	New for FY 2019-20 - storm water repair & maintenance	162,400
Supplies and Services changes	5,515		FUND 26 - PROP A		337
JPIA Insurance Allocation Increase	20,487		FUND 30 - CIP	See - CIP attachment	3,634,804
<b>FINANCE</b>		<b>52,285</b>	FUND 31 - PARKLANDS		0
Part-Time Budget Analyst	35,150		FUND 60 - EQP REPL	Carryover - IT related	50,160
MOU salary & benefit changes & other personnel changes	1,452			Carryover - City Hall Needs Assessment	75,000
Savings in Merchant Services	(12,000)			Streets - Vehicle Repl.- Chevy Silverado	60,000
GovInvest Software	9,000			PD - adjusted vehicle purchase/replacement	(32,000)
Finance Plus Upgrade 5.2 - carryover	10,000		FUND 62 - SEWER	CIP and Dept Expenditures	366,961
Supplies and Services Changes	3,495		FUND 65 - INSURANCE	Increase in costs for FY 2019-20	194,027
JPIA Insurance Allocation Increase	5,188				
<b>POLICE</b>		<b>115,812</b>			
Salary & Benefit Impact of MOU & Eliminated positions	(19,489)				
Holiday Payout	110,000				
Worker's Compensation Ins Increase	18,674				
Supplies and Services Changes	(43,819)				
JPIA Insurance Allocation Increase	50,446				
<b>FIRE</b>		<b>275,365</b>			
Change in Contract Rates		275,365			
<b>PLANNING &amp; BUILDING &amp; PUBLIC WORKS</b>		<b>(174,394)</b>			
Multiple Depts	Salary & Benefit - Position Elimination, Re-Org & MOU Impact	(148,769)			
City Properties	Stable - Capital Expenditure Payment	25,000			
Planning	CEQA Review Services	20,000			
Streets	Seasonal Workers - schedule adjusted	18,968			
City Properties	City Hall Sewer Lateral Report - carryover	13,500			
City Properties	PD Trailer Office Roof mount - delayed	2,500			
PW & Streets	Measure W funding to offset storm drain exp	(162,400)			
PW	Reduced Geotechnical expend based on rev	(4,976)			
Building	HR Green contract calculations adjusted	(45,980)			
Multiple Depts	Misc Supplies and Services Changes	10,844			
Multiple Depts	JPIA Insurance Allocation Increase	96,919			
<b>TOTAL</b>		<b>401,685</b>			

**CITY OF PALOS VERDES ESTATES**  
**MONTHLY ROLL-FORWARD BUDGET**  
**GENERAL FUND (FUND 01)/ LAW ENFORCEMENT FUND (FUND 23)**  
**BUDGET YEAR 2019-20**

	July	August	September	October	November	December	January	February	March	April	May	June	FY Totals												
<b>GENERAL FUND</b>																									
BEGINNING BALANCE - Projected	\$12,305,545.00	\$9,143,337.89	\$8,511,738.00	\$7,517,895.73	\$6,524,053.47	\$5,748,196.76	\$9,746,520.24	\$10,894,935.08	\$11,384,630.06	\$10,437,681.76	\$12,490,506.05	\$13,764,727.31	\$12,305,545.00												
<b>REVENUES (RECEIPTS)</b>																									
Property Tax	\$0.00	\$229,438.15	3%	\$0.00	0%	\$0.00	0%	\$138,068.34	2%	\$3,161,952.83	37%	\$861,932.55	10%	\$934,734.29	11%	\$29,701.84	0.3%	\$1,929,706.75	22%	\$941,616.20	11%	\$364,413.07	4%	\$8,591,564.00	
Parcel Tax (Fund 23)	\$0.00	\$132,804.22	3%	\$0.00	0%	\$0.00	0%	\$79,917.21	2%	\$1,830,212.92	37%	\$498,906.90	10%	\$541,046.26	11%	\$17,192.13	0.3%	\$1,116,959.80	22%	\$545,029.68	11%	\$210,930.88	4%	\$4,973,000.00	
Property Tax In Lieu (VLF)	\$0.00	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$781,417.65	50%	\$7,756.69	0%	\$0.00	0.0%	\$0.00	0.0%	\$781,417.65	50%	\$0.00	0.0%	\$0.00	0%	\$1,570,592.00	
Sales Tax	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$29,666.67	\$356,000.00
Real Estate Transfer Tax	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$16,666.67	\$200,000.00	
Business License Tax	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$18,750.00	\$225,000.00	
Franchise Fees	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$48,921.67	\$587,060.00
Development Fees	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$125,918.75	\$1,511,025.00
Interest Income	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$20,833.33	\$250,000.00
Concessions and Rent	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$111,150.00	\$1,333,800.00
Licenses and Permits	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$2,541.67	\$30,500.00
Safety Fines	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$150,000.00
Service Charges	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$3,916.67	\$47,000.00
Other Fees	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$3,958.33	\$47,500.00
<b>Total Revenues</b>	<b>\$394,823.75</b>	<b>\$757,066.12</b>	<b>\$394,823.75</b>	<b>\$394,823.75</b>	<b>\$612,809.31</b>	<b>\$5,386,989.49</b>	<b>\$2,537,080.85</b>	<b>\$1,878,360.99</b>	<b>\$441,717.71</b>	<b>\$3,441,490.30</b>	<b>\$2,662,887.28</b>	<b>\$970,167.70</b>	<b>\$19,873,041.00</b>												
<b>EXPENDITURES (DISBURSEMENTS)</b>																									
City Manager	\$50,726.43	\$50,726.43	\$50,726.43	\$50,726.43	\$50,726.43	\$50,726.43	\$50,726.43	\$50,726.43	\$50,726.43	\$50,726.43	\$50,726.43	\$50,726.43	\$608,717.16												
City Attorney	\$16,916.67	\$16,916.67	\$16,916.67	\$16,916.67	\$16,916.67	\$16,916.67	\$16,916.67	\$16,916.67	\$16,916.67	\$16,916.67	\$16,916.67	\$16,916.67	\$203,000.00												
City Clerk	\$19,346.12	\$19,346.12	\$19,346.12	\$19,346.12	\$19,346.12	\$19,346.12	\$19,346.12	\$19,346.12	\$19,346.12	\$19,346.12	\$19,346.12	\$19,346.12	\$232,153.40												
Non-Departmental	\$14,775.08	\$14,775.08	\$14,775.08	\$14,775.08	\$14,775.08	\$14,775.08	\$14,775.08	\$14,775.08	\$14,775.08	\$14,775.08	\$14,775.08	\$14,775.08	\$177,301.00												
<b>Administration</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$101,764.30</b>	<b>\$1,221,171.56</b>												
Finance	\$59,890.27	\$59,890.27	\$59,890.27	\$59,890.27	\$59,890.27	\$59,890.27	\$59,890.27	\$59,890.27	\$59,890.27	\$59,890.27	\$59,890.27	\$59,890.27	\$718,683.23												
City Treasurer	\$2,670.43	\$2,670.43	\$2,670.43	\$2,670.43	\$2,670.43	\$2,670.43	\$2,670.43	\$2,670.43	\$2,670.43	\$2,670.43	\$2,670.43	\$2,670.43	\$32,045.10												
<b>Finance</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$62,560.69</b>	<b>\$750,728.33</b>												
Police Services	\$491,104.08	\$491,104.08	\$491,104.08	\$491,104.08	\$491,104.08	\$491,104.08	\$491,104.08	\$491,104.08	\$491,104.08	\$491,104.08	\$491,104.08	\$491,104.08	\$5,893,249.00												
Fire Services	\$462,581.67	\$462,581.67	\$462,581.67	\$462,581.67	\$462,581.67	\$462,581.67	\$462,581.67	\$462,581.67	\$462,581.67	\$462,581.67	\$462,581.67	\$462,581.67	\$5,550,980.00												
<b>Police &amp; Fire</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$953,685.75</b>	<b>\$11,444,229.00</b>												
Building	\$53,275.59	\$53,275.59	\$53,275.59	\$53,275.59	\$53,275.59	\$53,275.59	\$53,275.59	\$53,275.59	\$53,275.59	\$53,275.59	\$53,275.59	\$53,275.59	\$639,307.13												
Planning	\$22,900.36	\$22,900.36	\$22,900.36	\$22,900.36	\$22,900.36	\$22,900.36	\$22,900.36	\$22,900.36	\$22,900.36	\$22,900.36	\$22,900.36	\$22,900.36	\$274,804.30												
Parklands	\$106,947.62	\$106,947.62	\$106,947.62	\$106,947.62	\$106,947.62	\$106,947.62	\$106,947.62	\$106,947.62	\$106,947.62	\$106,947.62	\$106,947.62	\$106,947.62	\$1,283,371.39												
Public Works Admn	\$62,977.31	\$62,977.31	\$62,977.31	\$62,977.31	\$62,977.31	\$62,977.31	\$62,977.31	\$62,977.31	\$62,977.31	\$62,977.31	\$62,977.31	\$62,977.31	\$755,727.72												
Streets	\$8,523.14	\$8,523.14	\$8,523.14	\$8,523.14	\$8,523.14	\$8,523.14	\$8,523.14	\$8,523.14	\$8,523.14	\$8,523.14	\$8,523.14	\$8,523.14	\$102,277.72												
City Properties	\$16,031.25	\$16,031.25	\$16,031.25	\$16,031.25	\$16,031.25	\$16,031.25	\$16,031.25	\$16,031.25	\$16,031.25	\$16,031.25	\$16,031.25	\$16,031.25	\$192,375.00												
<b>Planning, Bldg &amp; PW</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$270,655.27</b>	<b>\$3,247,863.26</b>												
<b>CalPERS UAL</b>	<b>882,908.99</b>												<b>\$882,908.99</b>												
<b>JPIA Insurance</b>	<b>1,285,455.86</b>												<b>\$1,285,455.86</b>												
<b>Total Expenditures</b>	<b>\$3,557,030.86</b>	<b>\$1,388,666.01</b>	<b>\$1,388,666.01</b>	<b>\$1,388,666.01</b>	<b>\$1,388,666.01</b>	<b>\$1,388,666.01</b>	<b>\$1,388,666.01</b>	<b>\$1,388,666.01</b>	<b>\$1,388,666.01</b>	<b>\$1,388,666.01</b>	<b>\$1,388,666.01</b>	<b>\$1,388,666.01</b>	<b>\$18,832,357.00</b>												
<b>Net Revenues over Expenditures</b>	<b>(\$3,162,207.11)</b>	<b>(\$631,599.89)</b>	<b>(\$993,842.26)</b>	<b>(\$993,842.26)</b>	<b>(\$775,856.71)</b>	<b>\$3,998,323.48</b>	<b>\$1,148,414.84</b>	<b>\$489,694.98</b>	<b>(\$946,948.30)</b>	<b>\$2,052,824.29</b>	<b>\$1,274,221.26</b>	<b>(\$418,498.31)</b>	<b>\$1,040,684.00</b>												
<b>Ending Balance</b>	<b>\$9,143,337.89</b>	<b>\$8,511,738.00</b>	<b>\$7,517,895.73</b>	<b>\$6,524,053.47</b>	<b>\$5,748,196.76</b>	<b>\$9,746,520.24</b>	<b>\$10,894,935.08</b>	<b>\$11,384,630.06</b>	<b>\$10,437,681.76</b>	<b>\$12,490,506.05</b>	<b>\$13,764,727.31</b>	<b>\$13,346,229.00</b>	<b>\$13,346,229.00</b>												

REVENUES (RECEIPTS) RECAP	
GENERAL FUND	\$14,900,041
PVE LAW ENFORCEMENT FUND	\$4,973,000
<b>TOTAL REVENUES</b>	<b>\$19,873,041</b>

EXPENDITURES (DISBURSEMENTS) RECAP	
GENERAL FUND	\$18,832,357
<b>TOTAL DISBURSEMENTS(EXPENDTRS)</b>	<b>\$18,832,357</b>

YEAR TO DATE RECAP	
Beginning General Fund Balance	\$12,305,545.00
Plus: Revenues (Receipts) - General Fund	\$14,900,041.00
Less: Expenditures (Disbursements) - General Fund	\$18,832,357.00
Net Revenues over Expenditures - General Fund	<b>(\$3,932,316.00)</b>
Plus: Revenues (Receipts) - PVE Law Enforcement Fd	\$4,973,000.00
Net Revenues over Expenditures - Both Funds	<b>\$1,040,684.00</b>
Ending Balance	\$13,346,229.00

Notes: The above presentation is a monthly roll-forward of the General Fund Balance, including the PVE Law Enforcement Fund before transfers in/out.

These numbers are based on the annual Adopted Budget included in the staff report presented to council on June 25, 2019

Methodology used to calculate monthly -

ATTACHMENT C

CITY OF PALOS VERDES ESTATES  
CITY HALL ORGANIZATIONAL CHART

Administration						
3.5	1	2.5	1 City Manager *		FT	Vacant
			1 City Clerk/Executive Assistant to City Mgr	City Clerk	FT	Filled
			0.5 Senior Receptionist	City Clerk	PT	Filled
			1 Assistant to the City Manager	Mgmt Support	FT	Filled
			<b>3.5 Total</b>			

Community Development/Public Works		
1	Director	FT Filled
1	Planning Manager	FT Filled
0.5	Planner	PT Filled
0.5	Code Enforcement Officer	PT Filled
1	Permit Technician	FT Filled
1	Permit Technician	FT Filled
1	Urban Forestor	FT Filled
1	Maintenance Foreman	FT Filled
1	Maintenance Worker	FT Filled
1	Maintenance Worker	FT Filled
1	Maintenance Worker	FT Filled
1	Maintenance Worker	FT Filled
0.5	Seasonal Streets & Parks Worker	PT Filled
0.5	Seasonal Streets & Parks Worker	PT Vacant
0.5	Seasonal Streets & Parks Worker	PT Vacant
0.5	Seasonal Streets & Parks Worker	PT Vacant
13	<b>Total</b>	

Finance		
1	Director	FT Filled
1	Senior Accountant	FT Filled
1	Financial Services Technician	FT Filled
1	Financial Services Technician	FT Filled
0.5	Administrative Analyst-Budget	PT Filled
4.5	<b>Total</b>	

Budgeted  
Vacant  
Filled

\*Hiring in progress - status:background checks

Police Department		
1	Chief	FT Filled
1	Captain	FT Filled
1	Captain	FT Filled
1	Sergeant	FT Filled
1	Sergeant	FT Filled
1	Sergeant	FT Filled
1	Sergeant	FT Filled
1	Sergeant	FT Filled
1	Sergeant	FT Filled
1	Corporal	FT Filled
1	Corporal	FT Filled
1	Corporal	FT Filled
1	Corporal	FT Filled
1	Corporal	FT Filled
1	Police Officer	FT Filled
1	Police Officer	FT Filled
1	Police Officer	FT Filled
1	Police Officer	FT Filled
1	Police Officer	FT Filled
1	Police Officer	FT Filled
1	Police Officer	FT Filled
1	Police Officer	FT Filled
1	Police Officer	FT Filled
1	Police Officer*	FT Vacant
1	Police Officer*	FT Vacant
1	Lead Sevices Officer	FT Filled
1	Services Officer	FT Filled
1	Services Officer	FT Filled
1	Services Officer	FT Filled
1	Services Officer	FT Filled
1	Services Officer	FT Filled
1	Services Officer	FT Filled
1	Services Officer	FT Filled
1	Traffic Control Officer*	FT Vacant
1	Custodian of Records/Executive Assistant to the Chief of Police	FT Filled
1	Community Relations Officer	FT Filled
0.5	Volunteer Coordinator	FT Filled
0.5	Police Services Aide	FT Filled
0.5	Police Services Aide	FT Filled
35.5	<b>Total</b>	

35.5  
3  
32.5

13  
1.5  
####

# 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>





## **GOVERNMENTAL FUNDS**

*Are typically used to account for tax-supported (governmental) activities. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources.*

### **GENERAL FUND (01)**

The General fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund.

### **SPECIAL REVENUE FUNDS:**

*Are used to account for proceeds of specific sources (other than for major capital projects) that are legally restricted for specific purposes. The following funds are considered Special Revenue Funds:*

**State Gas Tax Fund (02):** Accounts for a share of revenues derived from the State Highway Users' Tax under Sections 2103, 2105, 2106, 2107, and 2107.5. The revenue is derived from a share of the gasoline taxes and is restricted to be used for the construction and maintenance of the road network system of the City.

**Drug Intervention Fund (03):** Accounts for receipt and disbursement of narcotic forfeitures received from the County, State, and Federal agencies pursuant to Section 11470 of State Health & Safety Code and Federal Statute 21USC Section 881.

**SLESF (COPS) Fund (05):** Account for receipt and disbursement of funds received under the State Citizens' Option for Public Safety (COPS) program allocated pursuant to Government Code Section 30061 enacted by AB 3229, Chapter 134 of the 1996 Statutes. This fund, also known as the Supplemental Law Enforcement Services Fund (SLESF), is allocated based on population and can only be spent for "front line municipal police services" such as local crime prevention and community-oriented policing, per Government Code Section 30061 (c)(2).

**Special Projects Fund (06):** Account for revenue for grants or disbursements from Federal, State, County, and special agencies and districts, including but not limited to monies received from Transportation Development Act Article 3, AB 2766, AB 939, CalRecycle Rubberized Pavement and Container Grants, STP-L Fund Exchange.

**Corrections Fund (07):** Account for revenue received from the State Department of Corrections.

**RMRA Fund (08):** Account for receipt of funds received from the State Controller's Road Maintenance and Rehabilitation Account (RMRA). RMRA funds can be used for basic road maintenance, rehabilitation, and critical safety projects on the local streets and road system. The City currently uses these funds for certain capital projects such as street rehabilitation.

## ATTACHMENT C

**Measure W Fund (21):** New for FY 2019-20 – Account for a share of revenues received under The Safe, Clean Water Program (Measure W) that was passed in November 2018. 40% of funds will be allocated directly to municipalities. This will provide funding to increase the local water supply, improve water quality and protect public health from the special tax of 2.5 cents per square foot of impermeable surface area on private property within the LA County Flood Control District. The City is estimated to receive \$260,000 in FY 2019-20 from Measure W funds that can be used towards storm drain cleaning and repairs.

**Special Fire Parcel Tax Special Revenue Fund (22):** Account for funds received from a voter approved direct assessment levied by the City for the purpose of funding contract fire suppression services through Los Angeles County. This assessment sunset after FY 16-17 and is no longer funded.

**Measure M Fund (25):** Account for a share of the revenues received under Measure M, a portion of a ½ cent sales tax levied in Los Angeles County in November 2016 to provide transportation related projects and programs. These are restricted funds. Eligible projects include street and road repair and maintenance, green streets, complete streets, storm drains, traffic control measures, bicycle and pedestrian transportation improvements, transit services and vehicles, transportation marketing, and transportation demand management. The City currently uses Measure M Funds for certain capital projects or transportation projects such as street rehabilitation and reconstruction.

**Prop “C” Transportation Fund (26):** Account for a share of the revenues received under Proposition C, a portion of a ½ cent of sales tax levied in Los Angeles County in November 1990 to provide transportation-related programs and projects. These are restricted funds, eligible to be used to improve transit services and operations; reduce traffic congestion; improve air quality; operate and improve the condition of the streets and freeways utilized by public transit; and reduce foreign oil dependence. The City currently uses these funds for certain capital projects or transportation projects such as street rehabilitation and reconstruction on fixed transit routes.

**Measure R Fund (27):** Account for a share of the revenues received under Measure R, a portion of a ½ cent sales tax levied in Los Angeles County in November 2008 to provide for transportation related projects and programs. Revenues are funneled to the City through the Los Angeles County Metropolitan Transportation Authority. These are restricted funds. Eligible projects include street and road repair, traffic signal improvements, bicycle and pedestrian transportation improvements, transit services and vehicles, transportation marketing, and transportation demand management. The City currently uses Measure R Funds for certain capital projects or transportation projects such as street rehabilitation and reconstruction.

**Prop “A” Transportation Fund (28):** Account for a share of the revenues received under Proposition A, a portion of a ½ cent of sales tax levied in Los Angeles County in November 1980 to provide transportation-related programs and projects. These are restricted funds, eligible to be used for transit and bus stop improvements and maintenance only. The City uses these funds to pay the City’s annual funding obligation to Palos Verdes Peninsula Transit Authority (PVPTA) as a member of the Palos Verdes Peninsula Joint Powers Authority. Unused accumulated balance is sold to the PVPTA or other cities in exchange for non-restricted General Fund dollars.

**Parklands (31):** Account for the improvements to/in the City’s parklands. The primary source of

general capital funds is an annual transfer of General Fund Operating surplus. The actual amount of the transfer, if any, is determined each year by the City Council after review of the annual audit report.

**PVE Law Enforcement Fund (23):** Account for funds received from a voter approved (by Measure E in April 2018) direct assessment levied by the City for the purpose of funding the Palos Verdes Estates Police Department. This levy will be for fiscal years 2018-19 through 2026-27.

### **CAPITAL PROJECTS FUNDS:**

*Account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The following is considered Capital Projects Fund:*

**Capital Improvement Fund (30):** Account for the construction of capital facilities typically financed by the City's General Fund, transfers from Special Revenue Funds, and any grant not accounted for in a special revenue fund. The primary source of general capital funds is an annual transfer of General Fund Operating surplus. The actual amount of the transfer, if any, is determined each year by the City Council after review of the annual audit report. Capital projects typically improve City-owned assets such as buildings, parks, streets, and other infrastructure components.

**Sewer Fund (62):** Account for accumulated fund balance and expenses for the City's wastewater collection system, including replacement and maintenance of sewer facilities. As authorization for the property-owner approved sewer user fee expired in FY 12/13, these operations will become General Fund dependent once available resources are used towards capital and maintenance as outlined in prospective budget plans.

### **PROPRIETARY FUNDS**

*Proprietary funds are used to account for a government's "business" type activities. Enterprise Funds and Internal Service Funds are considered proprietary funds. The City of Palos Verdes Estates does not currently have any enterprise funds.*

### **INTERNAL SERVICE FUNDS**

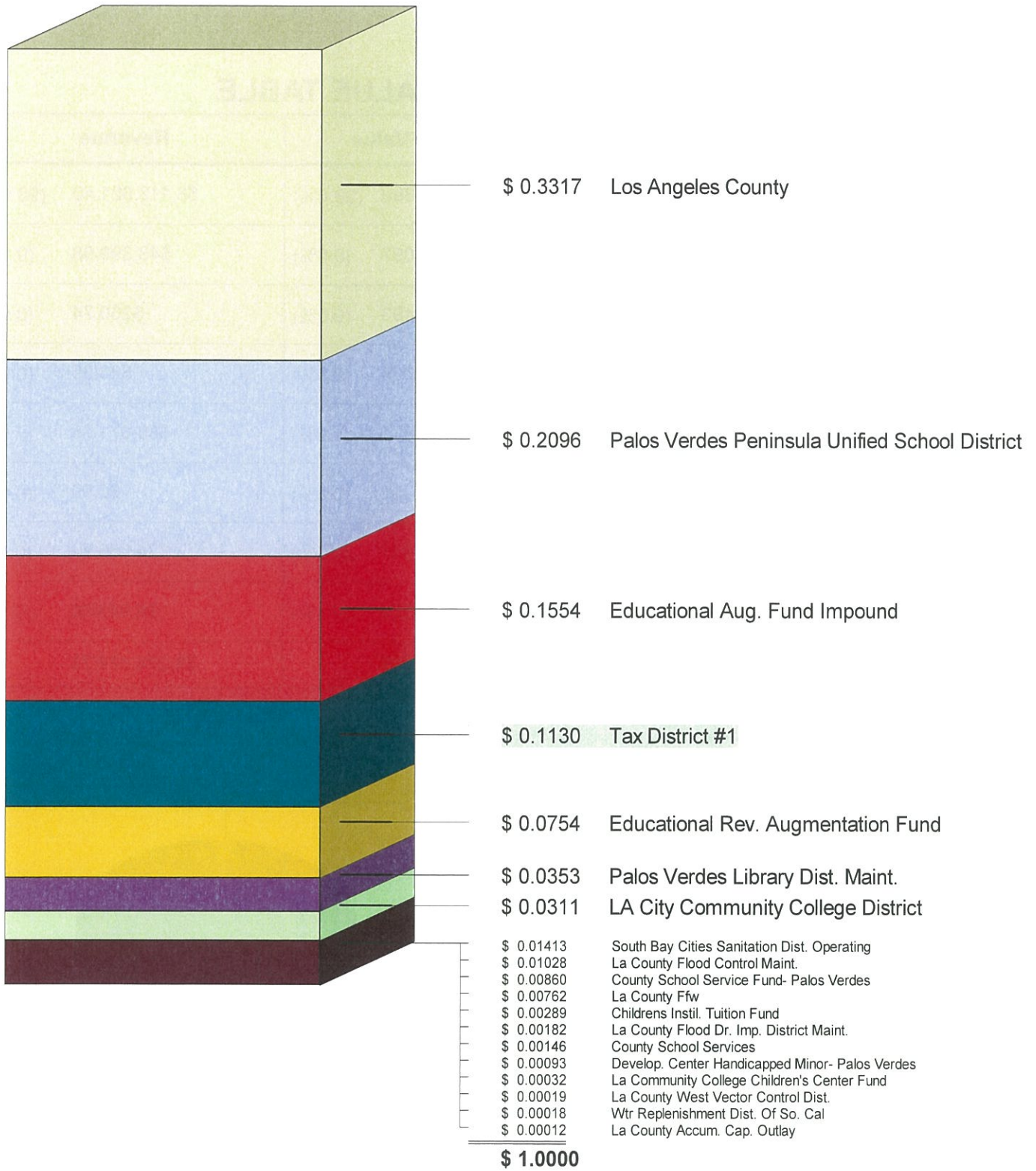
The following are the City's Internal Service Funds:

**Equipment Replacement Fund (60):** Account for the financing of equipment on a cost reimbursement basis from charges to City departments and from proceeds from the sale of surplus equipment, which are used to purchase replacement of office furniture and equipment; vehicles; and other capital equipment.

**Insurance Fund (65):** Account to fund the City's annual contribution to the California Joint Powers Insurance Authority (CJPIA). The total funding requirement for self-insurance programs is estimated using actuarial models, with costs allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. CJPIA provides for both liability and worker's compensation coverage.

ATTACHMENTS

# 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 2018/19 Annual Tax Increment Tables

Prepared On 3/25/2019 By KB

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



THE CITY OF PALOS VERDES ESTATES ATTACHMENT C  
**GENERAL FUND REVENUE ESTIMATE**

2019-20 Through 2023-24 Revenue Estimate Based on 2018-19 Values and Estimated Changes

General Fund	2019-20	2020-21	2021-22	2022-23	2023-24
<b>General Fund and BY Values</b>	<b>\$7,441,925,507</b>	<b>\$7,730,044,602</b>	<b>\$8,026,249,832</b>	<b>\$8,295,981,177</b>	<b>\$8,606,938,038</b>
<b>Real Property Value</b> (Incl. Prop 8 parcels)	<b>\$7,437,959,823</b>	<b>\$7,726,078,918</b>	<b>\$8,022,284,148</b>	<b>\$8,292,015,493</b>	<b>\$8,602,972,354</b>
CPI of Non Prop 8 Parcels (Max 2.0%)	\$142,982,993	148,745,375	155,012,682	160,741,914	167,179,457
Transfer of Ownership Assessed Value Change	\$145,136,102	146,836,494	114,718,663	145,430,643	183,007,801
Est. SFR Prop 8 Adj Based on Recent SFR Price	\$0	\$623,361	\$0	\$4,784,305	\$9,158,293
<b>Estimated Real Property Value</b>	<b>\$7,726,078,918</b>	<b>\$8,022,284,148</b>	<b>\$8,292,015,493</b>	<b>\$8,602,972,354</b>	<b>\$8,962,317,905</b>
Base Year Values	\$0	\$0	\$0	\$0	\$0
Secured Personal Property Value (0.0% growth)	\$68,750	\$68,750	\$68,750	\$68,750	\$68,750
Unsecured Personal Property Value (0.0% growth)	\$3,896,934	\$3,896,934	\$3,896,934	\$3,896,934	\$3,896,934
Nonunitary Utility Value (0.0% growth)	\$0	\$0	\$0	\$0	\$0
Enter Completed New Construction					
<b>Estimated Net Taxable Value</b>	<b>\$7,730,044,602</b>	<b>8,026,249,832</b>	<b>8,295,981,177</b>	<b>8,606,938,038</b>	<b>8,966,283,589</b>
<b>Estimated Total Percent Change</b>	<b>3.87%</b>	<b>3.83%</b>	<b>3.36%</b>	<b>3.75%</b>	<b>4.18%</b>
Taxed @ 1%	\$77,300,446	\$80,262,498	\$82,959,812	\$86,069,380	\$89,662,836
Aircraft Value	\$0	\$0	\$0	\$0	\$0
Average City Share 0.1111886664	\$8,594,934	\$8,924,280	\$9,224,191	\$9,569,940	\$9,969,491
Aircraft Rate (.01 * 0.333333333)	\$0	\$0	\$0	\$0	\$0
Enter Unitary Taxes Budgeted Flat					
<b>Net GF Estimate</b>	<b>\$8,594,934</b>	<b>\$8,924,280</b>	<b>\$9,224,191</b>	<b>\$9,569,940</b>	<b>\$9,969,491</b>
Enter Suppl. Apportionment - Average 3 Yrs.					
Enter Delinquent Apportionment - Average 3 Yrs.					

# THE CITY OF PALOS VERDES ESTATES ATTACHMENT C GENERAL FUND REVENUE ESTIMATE

2019-20 Through 2023-24 Revenue Estimate Based on 2018-19 Values and Estimated Changes

VLFAA	2019-20	2020-21	2021-22	2022-23	2023-24
<i>Citywide Net Taxable Value</i>	\$7,441,925,507	\$7,730,044,602	\$8,026,249,832	\$8,295,981,177	\$8,606,938,038
<b>Real Property Value (Incl. Prop 8 parcels)</b>	<b>\$7,437,959,823</b>	<b>\$7,726,078,918</b>	<b>\$8,022,284,148</b>	<b>\$8,292,015,493</b>	<b>\$8,602,972,354</b>
CPI of Non Prop 8 Parcels (Max 2.0%)	\$142,982,993	\$148,745,375	\$155,012,682	\$160,741,914	\$167,179,457
Transfer of Ownership Assessed Value Change	\$145,136,102	\$146,836,494	\$114,718,663	\$145,430,643	\$183,007,801
Est. SFR Prop 8 Adj Based on Recent SFR Price	\$0	\$623,361	\$0	\$4,784,305	\$9,158,293
<b>Estimated Real Property Value</b>	<b>\$7,726,078,918</b>	<b>\$8,022,284,148</b>	<b>\$8,292,015,493</b>	<b>\$8,602,972,354</b>	<b>\$8,962,317,905</b>
Secured Personal Property Value (0.0% growth)	\$68,750	\$68,750	\$68,750	\$68,750	\$68,750
Unsecured Personal Property Value (0.0% growth)	\$3,896,934	\$3,896,934	\$3,896,934	\$3,896,934	\$3,896,934
Nonunitary Utility Value	\$0	\$0	\$0	\$0	\$0
Enter Completed New Construction					
<b>Estimated Net Taxable Value</b>	<b>\$7,730,044,602</b>	<b>\$8,026,249,832</b>	<b>\$8,295,981,177</b>	<b>\$8,606,938,038</b>	<b>\$8,966,283,589</b>
<b>Estimated Total Percent Change</b>	<b>3.87%</b>	<b>3.83%</b>	<b>3.36%</b>	<b>3.75%</b>	<b>4.18%</b>
Base Value of VLFAA	\$1,524,025	\$1,583,005	\$1,643,634	\$1,698,860	\$1,762,567
Estimated Change to VLFAA	\$58,980	\$60,629	\$55,226	\$63,707	\$73,675
<b>VLFAA Estimate</b>	<b>\$1,583,005</b>	<b>\$1,643,634</b>	<b>\$1,698,860</b>	<b>\$1,762,567</b>	<b>\$1,836,243</b>

**NOTES:**

- Transfer of Ownership Assessed Value Change: For years 2020-21 and later a growth rate is applied that is representative of the historical and predicted average rate of real property growth due to properties that have transferred ownership. Real property is grown by the following percentages: 2020-21 @ 1.9%; 2021-22 @ 1.4%; 2022-23 @ 1.8%; 2023-24 @ 2.1%;
- Estimated Assessor Prop 8 Adjustments: Prop 8 reductions in value are TEMPORARY reductions applied by the assessor that recognize the fact that the current market value of a property has fallen below its trended (Prop 13) assessed value. For 2019-20 and later, properties with prior Prop 8 reductions are not included in the CPI increase, they are projected flat until either the Assessor begins to recapture value as the economy improves and median sale prices begin to increase, they are further reduced, or they sell and are reset per Prop 13.
- Where they exist, prop 8 restoration adjustments are based on projected median SFR home price growth. For this projection the following median year to year percentage changes are used for Palos Verdes Estates: 2020-21 @ 0.2%; 2021-22 @ 0.0%; 2022-23 @ 2.0%; 2023-24 @ 4.0%;
- Base Year Values Entry: With the dissolution of redevelopment, base year values are unlikely to change and are budgeted flat.
- Secured personal property and unsecured values are projected at 100% of 2018-19 levels. Unsecured escaped assessments may be included in the unsecured value. The value of escaped assessments is generally inconsistent and varies from year to year.
- Completed new construction entry: This data entry point allows for the inclusion of new construction projects completed annually. Due to processing delays we suggest that a time frame of November - October be selected. (i.e. Nov. 2017 - Oct. 2018 for the 2020-21 FY). If completed new construction has resulted in a sale of the property it is likely that the new value will appear in the value increase due to transfers of ownership entry and therefore should not be also included in the completed new construction value.
- Pooled Revenue Sources include supplemental allocations, redemptions for delinquent payments in Non-Teeter cities, tax payer refunds due to successful appeals, roll corrections and other adjustments applied after the release of the roll. The forecasting of these revenues should be developed based on historical averages over a minimum of 3 years.
- General Fund Revenue Estimate does not include any ad valorem voter approved debt service revenue.
- The revenue projection assumes 100% payment of taxes. Delinquency is not considered in the projection; however, rates of between 1% and 2.5% are typical.
- Pass through and residual revenues from former redevelopment agencies are not included in this estimate.

BOARD OF SUPERVISORS

HILDA L. SOLIS  
FIRST DISTRICTMARK RIDLEY-THOMAS  
SECOND DISTRICTSHEILA KUEHL  
THIRD DISTRICTJANICE HAHN  
FOURTH DISTRICTKATHRYN BARGER  
FIFTH DISTRICT

ATTACHMENT Q

## COUNTY OF LOS ANGELES FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE  
LOS ANGELES, CALIFORNIA 90063-3294  
(323) 881-2401  
www.fire.lacounty.gov

*"Proud Protectors of Life, Property, and the Environment"*

DARYL L. OSBY  
FIRE CHIEF  
FORESTER & FIRE WARDEN

March 28, 2019

Anton Dahlerbruch, City Manager  
City of Palos Verdes Estates  
340 Palos Verdes Drive West  
Palos Verdes Estates, CA 90274

Dear Mr. Dahlerbruch:

This is to advise you that on March 29, 2019, my Financial Management Division will provide your Finance Director your City's Fee Summary for the Final 2018-19 Fee and the Estimated 2019-20 Fee (Enclosure) for fire protection and emergency medical services.

As you are aware, we have been invoicing your City since July 2018 based upon the Estimated 2018-19 Fee provided last March, which included a minor 0.2 percent increase. We cautioned in that estimate, as well as in our quarterly updates, that negotiations with our labor organizations were underway and would increase the Final 2018-19 Fee when negotiations concluded. While the new Memorandum of Understanding (MOU) with our firefighters' labor organization has not yet been ratified, following is a summary of the expected changes that will impact both the Final 2018-19 and Estimated 2019-20 fees:

- Proposed cost of living adjustment (COLA) and bonus increases that will result in an overall net 3.5 percent salary increase for the Final 2018-19 Fee and a 1.1 percent salary increase for the Estimated 2019-20 Fee:
  - 2.0 percent salary increase effective October 2018
  - 2.5 percent salary increase effective July 1, 2019
  - 2.0 percent Emergency Medical Technician bonus increase effective July 2018
  - 2.0 percent Paramedic bonus increase effective July 1, 2019
- Employee benefits, primarily for cafeteria plans, workers' compensation and retiree health insurance and other post-employment benefits:
  - 2.5 percent increase for the Final 2018-19 Fee
  - 3.2 percent increase for the Estimated 2019-20 Fee
- District Overhead:
  - 0.5 percent increase in the District Overhead for the Estimated 2019-20 Fee.

SERVING THE UNINCORPORATED AREAS OF LOS ANGELES COUNTY AND THE CITIES OF:

AGOURA HILLS  
ARTESIA  
AZUSA  
BALDWIN PARK  
BELL  
BELL GARDENS  
BELLFLOWER  
BRADBURY

CALABASAS  
CARSON  
CERRITOS  
CLAREMONT  
COMMERCE  
COVINA  
CUDAHY  
DIAMOND BAR  
DUARTE

EL MONTE  
GARDENA  
GLEN DORA  
HAWAIIAN GARDENS  
HAWTHORNE  
HERMOSA BEACH  
HIDDEN HILLS  
HUNTINGTON PARK

INDUSTRY  
INGLEWOOD  
IRVINDALE  
LA CANADA-FLINTRIDGE  
LA HABRA  
LA MIRADA  
LA PUENTE  
LAKEWOOD  
LANCASTER

LAWNDALE  
LOMITA  
LYNWOOD  
MALIBU  
MAYWOOD  
NORWALK  
PALMDALE  
PALOS VERDES ESTATES

PARAMOUNT  
PICO RIVERA  
POMONA  
RANCHO PALOS VERDES  
ROLLING HILLS  
ROLLING HILLS ESTATES  
ROSEMEAD  
SAN DIMAS  
SANTA CLARITA

SIGNAL HILL  
SOUTH EL MONTE  
SOUTH GATE  
TEMPLE CITY  
WALNUT  
WEST HOLLYWOOD  
WESTLAKE VILLAGE  
WHITTIER



Anton Dahlerbruch, City Manager  
March 28, 2019  
Page 2

The culmination of these changes will cause a 6.0 percent increase in the Final 2018-19 Fee from the Estimate provided last March. Also, the Estimated 2019-20 Fee will have a 4.8 percent increase compared to the Final 2018-19 Fee. Our service agreement anticipates that there will be years when such increases occur and provides a "soft cap" to lessen the impact to your City. Also, the difference between our Estimate and Final 2018-19 fees will be billed in 2019-20 as a prior year adjustment, so that your 2018-19 budget will not be impacted unless the City opts to pay the difference this year.

My financial management staff are available to meet with you and/or your Finance Directors to discuss the actual application of the cap and its impact on your City's payments. Please call Theresa R. Barrera, Financial Management Division Chief, at (323) 838-2301 to set up a meeting or to request more information.

As soon as the three-year MOU is ratified by our firefighters' labor organization, a copy will be sent to your City.

We will continue to provide your Finance Director with quarterly updates for any changes that may impact the Final 2019-20 Fee. If you have any questions, please contact me at (323) 881-6180.

Very truly yours,



DARYLL L. OSBY, FIRE CHIEF

DLO:lr

Enclosure

c: Assistant Fire Chief Scott Hale

**ATTACHMENT C**  
**LOS ANGELES COUNTY FIRE DEPARTMENT**  
**CITY OF PALOS VERDES ESTATES - FEE SUMMARY**

	FINAL							ESTIMATE
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Actual Annual Fee (see attachments)	\$ 4,127,665	\$ 4,307,807	\$ 4,404,511	\$ 4,552,384	\$ 4,719,994	\$ 4,967,541	\$ 5,278,604	\$ 5,535,166
<b>% Increase from Previous Fiscal Year</b>	<b>3.78%</b>	<b>4.36%</b>	<b>2.24%</b>	<b>3.36%</b>	<b>3.68%</b>	<b>5.24%</b>	<b>6.26%</b>	<b>4.86%</b>
Annual Fee Limitation Excess Rollover	-	-	46,818	-	-	-	36,091	109,706
	<u>\$ 4,127,665</u>	<u>\$ 4,307,807</u>	<u>\$ 4,451,329</u>	<u>\$ 4,552,384</u>	<u>\$ 4,719,994</u>	<u>\$ 4,967,541</u>	<u>\$ 5,314,695</u>	<u>\$ 5,644,872</u>
<b>Annual Fee Cap Percentage</b> (1)	<b>3.89%</b>	<b>3.23%</b>	<b>3.64%</b>	<b>3.89%</b>	<b>4.06%</b>	<b>4.48%</b>	<b>4.78%</b>	<b>5.16%</b>
Annual Fee Limitation (percentage cap applied to prior year actual annual fee)	<u>\$ 4,131,913</u>	<u>\$ 4,260,989</u>	<u>\$ 4,464,611</u>	<u>\$ 4,575,846</u>	<u>\$ 4,737,210</u>	<u>\$ 4,931,450</u>	<u>\$ 5,204,989</u>	<u>\$ 5,550,980</u>
Annual Fee Limitation Excess (2)	<u>-</u>	<u>46,818</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,091</u>	<u>109,706</u>	<u>93,892</u>
Actual Net City Cost	\$ 4,127,665	\$ 4,260,989	\$ 4,451,329	\$ 4,552,384	\$ 4,719,994	\$ 4,931,450	\$ 5,204,989	To Be Determined
Estimated Net City Cost	\$ 4,131,037	\$ 4,260,989	\$ 4,432,846	\$ 4,522,970	\$ 4,659,578	\$ 4,931,450	\$ 5,013,801	\$ 5,550,980
Prior Year Fee Adjustment (3)	40,784	-	-	18,483 (6)	29,414	60,416	-	191,188
Current Year Fee Adjustment (4)	(3,372)	-	-	-	-	-	-	To Be Determined
Paramedic Pass-thru Fee Credit (5)	<u>\$ (16,664)</u>	<u>\$ (9,380)</u>	<u>\$ (10,767)</u>	<u>\$ (17,663)</u>	<u>\$ (8,720)</u>	<u>\$ (19,094)</u>	<u>\$ (57,555)</u>	To Be Determined
<b>Total Net City Payment</b> (7)	<u><b>\$ 4,151,786</b></u>	<u><b>\$ 4,251,609</b></u>	<u><b>\$ 4,422,079</b></u>	<u><b>\$ 4,523,790</b></u>	<u><b>\$ 4,680,272</b></u>	<u><b>\$ 4,972,772</b></u>	<u><b>\$ 4,956,246</b></u>	<u><b>\$ 5,742,168</b></u>
							<b>Estimated Monthly Invoice</b>	<u><b>\$ 478,514</b></u>

(1) Beginning in 2011, % cap determined by taking the average of the immediately preceding five years' actual annual fee % increase plus 1%.

(2) Amount that is deferred to a subsequent future fiscal year(s).

(3) Formula: Prior Year "Actual" minus Prior Year "Estimated" Net City Cost.

(4) Formula: Current Year "Actual" minus Current Year "Estimated" Net City Cost.

(5) Credits are posted directly to the monthly city billings based on actual revenue received from the ambulance companies. Actual year-end totals will not be available until the end of the fiscal year.

(6) Estimated amounts billed were based on the original March 2014 estimate rather than the updated April 2014 estimate. The difference was carried over as the Prior Year Fee Adjustment in 2015-16.

(7) Does not include any billing adjustment (i.e., utility usage).

**LOS ANGELES COUNTY FIRE DEPARTMENT  
FEE-FOR-SERVICE CITIES ANNUAL FEE SCHEDULE**

**\* CITY OF PALOS VERDES ESTATES \***

		<u>Staffing (a)</u>	<u>Resource Cost</u>	<u>Annual Rate (b)</u>
<b><u>2018-19</u></b>				
<i>Station Operations:</i>				
Fire Station 2	Engine	3	\$ 2,375,154	\$ 2,375,154
Fire Station 2	Squad	2	1,536,714	<u>1,536,714</u>
				<b>\$ 3,911,868</b>
District Overhead	34.9382%			<u>1,366,736</u>
<b>FINAL 2018-19 FEE</b>				<b><u>\$ 5,278,604</u></b>

(a) Station Operations staffing numbers reflect post positions (3 person staff each post position through a 56-hr work week). Station Operations include overtime required to maintain 24-hour constant staffing. Fire Prevention positions do not include overtime since constant staffing is not required.

(b) Rates for Squad staffing include paramedic bonuses, plus an additional paramedic bonus for the Fire Fighter on the engine.

**LOS ANGELES COUNTY FIRE DEPARTMENT  
FEE-FOR-SERVICE CITIES ANNUAL FEE SCHEDULE**

**\* CITY OF PALOS VERDES ESTATES \***

		<u>Staffing (a)</u>	<u>Resource Cost</u>	<u>Annual Rate (b)</u>
<b><u>2019-20</u></b>				
<i>Station Operations:</i>				
Fire Station 2	Engine	3	\$ 2,489,916	\$ 2,489,916
Fire Station 2	Squad	2	1,607,163	<u>1,607,163</u>
				<b>\$ 4,097,079</b>
District Overhead	35.1003%			<u>1,438,087</u>
<b>ESTIMATED 2019-20 FEE</b>				<b><u><u>\$ 5,535,166</u></u></b>

(a) Station Operations staffing numbers reflect post positions (3 person staff each post position through a 56-hr work week). Station Operations include overtime required to maintain 24-hour constant staffing. Fire Prevention positions do not include overtime since constant staffing is not required.

(b) Rates for Squad staffing include paramedic bonuses, plus an additional paramedic bonus for the Fire Fighter on the engine.

## Karina Banales

---

**From:** Carolynn Petru  
**Sent:** Wednesday, June 19, 2019 10:54 AM  
**Cc:** Lauren Pettit; Karina Banales  
**Subject:** FW: PVE Pension Plan  
**Attachments:** Eberhard response.docx

Honorable Mayor & City Council –

Attached for your information are responses from Mayor Pro Tem McGowan to Mr. Eberhard's email of June 17<sup>th</sup>.

Best regards,

Carolynn Petru  
Interim City Manager

City of Palos Verdes Estates  
340 Palos Verdes Drive West  
Palos Verdes Estates, CA 90274  
Phone: 310.750.9801



[www.pvestates.org](http://www.pvestates.org)



**From:** mike eberhard <[REDACTED]>  
**Date:** Monday, June 17, 2019 at 3:29 PM  
**To:** Sanford Davidson <[sdavidson@pvestates.org](mailto:sdavidson@pvestates.org)>, David McGowan <[dmcgowan@pvestates.org](mailto:dmcgowan@pvestates.org)>, Victoria Lozzi <[vlozzi@pvestates.org](mailto:vlozzi@pvestates.org)>, Kenny Kao <[kkao@pvestates.org](mailto:kkao@pvestates.org)>  
**Cc:** Michael Kemps <[mkemps@pvestates.org](mailto:mkemps@pvestates.org)>  
**Subject:** PVE Pension Plan

Dear Members of the Council: I recently sent an email to Michael Kemps after attending the city council recent presentation of the city's pension plan. He encouraged me to express myself to all of you, so I am.

What struck me at the meeting was the lack of expression of grave concern. As I looked at the numbers shown by the consultant, and no one questioned the validity of the numbers and everyone seemed to accept the proposition that the city cannot fund the debt it has incurred and we will continue to incur. We also seem to accept projections from pension

consultants and managers year after year that use invalid assumptions on earnings of pension funds, as if providing misleading numbers is OK and standard for the industry. I do not know why we accept unreasonably high assumptions on growth of investments and yet the council seemed to know this fraud, if I may use this term, has been going on for many years and continues to this day. And the city continues to hire new people and give raises which further compounds our pension expenses going forward. I did not hear any expressions to the effect that we needed a serious review of this behavior and there was no discussion of **solutions**. Given the size of the numbers and the unreasonable assumptions in the projections of the size of the debt going forward, one would think there might have been some expressions of grave concern. Is there no legal liability for blantly invalid assumptions and misleading projections year after year? The unreasonable and unjustifiable assumptions behind the projections seem to be year after year, not a singular event as if the pension managers do not want the obligated parties to understand their dire financial condition.

While sounding what might appear a somewhat theatrical expression, I think we are bankrupt since we have a large and growing debt and we lack the resources to retire this debt. In the meantime we have services to provide to our residents and how can we do this when we have growing debt obligations we cannot fund. Is the assumption that we need to be quiet about this serious illness least the residents get aroused? The lack of a plan to address our situation means we will continue doing what we have been doing, raise taxes as frequently as we can but not so high that the residents would vote to reject the increases, slowly reduce city services and extend this process for years thus passing the problem to the next set of elected officials and the next set of city residents. If the city sees no way to fund the debt, who will pay the future pension obligations once they become due?

Would it not be prudent and responsible to surface the issue and begin to lay out a plan of how to address the problem? The only solution I can imagine is a bankruptcy filing and then looking to the bankruptcy courts to work out a plan. Perhaps there are better solutions and if so it would be helpful to understand them. Behaving as if there is no problem will, I fear, only dig the hole we are in deeper and deeper thus increasing the ultimate pain that will visit us.

mike eberhard



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Mike,

I want you to know that I have received your email and thank you for expressing your concerns regarding the growing pension issue. I would like to take this opportunity to address some of your comments.

1. Your representation that the Council is not concerned about this issue is false. Much of what was presented by the consultant was previously known and his presentation graphically depicted the projections. As to the validity of the numbers we understood the source (CALPERs) and have studied much of the data in the past. All of the data presented incorporated the assumptions made by CALPERs and not independent agents/consultants of Palos Verdes Estates. (These include the actuarial assumptions and investment returns.) We could incur such expense but beyond an academic exercise I am not sure it would provide us any concrete solutions.
2. Your observation that the continual hiring of employees by the city is compounding the pension issue is correct! The Council is extremely concerned about the number of individuals its employees and their related costs today as well into the future.
3. You made the comment that Council expressed no concern or need about reviewing this behavior nor did they discuss possible solutions. Based upon this comment I have to assume that you did not attend or view the video tape of the remainder of the Councils deliberations. This will be discussed below.
4. You make the assumption that the City is facing bankruptcy which is a false statement. Given the current laws, even if the City entered into bankruptcy it is highly questionable that the Courts would relive the city of their pension obligations. Municipalities are not treated the same as private industry.
5. You make the argument that a plan needs to be developed which is 100% correct! But you must understand that the pension concern is not the only issue facing the city. The City is confronted with a set of multi-faceted concerns. (Some of these include infrastructural needs, risk avoidance management, state/county mandates, etc.)
6. The Council is about to approve a budget for fiscal year 2019-2020 which is far from what the Council members would like to see because it does not accommodate many of the items mentioned above nor consider "belt tightening". The Council needs to approve a budget in-order to "keep the doors open".

Because the City lacks a long-range plan, the Council currently does not "know what it doesn't know". Therefore, the Council is about to commence a "diagnostic evaluation" of the City with the goal of completing the review by December 31, 2019.

We have already agreed that this will commence in early July (the 2<sup>nd</sup> to be exact) with the Council reviewing the City's mission statement, vision, values and objectives. This will be followed by numerous evaluations/studies which will encompass various issues including: the pension concern; infrastructural requirements including their prioritization, timing and cost; detailed operational reviews of all city departments; risk assessment issues among others. The Council will form various ad-hock committees (some may include independent consultants) to perform the initial fact finding, suggest solutions/recommendations for the Council to consider.

Once the diagnostic study is completed it will be up to the Council to evaluate the solutions/recommendations and summarize the competing needs of the city's limited resources. The Council plans to take these results to the community in a series of "Town Hall" meetings.

Your concerns are justified but the issue is far more than the Pension Obligations. I also couldn't agree with you more when you say by ignoring the problem "will only dig the hole deeper and deeper". Addressing these problems in a vacuum is not the solution since many of these issues are interrelated.

I hope these comments help in your understanding and you appreciate the challenge that the Council is facing.



**Karina Banales**

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**From:** Judith Schuler-Pollard <[REDACTED]@palosverdes.com>  
**Sent:** Wednesday, June 19, 2019 9:12 AM  
**To:** Karina Banales; City Clerk  
**Cc:** City Council  
**Subject:** PVE City Council meeting June 25, 2019 Budget

Ms. Banales,

Please include the following correspondence in the council agenda package for Tuesday, June 25, 2019.

Dear Mayor Kao, MPT McGowan, Councilmembers Kemps, Lozzi, Davidson,

On Tuesday city council will make a decision on whether or not to pass the 2020 budget as is. This budget was fabricated by prior leadership last year and is not reflective of the true city financial picture. The FAC has advised city council that this budgeted is not affordable and will take our city further into debt.

We strongly recommend that this revitalized and committed council heed the recommendations and cautions that the FAC has provided. Due diligence is necessary to reduce the budget to what the city can afford. Regardless of the pain budget cuts will require, that is far better than continuing to hide and deceive citizens about the realities we face. The days of rubber stamping must end now.

We also see that on July 9, 2019 council plans to discuss pension reform. We understand that RSI ([www.retirementsecurityinitiative.com](http://www.retirementsecurityinitiative.com)) has reformed pensions for Arizona, Utah, San Jose, Ca and other local governments. They have offered to assist PVE with pension reform free of charge. This is an opportunity for our city to bring an objective entity to the table to provide another eye and expert advice.

Regardless of the lack of information and transparency offered by previous council we, the residents are keenly aware that pensions and pension debt are increasing faster than revenues.

It is critical that city leadership embrace pension reform as a top priority. That way options such as keeping our local police can be more than an empty promise based on nothing other than political machinations designed to gain votes at any expense.

Residents are engaged and informed as never before. Expectations are high and there are commitments to honor.

Sincerely,

Judith Schuler-Pollard  
Michael Pollard  
2900 Via Victoria

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**Karina Banales**

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**From:**Carolynn Petru  
**Sent:**Wednesday, June 19, 2019 10:47 AM  
**To:**Lauren Pettit  
**Subject:**FW: New Hiring  
**Attachments:**2017-02-17 PVE 2017 Dollars and Cents of City.pdf

Please include in the City Council's Correspondence for the June 25<sup>th</sup> meeting.

Thank you!

**From:**Dez Mys [mailto:████████████████████]  
**Sent:**Tuesday, June 18, 2019 6:48 PM  
**To:**Kenny Kao <kkao@pvestates.org>; Victoria Lozzi <vlozzi@pvestates.org>; Michael Kemps <mkemps@pvestates.org>; David McGowan <dmcgowan@pvestates.org>  
**Cc:**Carolynn Petru <cpetru@pvestates.org>  
**Subject:**New Hiring

Mayor Kao and Councilmembers,

During the Budget review, a review of City Positions was included to reflect growth/decline. The presentation was current status vs. the high point of Tony's hiring spree.

Kindly consider the following:

Tony increased staffing well over any place in PVE's history, contributing to the problems today.

Therefore the baseline comparison "the Norm" should be based on BEFORE Tony.

Here is information from PVE's CAFRs: (Tony starts in FY14, see it?)

**The average is 55-56 people.**

Function/Program	2009	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Government</b>										
Administration	5 520	5 520	5 520	5 520	5 125	5 125	5 125	5 188	5 696	5 686
Finance	3 600	3 600	3 600	3 600	3 000	3 000	4 000	4 000	4 000	4 000
Building and Planning	2 500	2 500	2 500	2 500	2 000	2 000	3 000	4 000	6 000	4 500
<b>Police</b>										
Sworn officers	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000	25 000
Service officers (2)	11 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000
Other	3 330	2 500	1 500	2 500	2 500	2 800	2 800	2 600	3 100	3 900
Street and Parks	5 000	5 000	5 500	5 500	5 500	5 500	5 500	5 500	5 500	7 500
<b>Total</b>	<b>55 950</b>	<b>56 120</b>	<b>55 620</b>	<b>56 020</b>	<b>55 125</b>	<b>55 425</b>	<b>57 425</b>	<b>58 288</b>	<b>61 286</b>	<b>62 586</b>

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>General Government</b>										
Management services	8.88	8.88	8.88	8.88	9	9	9	9	9	8.5
Finance	2	2	2	2	2	2	2	2	2	2
Building and Planning	2	3	3	2.3	2.5	2.5	2.5	2.5	2.5	2
Other	4.78	4.78	4.77	4.77	4.57	4.64	4.64	4.09	5.27	4.52
<b>Police</b>										
Sworn officers (2)	21	22	22	22	22	22	22	22	22	22
Service officers (3)	11	11	11	11	11	11	11	11	11	11
<b>Streets and Parks</b>										
	6	5	5	5	5	5	5	5.5	5.5	5.5
<b>Total</b>	<b>55.66</b>	<b>56.66</b>	<b>56.65</b>	<b>55.90</b>	<b>56.07</b>	<b>56.14</b>	<b>56.14</b>	<b>56.09</b>	<b>57.27</b>	<b>55.52</b>

Also, a statement was made that PVE is saving money by combining the Planning and Public Works under one director.

Actually, that is the way it always was, until Tony. Allan Riggs did the job for 20 years.

The following attached report is from Tony to Council in 2017, stating Infrastructure is being neglected, while showing huge new hiring.

**37% increase in personal costs in 4 years - that's 9.2% increase annually. - while concurrently stating infrastructure is being neglected.**

Position	Description of Change	Full Cost
Finance Director	From 1996 to 2013, the function was performed by the Assistant City Manager. The Director position was created to provide for internal control and separation of duties. (By separating the function into two positions, the City increased fiscal checks and balances, and accountability.) New position focused on implementing and updating practices, policies and procedures consistent with contemporary budgeting, accounting, finance and Governmental Accounting Standards Board (GASB) requirements.	\$160,000
Planning & Building Director	Cost offset by savings in professional services agreement with Charles Abbott Associates (consultant). Previous contract position provided in-house management of planning, urban forest, and public works / maintenance services. Creation of in-house position recognized full-time, on-going needs requiring director-level oversight. Position later reclassified to Planning & Building Director / Deputy City Manager, public works responsibilities transferred to Public Works Director / City Engineer.	\$195,702
Planner	Cost offset by savings in professional services agreement with Charles Abbott Associates (consultant). Creation of an in-house position recognized full-time, on-going function for plan review and support to the Planning Commission.	\$111,243
Code Enforcement Officer	Provides dedicated, professional expertise and increase in service levels for code enforcement. Position hired to focus on parklands encroachments.	\$87,450
Part-Time Permit Technician	Converted into full-time position to support and increase services related to processing public works and building permits.	\$33,800
Urban Forester	Cost offset by savings in professional services agreement with Charles Abbott Associates (consultant). Provides dedicated professional expertise over management of urban forest. Creation of in-house position provides increased service level.	\$90,705
Police Service Aide	Two part-time positions added to support public safety functions including, for example, traffic control.	\$7,850
Public Works Director-City Engineer	Cost offset by savings in professional services agreement with HR Green (consultant). Provided in-house and increase in management of public works / maintenance services and capital projects as well as City oversight of engineering functions.	\$187,700
Part-Time Planner	Added for a finite time period for preparing wireless telecommunications ordinance and handling applications for cell pole siting.	\$60,000
Total		\$644,460

## Change in Number of City Positions

	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 12/13 to FY 16/17 Variance
# of Staff Positions	66	57	68	61	63	8
Personnel Costs	\$6,219,360	\$4,789,160	\$7,463,060	\$7,933,085	\$9,523,089	\$2,303,459

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## Abstract

This essay provides a general explanation of the City of Palos Verdes Estates' special fund budget increases between fiscal years 2014/15 and 2016/17. The information primarily focuses on personnel costs as the principal driver of cost increases. Also highlighted are non-personnel cost increases over this time period. This essay, in summary, addresses a net increase in the City budget of \$3.3 million as follows:

Department/Project/Change (FY 2014-15 to 2016-17)	Approximate Increase (rounded)
Costs paid to other local government agencies	1,000,000
Personnel	1,000,000
Utilities (including energy from local utility)	1,000,000
Material and supplies (including materials)	1,000,000
City maintenance (including equipment and other)	1,000,000
Capital projects	1,000,000
Special fund revenue (including other)	1,000,000
Other	1,000,000
Other projects and systems	1,000,000
Net change in City budget	3,300,000

The Dollars and Cents of City Services  
February 17, 2017

This essay could alternatively be titled "The Cost of Maintaining Public Services in a Time of Accelerating Change around Us." As with all cities, the City of Palos Verdes Estates' costs have increased. For Palos Verdes Estates, by reflecting back, we can understand why costs have increased and what has been accomplished as a result.

### History

Palos Verdes Estates is a small, residential community with a very small commercial base. With reliance on predominantly property tax and a special parcel tax revenue for providing public services, City programs and services are limited as evidenced by

- concessions for recreational opportunities;
- staff and funding resources primarily focused on public safety, maintenance, and risk management; and
- volunteers who generously contribute time and money to supplement programs (e.g., Disaster District Program and PVE-Cares) and capital improvements (e.g., landscaping projects).

In the early 1990s and again around 2000 and 2008, cities in Los Angeles County were severely impacted by nationwide recessions. Without a business or industrial sector as additional revenue sources, prudent retrenchment and conservative fiscal management was necessary for maintaining basic services. However, the policy and management decisions at that time caused the deferment of now necessary operational, infrastructure, and organizational needs that the City is currently addressing.

In short, frugality over the years resulted in retaining basic services and creating an important fiscal reserve but, in hindsight, at the expense of investing in maintenance, infrastructure, automation, training, tools and resources for on-going service delivery and providing public safety and accessibility. This is visible by, for example, the curbs and gutters, storm drains, and sidewalk ramps not constructed; deferred maintenance of the urban forest; and delay in replacing operational equipment (e.g., police vehicles). Many of these issues remain; some, on the other hand, over the last three years have been addressed or are in the process of being addressed. The progressive effort to build upon the past to 'catch up' has involved major changes in personnel and in system improvements, and it is concurrently incremental in order to maintain community values and character. The effort has also been at a measured pace to maintain service levels and responsiveness.

### Today

The City has managed costs through conservative budgeting and thoughtful spending. Naturally, there have been costs that were expected and deliberate in addition to costs that were unanticipated and mandatory. Some costs were controllable as they are specific to the City; however, certain costs such as pension and healthcare costs are beyond the City's control.

In fiscal year (FY) 2012/13, the City's General Fund budget was \$9,943,080.00. In FY 2016/17, it is \$13,239,510.81. Below is where expenditures have primarily grown:

#### Primary Changes in Budgeted Expenditures

Description	FY 12/13	FY 16/17	Variance
Salaries	\$4,399,445	\$5,893,304	\$1,493,859
Benefits	\$1,819,915	\$2,629,784	\$809,869
Supplies & Services	\$2,998,445	\$3,854,272	\$855,827

A large source of the cost growth, attributed to personnel, results from uncontrollable increases in pension and healthcare costs. In FY 2012/13, these costs combined were \$1.6 million of the \$6.2 million in salaries and benefits; in FY 2016/17, they are now \$2.2 million of the \$8.5 million in salaries and benefits.



## Pensions

The City is a participant in CalPERS, the state's public employee retirement system. As widely reported, CalPERS faces major fiscal challenges resulting from low yields from its investments, increasing number of baby-boomer retirees, and longer life expectancies. In combination, these have created an imbalance between the cost and provision of retirement benefits.

City employees in CalPERS (before 2015) are now responsible for a portion of their pension costs as follows: 5% - Safety, 6% - Non-Safety, and 7% - City Manager. This was negotiated by the City in FY 2013/14. Because the City desired not to reduce employees' existing compensation by imposing a pay cut equal to their CalPERS contributions, the City increased salaries to offset the employee contributions. This cost to the City was 5% to 7% upfront; however, the action ultimately saves the City money over the long term as CalPERS costs increase. In the meantime, the City's costs have continued to increase. Over the past three years, City payments to CalPERS rose approximately \$280,000. By FY 2018/19, CalPERS cost increases are likely to double. Recognizing this, it is incumbent on the City to reduce and conservatively manage current and future expenditures and look at funding opportunities to meet these uncontrollable increases.

### Change in Actual Pension Costs

FY 12/13	FY 15/16	FY12/13 to FY15/16 Comparison
\$897,638	\$1,182,349	\$284,710 (32% increase)

## Healthcare

Healthcare costs for the City, as an employer with a small pool of employees, have also significantly increased. While the City shares the cost of health benefits with employees, increases have been averaging 6% per year over the last four fiscal years. The City has budgeted for FY 16/17 a total of \$180,000 to cover the anticipated increased costs to healthcare, including Long Term Disability cost. Increasing healthcare costs will additionally necessitate cost savings in other areas, fiscal constraint, and consideration of funding alternatives.

### Change in Actual Healthcare Costs

FY 12/13	FY 15/16	FY12/13 to FY15/16 Comparison
\$583,818	\$723,304	\$139,486 (24% increase)

## Salaries

As is typical in municipal organizations, salaries represent at least 60% of the City's operating expenses. As such, changes in salaries for cost-of-living and merit adjustments constitute the City's most significant and visible cost increases. In FY 2013/14, the City negotiated three-year agreements with the employee groups for FY 2014/15 through FY 2016/17. As is standard in government employee agreements and long-established in our agreements, compensation schedules include 5% annual "step" merit-based increases for new employees in their first seven years. Cost-of-living increases were also established as follows:

### Salary Adjustments

	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Office and Field Staff	2.50%	3.00%	2.25%	2.50%	2.50%
Police	2.75%	3.20%	2.50%	3.00%	3.00%
Sworn Management (3 employees)	2.50%	3.00%	2.25% + merit pool of up to \$14,500	2.25% + merit pool of up to \$14,500	Merit increase up to 2% of salary
Professional and Supervisory Staff (7 employees)					
Management and Administration (4 employees)	2.50%	3.00%	Shared merit pool of up to \$12,250	Shared merit pool of up to \$12,250	Merit increase up to 2% of salary
City Manager	2.50%	3.00%	2.00%	3.50%	--

A component of salary increases is also new positions. With some corresponding contract cost savings, consultant positions over the past few years have been converted into new in-house positions. The conversion process coincided with the best management practice of re-bidding the City's then-existing 30-year agreement with a consultant for basic building and public works services. The new positions provide management oversight, control over essential City functions, and affect long-range cost savings for the City.

The following is a summary of the position changes.

### Description of Position Changes

Position	Description of Change	Full Cost
Finance Director	From 1996 to 2013, the function was performed by the Assistant City Manager. The Director position was created to provide for internal control and separation of duties. (By separating the function into two positions, the City increased fiscal "checks and balances," and accountability.) New position focused on implementing and updating practices, policies and procedures consistent with contemporary budgeting, accounting, finance and Governmental Accounting Standards Board (GASB) requirements.	\$160,000
Planning & Building Director	Cost offset by savings in professional services agreement with Charles Abbott Associates (consultant). Previous contract position provided in-house management of planning, urban forest, and public works / maintenance services. Creation of in-house position recognized full-time, on-going needs requiring director-level oversight. Position later reclassified to Planning & Building Director / Deputy City Manager; public works responsibilities transferred to Public Works Director / City Engineer.	\$195,702
Planner	Cost offset by savings in professional services agreement with Charles Abbott Associates (consultant). Creation of an in-house position recognized full-time, on-going function for plan review and support to the Planning Commission.	\$111,243
Code Enforcement Officer	Provides dedicated, professional expertise and increase in service levels for code enforcement. Position hired to focus on parklands encroachments.	\$87,450
Part-Time Permit Technician	Converted into full-time position to support and increase services related to processing public works and building permits.	\$33,800
Urban Forester	Cost offset by savings in professional services agreement with Charles Abbott Associates (consultant). Provides dedicated, professional expertise over management of urban forest. Creation of in-house position provides increased service level.	\$90,705
Police Service Aide	Two part-time positions added to support public safety functions including, for example, traffic control.	\$7,860
Public Works Director-City Engineer	Cost offset by savings in professional services agreement with HR Green (consultant). Provided in-house and increase in management of public works / maintenance services and capital projects as well as City oversight of engineering functions.	\$197,700
Part-Time Planner	Added for a finite time period for preparing wireless telecommunications ordinance and handling applications for cell pole siting.	\$60,000
Total		\$944,460

### Change in Number of City Positions

	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 12/13 to FY 16/17 Variance
# of Staff Positions	55	57	58	61	63	8
Personnel Costs	\$6,219,360	\$6,789,180	\$7,463,060	\$7,933,088	\$8,523,089	\$2,303,459

### What's also driving personnel costs?

Personnel cost increases can also be traced to three other factors, as follows:

1. Ongoing training for employees at all levels of the organization to provide better customer service, cross training, civil liability reduction, professional proficiencies, and implementation of best practices. Notably, tuition reimbursement, obligated by a long-standing provision in historical and current employee agreements has grown. Of approximately \$393,000 the City has spent for training since FY 2012/13, \$117,000 has gone towards tuition reimbursement to increase employees' knowledge base. Professional development has focused on risk management, supervisory training, disaster response, specialized and certification training, team building, etc.
2. Overtime. In the Police Department, a level of staffing must be maintained to provide public safety, officer safety and sustain operations. When Police Officers and Service Officers (dispatchers and jailers) are on leave, whether it is for vacation, training, disability, or medical, overtime is necessary to back-fill the vacancy. Over the past three years, there have been many personnel on leave resulting in significant overtime. In addition, extra work for planned or unplanned events also results in overtime. A few that come to mind involve the Department's response to the spike in burglaries (2015), Lunada Bay surfing (2016), and bicyclists (2016). Police Department overtime has averaged \$412,000 per year over the past few years equating to approximately 6,360 hours per year. In comparison, the fully burdened cost of a Police Officer (including compensation and equipment) is generally in the range of \$250,000 (2,080 hours per year) with future CalPERS costs expected to increase significantly. Overtime is typically a more cost effective means of meeting situation specific matters because the City is paying for hours of service, not the cost of paid leaves and benefits.

#### Change in Actual Overtime Costs

FY 12/13	FY 15/16	FY12/13 to FY15/16 Comparison
\$318,994	\$432,964	\$113,970 (36% increase)

3. Workers Compensation Insurance. Over the past four years, the City has had an increase in staff who have been off of work due to a work-related injury. In the Police and Public Works Departments where shifts must be filled, the City has subsequently had increase in staff overtime. With an increase in the frequency and both the direct and indirect cost of claims, the City has enhanced staff training to minimize and prevent the City's exposure to claims.

## Change in Actual Worker Compensation Insurance Costs

FY 12/13	FY 15/16	FY12/13 to FY15/16 Comparison
\$114,782	\$202,464	\$87,682 (76% increase)

**What's constitutes non-personnel cost increases?**

Over the past several years, the City has added and enhanced contractual maintenance and operations as well as implemented programs and technological upgrades to maintain services and to meet the needs and demands of being a 21<sup>st</sup> century city. For example, improvements range from converting to automated payroll processing from a manual system to updating the City's website.

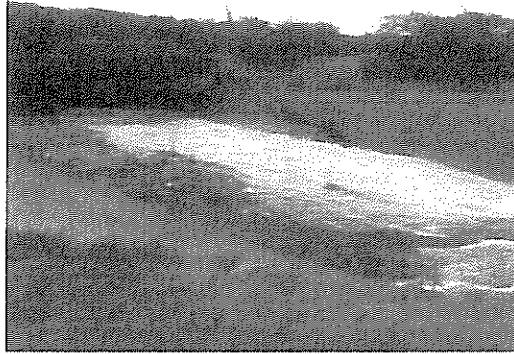
The following provides highlights of several program and project costs over the past three years that contribute to creating a platform for maintaining and enhancing services.

## Highlights of New Budgeted Programs and Projects

Description	Cost	Benefit
Website Redesign	\$16,746	Accessibility of public information.
External Auditor Evaluation of Internal Controls	\$17,500	Validation of management and process "checks and balances."
Software Conversion Improvements	\$23,500	Updates finance and accounting related services.
Community Survey	\$25,000	Provided resident priorities and satisfaction levels.
Compensation and Classification Study	\$60,000	A comprehensive evaluation for updating outdated job specifications in order to be compliant with personnel regulations, and for maintaining a complement of quality and competent personnel. Study not yet started.
Information Technology Consultant Services*	\$17,760	Provides for previously unsupported network and technology equipment.
ADP Payroll Implementation	\$40,740	Automates payroll processing in support of achieving compliance with employment law.
Santa Monica Rangers – Supplemental Public Safety Service	\$50,000	Enhances public safety and ensures public access to coastline.
Lunada Bay Patio Demolition	\$67,662	Removed an unpermitted encroachment.
Legal Services*	\$39,000	Primarily for code enforcement.
Storm Water Compliance	\$100,000	Consulting services and program implementation for the unfunded mandate to comply with stormwater quality requirements.
GIS (Geographical Information System) Interns	\$14,400	Technical mapping and data input for public works, planning, and building permit processing.
Weed Abatement*	\$44,311	Preventative measures to clear potential fire hazards citywide.
Annual Landscape*	\$15,000	Landscape services for maintenance of parklands and open space.
Tree Maintenance*	\$123,815	Tree trimming services for view management, aging urban forest and tree health and safety.
<b>TOTAL</b>	<b>\$853,134</b>	

\*These amounts reflect incremental increases in cost from the prior fiscal year.

Other new costs, such as the Automated License Plate Recognition (ALPR) camera program, support solving crimes and recover stolen vehicles. Staff changes and training have resulted in higher and professional levels of customer service. And, some of the enhanced service costs are preventative maintenance; for example, work completed in the community resulted in the successful handling of weather conditions on January 22, 2017, the volume as seen in the video below:



*(Place cursor over image, and hold down CTRL + click)*

Margate Canyon Creek Debris Basin PVDW at Apsley Rd handling storm water

“Equipment replacement and allocation” also comprises some of the increase in the City’s budget over the past several years. These cost allocations represent the scheduled recovery of replacement cost for purchased equipment. The operating funds are charged an annual amount based on the life of the equipment and Consumer Price Index (CPI) rates. The increase in capital outlay is a component of the City’s effort to ‘catch up’ on the delayed replacement of outdated technology, obsolete public works equipment, and aged patrol vehicles.

With all the activity noted herein, the City has maintained programs and service levels expected by the community such as a 2-minute response time by our Police Department, 10-day turnaround for first plan check submittals, annual weed abatement, tree maintenance, PVE-Cares program, vacation home checks by City Volunteers in Patrol, etc.

## **Looking Forward**

While the City has been efficient and deliberate in its management of the budget, there are costs coming in the future that will present fiscal challenges. CalPERS, as previously mentioned, will be one of the most significant impacts to operating costs. Increasing healthcare costs will also impact the budget. In FY 2017/18, the City will also be confronted with a significant reduction in Gas Tax revenue. This affects our public works functions, as much of the existing service level is funded by this revenue source. These challenges will likely be compounded by the growing need to maintain an aging infrastructure of trees, roads, storm drains, sewers, and facilities; mandatory construction of infrastructure for disabled access to facilities, and drainage, as well as increasing unfunded federal and state mandates. Obstacles to funding these future needs include:

- The City is often not competitive or eligible for grants due to demographics, crime profile, collision rates, etc.
- The City does not have a diverse source of revenues to rely upon.
- There is a high threshold for increasing fees and taxes.

City officials, cognizant of these funding challenges, rising costs and infrastructure needs, continuously consider these issues as decisions are made. Solutions are routinely discussed for maintaining programs and fulfilling the responsibilities for providing public services. Additional dialogue towards developing a long term plan to fund operations and infrastructure will be necessary, as there is no simple answer and today's costs are low in relation to increasing obligations on the horizon. Budget increases since FY 2012/13 to the present have been incremental and prudent for serving the public and addressing operations. We look forward to forthcoming dialogues to evaluate options and measures to meet future cost increases.

The City has a complement of longtime staff with intimate knowledge of the community and deep relationships that have been built in the community over the years, and new, seasoned staff that have joined the City with experience and knowledge that contribute to the City's strong foundation and moving forward. City staff, with enthusiasm and commitment to the City's progress, has stepped up to - and is prepared for - the many challenges we will be addressing ahead.

## **Attachment: Highlights of Accomplishments (since 2013)**

## Highlights of Accomplishments (2013-2016)

### **Community Support and Celebrations**

- City of Palos Verdes Estates 75th Anniversary.
- PVEPD hosted National Night Out, Neighborhood Watch meetings, Santa's Sleigh in Malaga Cove Plaza and Lunada Bay, Neighborhood Watch Block Captain Training, Law Enforcement Special Olympics Torch Run, and the Independence Day Celebration.
- PVE-CARES held several events for seniors, throughout the year including a concert in Lunada Bay Park, a Physicians' forum at the PV Golf Club, and the seventh Annual Senior Health Fair.
- Annual coastal clean-up day with Heal the Bay; currently in its 31st year of partnership.
- Citizens Academy (2016).
- Environment Expo (2014 & 2015).
- PVE-CARES celebrated 10 years.
- Neighborhood Watch celebrated 35 years.
- The Student and the Law class continues to be popular at Palos Verdes High School, with an estimated student enrollment of 50 per year. PVEPD Officers conduct the class, which fosters community engagement and public education.
- Updated concession agreements to ensure quality of programs.
- Consistently recognized as one of the safest cities in California.
- Three new PVEPD volunteer programs: Volunteers on Patrol, Parkland Rangers and Department Chaplain.

### **Service Delivery and Workplace Enhancements**

- Personnel:
  - Filled positions: Police Officer, Police Services Officer, Community Relations Assistant, Code Enforcement Officer, Administrative Analyst (2), Financial Services Technician, P.M. Receptionist, Director of Public Works/City Engineer, Urban Forester, Permit Technician, Office Specialist, Part-Time Planner, Planner, Streets and Parks Seasonal Workers, Planning & Building Director, Finance Director, and others.
  - PVEPD promotions: Intern to Police Officer, Intern to Traffic Control Officer, Traffic Control Officer to Police Officer.
  - Transition of contract services: CAA to HR Green (July 2015).
  - Supervised and trained seasonal maintenance workers that are hired for our Summer Work Program. The seasonal workers assist the Streets and Parks staff with additional projects and city events; around 4-5 annually.
  - Reorganized the City Clerk's department to include supervision of city receptionists.
  - Select classifications studies.
  - Utilize Neogov for employee recruitment and application process.



- Public Safety:
  - Installed new security cameras in and around Police Department and Malaga Cove Plaza.
  - Sierra Wireless modems for patrol cars which will help with the cellular connection with the mobile digital computers in the vehicles (MDCs).
  - Entered into a contract with ALPR vendor (Vigilant) to give us access to ALPR data. This has resulted in three felony arrests, solved one PVE Part 1 crime, and recovered 3 stolen vehicles based on this contract, including using the database.
  - Shooting range was updated with new LED lights and storage.
  - The Police Department's policy manual was reviewed and certain sections were selected to update. The process included identifying outdated sections and completing a draft.
  - The Property Officer received training in crime scene investigation and often responded to crime scenes and processes evidence with the detectives.
  
- Police Department Purchases:
  - Four new Dodge Charger patrol vehicles equipped with radio and computer equipment.
  - Two patrol long rifles for the motor officers.
  - Two dual sport motorcycles to patrol City paths and parklands.
  - Four gun clearing traps to safely load and unload guns within the Police facility.
  - Two new hybrid vehicles.
  - Anti-Vehicle Theft devices in patrol vehicles. This will prevent people stealing police cars when the patrol cars are left running and unattended (i.e. during a traffic stop).
  
- Trainings:
  - The PVEPD training officer continued to keep police personnel current in mandated training as required by the California Commission on Peace Officer Standards and Training (POST) and for sworn officers, and POST training and state required jail training for non-sworn employees.
  - A Police Captain attended the FBI National Academy.
  - The PVEPD range staff completed gun safety courses in 2013, 2014, and 2015.
  - Enhanced trainings across all departments by Human Resources on topics such as supervision, workers compensation, and performance evaluations.
  - EOC training of City staff.
  - City Clerk attended MMCA Academy and other professional development training opportunities, earning credits towards master municipal clerk accreditation of International Institute of Municipal Clerks.
  - Annual management team building and strategic planning sessions.

- Technology Upgrades:
  - Created a Five Year I.T. Master Plan and updated servers and computers. The plan includes a schedule of when to replace technology/computers.
  - Installed a new 911 phone system using State funds.
  - SMARTGov (in progress), which is a building permitting process that will facilitate building, planning, engineering, and forestry/parklands and tracks different applications.
  - Replaced the aging City Hall emergency generator with new efficient model.
  - Created specifications and purchased a new public works tractor to replace the former 20-year old tractor. The new tractor meets air quality requirements and provides operator safety with an enclosed cab.
  - ADP payroll system (in progress).
  - Successful rollout of iPads to City Council (and use training) and subsequent roll out to the Planning Commission – providing online Granicus (iLegislate) portal to facilitating distribution of agendas, reports and supporting materials in a paperless environment.
  - Comcate, which is a case tracking system for code enforcement.
  - Cal Card system, which issues credit cards to employees. This alleviated employees from having to pay out of pocket, processing check requests, use petty cash, wait time for reimbursement, as well as increase employee accountability for City purchases.
  - New printers for City Hall and PVEPD with service agreements.
  - The new website enhanced outreach to residents.
  - City Council, Planning Commission, Parklands Committee and Traffic Safety Committee regular meetings are recorded and can be streamed online.
  
- Building Maintenance:
  - Provided ongoing building maintenance such as painting and replacement of carpeting, as necessary, to keep a clean and professional appearance.
  - Radon removed from Police Department/Detective office.
  
- Implementation for GASB 68, which resolved an unfunded liability with PERS.
- Adopted updated Conflict of Interest Code (biennial FPPC requirement).
- Created annual Audit Committee meeting with auditor to independently discuss fiscal integrity and management.
- Modified/enhanced annual budget document.
- Updated Investment Policy.
- Replaced external auditor through the Request for Proposals (RFP) process.
- Prepared 5-Year CIP Budget.
- Closed 385 code enforcement cases since the hiring of the new Code Enforcement Officer.
- Streets and Parks Department employees received upgraded uniform shirts with a reflective striped shirt for worker safety and created a new image for staff.

- Replaced bullet proof vests for police officers, partially using federal grant funds.
- Established Fire and Paramedic Committee (ad hoc) to evaluate and recommend funding options to City Council.

### **Addressing Infrastructure, Safety, and Future Needs**

- Infrastructure:
  - Replaced two sewage lift stations - Rocky Point Road Sewage Pump Station and Paseo Del Mar Sewage Pump Station.
  - Sewer Force Main Line project.
  - Catch Basin Grate Replacement Project
  - Via Campesina Bridge refurbishment to prevent further erosion in partnership with the County.
  - Initiated installation of catch-basin inserts to comply with federally mandated stormwater requirements.
  
- Weed Abatement Project for Via Solano Canyon and completed Fire Safety and Weed Abatement citywide.
- A mobile diesel light tower was purchased that can be utilized during darkness.
- Removal of Bluff Cove homes, which made public land accessible and removed seven homes; required that 70% of the demolition debris be reused or recycled and kept out of landfill.
- Grant for \$35,000 FY2016 from Cal Recycle to do street resurfacing, utilizing asphalt rubber.
- Integrated Regional Water Management Grant for Recycled Water awarded for Palos Verdes Golf Club.
- Coordinated with FEMA to update FIRM maps to update flood insurance maps and coordinated with residents to update flood insurance.
- In response to the drought, the City conducted audits on irrigation and reduced water use.
- Removal of the Lunada Bay Patio Structure as an unpermitted encroachment.
  
- Plans and Policies:
  - Parklands Use Policy.
  - Certified Housing Element (2014).
  - Natural Hazard Mitigation Plan.
  - Green Street Policy.
  - Provided an update to the city's municipal code related to the zoning ordinance related to development standards for encroachments.
  - Low-Impact Development Ordinance.
  - Ordinance dealing with marijuana (ban on cultivation, delivery, and dispensary within the city for commercial purposes).
  - Ordinance prohibiting short-term rentals.
  - Developed policies and procedures for wireless telecommunication facilities and updating ordinance to reflect changes in applicable laws.
  - Peafowl Management agreement for relocation of birds; verify locations for relocation.

- Updated Neighborhood Compatibility Guidelines.
- Beautifications:
  - Montemalaga Entrance Enhancements.
  - Granvia Altamira Entrance Enhancement.
  - Lunada Bay Plaza Stone Median.
  - Irrigation added to PV Drive West median.
- Studies:
  - Malaga Cove Parking Issues Outreach (2014).
  - Conducted a study of drones on whether the City should implement new regulations in partnership with PVEPD and residents.
  - ADA Transition Plan.
  - Cell Site ordinance update (in progress).
- Emergency Operations
  - Participated in Peninsula-wide Disaster Preparedness Expo.
  - Participated in several emergency operations trainings.
  - Purchased and increased traffic control signage and devices to respond to emergency situations providing road closures and traffic detours to assist Police and Fire personnel.
  - Purchased an Electronic Message Board for advanced public information regarding scheduled traffic issues and events, also emergency response to inform the public.

**Karina Banales**

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**From:** Dez Mys <[REDACTED]>  
**Sent:** Wednesday, June 19, 2019 4:44 PM  
**To:** City Council; Karina Banales  
**Cc:**Carolynn Petru  
**Subject:** PVE Budget proposal for Tuesday

**Karina,** please include the following letter in the Council Agenda package for Tuesday; June 25.

**Dear Mayor Kao, MPT McGowan, Councilmembers Kemps and Lozzi,**

On Tuesday, the Council will deciding whether to pass the 2020 budget, as is, which was created by prior leadership last year.

The FAC (Financial Advisory Committee) has advised the Council this budget is not affordable.

Council is well counseled by the FAC to conduct proper due diligence to reduce the budget to what we can afford.

Page 6 of the budget shows that our monies will be depleted by another \$3.6 million \*\*\*.

In the private sector, that is a deficit, by spending more than revenue received. We need to live within our means.

Pensions are also a significant concern. On July 9th, Council plans to discuss pension reform. RSI (RetirementSecurityInitiative.com) provided Council a presentation on June 11th. \*\* RSI has reformed pensions for Arizona, San Jose, Utah and others - and has offered to help our City with pension reform **for free.**

Residents are fully aware pension payments and pension debt are both outpacing our revenue, even after the recent passage of Measure E.

PVE plans to short-pay pension obligations again in 2019 by \$2 million, because we simply do not have enough money.

This \$2MM will be added to our pension debt, which, now combined with depleted monies, expedites our financial instability.

It is essential City leadership take strong steps to abate pension growth, including a hiring freeze.

It is critical city leadership takes pension reform seriously so options, such as keeping our local police, is made possible and affordable.

Thank you,  
 - Desiree Myers

\*\*[http://pvestates.granicus.com/MediaPlayer.php?view\\_id=1&clip\\_id=1187](http://pvestates.granicus.com/MediaPlayer.php?view_id=1&clip_id=1187)

\*\*\* [https://pvestates.granicus.com/MetaViewer.php?view\\_id=1&clip\\_id=1187&meta\\_id=59453](https://pvestates.granicus.com/MetaViewer.php?view_id=1&clip_id=1187&meta_id=59453)

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**Karina Banales**

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**From:** ratanlal [REDACTED]  
**Sent:** Wednesday, June 19, 2019 9:58 PM  
**To:** Karina Banales; City Council  
**Subject:** 2020 Budget

Dear Mayor Kao, MPT McGowan, Councilmembers Kemps, Lozzi and Davidson.

On Tuesday, the Council will be deciding whether to pass the 2020 budget, as is, which was created by prior leadership last year.

The FAC (Financial Advisory Committee) has advised the Council this budget is not affordable.

I strongly recommend that this Council, heed the council of the FAC and conduct proper due diligence to reduce the budget to what we can afford.

We need to live within our means.

July 9th, the Council plans to discuss pension reform.

I understand RSI (RetirementSecurityInitiative.com), who has reformed pensions for Arizona, San Jose, Utah and others - has offered to help our City with pension reform for free.

Residents are fully aware pension payments and pension debt are both increasing faster than our revenue.

It is critical city leadership takes pension reform seriously so options, such as keeping our local police, is made possible and affordable.

Please make this letter a part of the Council Agenda package for the Tuesday June 25, 2019 meeting.

Thank you.

**Ratan Lal**  
**2228 Via Guadalana**  
[REDACTED]

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**Karina Banales**

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**From:** Stacey Nozaki [REDACTED] <[REDACTED]@[REDACTED]>  
**Sent:** Wednesday, June 19, 2019 11:19 AM  
**To:** Karina Banales  
**Subject:** Re: Please include the following letter for the Council Agenda package scheduled for Tuesday, June 25, 2019

Hi, Karina,

Thank you for confirming receipt of my letter and including it in the public correspondence for the June 25th City Council meeting!

Regards,  
Stacey

On Wednesday, June 19, 2019, 10:47:56 AM PDT, Karina Banales <kbanales@pvestates.org> wrote:

Good Morning Ms. Nozaki,

Thank you for your email. The City is in receipt of your correspondence below, which will be included with the staff report as public correspondence for the June 25<sup>th</sup> City Council meeting.

Sincerely,

**Karina Bañales**

Assistant to the City Manager

City of Palos Verdes Estates

340 Palos Verdes Drive West

Palos Verdes Estates, CA 90274  
Phone: 310.750.9802

Fax: 310.378.5159





[www.pvestates.org](http://www.pvestates.org)



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**From:** Stacey Nozaki [mailto: [REDACTED]]  
**Sent:** Wednesday, June 19, 2019 12:54 AM  
**To:** Karina Banales <kbanales@pvestates.org>  
**Cc:** City Council <citycouncil@pvestates.org>  
**Subject:** Please include the following letter for the Council Agenda package scheduled for Tuesday, June 25, 2019

Dear Mayor Kao, MPT McGowan, Councilmembers Kemps, Lozzi, and Davidson,

The recent election for City Council was a clear mandate that our city must actively address our existing budget problem. And now, it pains me considerably to learn that the Council is actually considering passing the 2020 budget as it was crafted prior to the election. The Financial Advisory Committee (FAC) has advised your elected body that this budget is not affordable. But really, one doesn't require an advanced degree in economics to understand this after reading through it.

We all know that our revenues are fairly flat while our pension debt is rising rapidly. There are many ways of dealing with it, but status quo should not be one of them. I strongly encourage you to heed the advice of the FAC and conduct proper due diligence to reduce the budget to a level that is both affordable for the short-term and sustainable in the long-run.

While some might say that our police department is a sacred cow, I believe that a formal bid/proposal from the Los Angeles County Sheriff Department should be considered in addition to cutting jobs, reducing salaries, and transitioning jobs to contractors (who won't have a pension). Measure E simply tied us to an anchor which threatens to drown us. We cannot continue to think that we are "more special" than the other cities on the peninsula when it comes to our police

enforcement, especially when it means the difference between having something to give to our children and having nothing to give to our children.

Essentially, I ask that you act now to discuss pension reform and accept all assistance to help our city's financial position. Revise the budget so that we can live within our means. Please don't just approve the proposed budget because it's the expedient thing to do.

Respectfully,

Stacey Nozaki

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**Karina Banales**

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**From:** Carolynn Petru  
**Sent:** Thursday, June 20, 2019 7:26 AM  
**To:** Lauren Pettit; Karina Banales  
**Subject:** FW: Budget

**From:** Gerri Nelson [mailto:████████████████████]  
**Sent:** Wednesday, June 19, 2019 8:07 PM  
**To:** City Council <citycouncil@pvestates.org>  
**Subject:** Budget

As a 35 year resident of PVE, I strongly urge the City Council to reduce the previously approved budget by beginning to tackle the pension costs this city is facing. I realize this will never be a "one and done" item, but truly serious thought must be given to start reducing this budget item.

Thank you.  
Gerri Nelson

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**Karina Banales**

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**From:** Carolyn Blalock [REDACTED]  
**Sent:** Wednesday, June 19, 2019 9:46 AM  
**To:** Karina Banales  
**Cc:** City Council  
**Subject:** Urgent and Compelling Issues for City Council Meetings

Dear Mayor Kao, MPT.McGowan, and City Council Members Lozzi, Kemps, and Davidson:

Next Tuesday the Council will decide on passage of the 2020 budget, as is, created last year by prior leadership. The Financial Advisory Committee (FAC) has advised the Council that this budget is NOT AFFORDABLE. I strongly recommend that this City Council heed the counsel of the FAC and conduct proper due diligence to reduce the budget to what we can afford.

On July 9, the Council has pension reform on their agenda for discussion. My understanding is that the Retirement Security Initiative organization has reformed pensions for multiple other cities and has offered to help our City with pension reform FOR FREE. We, the residents, are fully aware pension payments and pension debt are both increasing faster than our revenue.

It is critical city leadership takes the budget and pension reform seriously so options, such as keeping our local police, is possible. We elected this Council on their explicit commitments to fiscal responsibility. These are excellent opportunities to honor those commitments.

Please include this message in the City Council package for the June 25, 2019 meeting.

Thank you.

Carolyn Blalock

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**Karina Banales**

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**From:** Greg Pass [REDACTED]  
**Sent:** Wednesday, June 19, 2019 10:56 AM  
**To:** Karina Banales; citycouncil@pvestates.com  
**Subject:** 2020 Budget

Dear Mayor Kao, Mayor Pro Temp McGowan, Councilmembers Kemps, Lozzi and Davidson,

I understand that next Tuesday the Council will vote to pass the 2020 budget which was created by the prior disavowed leadership last year.

The Financial Advisory Committee has already informed the Council this budget cannot be afforded by the City in its current financial state.

I believe that at least 3 of you campaigned on the platform of listening to the FAC and heeding its recommendations. especially MPT McGowan who was a member of that Committee, and stated so publicly at meet and greet events prior to the election. I urge the Council to listen to the FAC and do their own work to reduce the budget and properly align it with our current level of revenue. We must stop spending more money then we have and we must also get our pension costs under control.

To that end I also understand that on July 9th the Council plans to discuss long overdue pension reform measures and that Retirement Security Initiative, who has been instrumental in helping other cities throughout the nation deal with pension reform, has offered to consult with the City at no cost to the taxpayers. I believe it is essential for the City to take advantage of this offer and at the very least listen to what RSI has to say about our pension mess. We have a small window to right our City ship and if we don't do it now we will all be paying significantly higher taxes for decades to come. Please do the right thing and act in the best interest of the residents and take pension reform seriously.

Respectfully,  
Greg Pass  
4036 Via Opata

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**Karina Banales**

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**From:** Judith Schuler-Pollard [REDACTED]  
**Sent:** Wednesday, June 19, 2019 9:12 AM  
**To:** Karina Banales; City Clerk  
**Cc:** City Council  
**Subject:** PVE City Council meeting June 25, 2019 Budget

Ms. Banales,  
Please include the following correspondence in the council agenda package for Tuesday, June 25, 2019.

Dear Mayor Kao, MPT McGowan, Councilmembers Kemps, Lozzi, Davidson,

On Tuesday city council will make a decision on whether or not to pass the 2020 budget as is. This budget was fabricated by prior leadership last year and is not reflective of the true city financial picture. The FAC has advised city council that this budgeted is not affordable and will take our city further into debt.

We strongly recommend that this revitalized and committed council heed the recommendations and cautions that the FAC has provided. Due diligence is necessary to reduce the budget to what the city can afford. Regardless of the pain budget cuts will require, that is far better than continuing to hide and deceive citizens about the realities we face. The days of rubber stamping must end now.

We also see that on July 9, 2019 council plans to discuss pension reform. We understand that RSI ([www.retirementsecurityinitiative.com](http://www.retirementsecurityinitiative.com)) has reformed pensions for Arizona, Utah, San Jose, Ca and other local governments. They have offered to assist PVE with pension reform free of charge. This is an opportunity for our city to bring an objective entity to the table to provide another eye and expert advice.

Regardless of the lack of information and transparency offered by previous council we, the residents are keenly aware that pensions and pension debt are increasing faster than revenues.

It is critical that city leadership embrace pension reform as a top priority. That way options such as keeping our local police can be more than an empty promise based on nothing other than political machinations designed to gain votes at any expense.

Residents are engaged and informed as never before. Expectations are high and there are commitments to honor.

Sincerely,

Judith Schuler-Pollard  
Michael Pollard  
2900 Via Victoria

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**Karina Banales**

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**From:** Phyllis Scribe [REDACTED]  
**Sent:** Thursday, June 20, 2019 9:38 AM  
**To:** Karina Banales  
**Cc:** City Council  
**Subject:** Letter to the City Council members, for their Tues. 6/25 agenda package  
**Attachments:** Untitled.pdf

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6-20-2019

Dear Mayor Kao, Mayor Pro-tem McGowan and Councilmembers Kemps, Lozzi and Davidson,

As you are about to pass our City's 2020 budget we are concerned about its affordability. We understand that our Financial Advisory Committee has indicated that as presently formulated it is beyond our present cash flow and would further deplete our dwindling reserves. This on-going problem must be addressed by reducing our budget and increasing our income. Many organizations are now forcing their employees to participate in a greater portion of their pension costs. A second solution would be to increase the City's income with a sales tax on the sale of any property in the City. Redondo Beach, RPV and many other cities have this tax. Our City has no industry or large commercial enterprise like other cities do. In PVE our only large industry is...Real Estate, and the many Real Estate offices in the Plaza confirm this. This solution would be more palatable than another parcel tax.

Sincerely,  
Rene and Phyllis Scribe  
356 Via Almar, PVE

P.S. We request that this letter be part of the Council's agenda package for Tuesday June 25.

**Karina Banales**

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**From:** Christine Bhagat [REDACTED]  
**Sent:** Thursday, June 20, 2019 12:00 PM  
**To:** Karina Banales  
**Cc:** City Council  
**Subject:** For inclusion in the Council Agenda package for Tuesday, June 25

To all City Council Members,

I am hearing that at Tuesday's City Council meeting you all will be deciding on passing the 2020 budget, a budget which was created by prior leadership before fiscal responsibility became a primary concern among voters. I am also hearing that the Financial Advisory Committee has advised you that this 2020 budget is not affordable.

Since the FAC was put into place - along with three new Council members - to restore fiscal responsibility to our City, I would like to encourage you to not pass the existing 2020 budget as is but, instead, reduce the budget so that we can begin to live within our means. This would be a great signal to the residents of our City that you, indeed, intend to be fiscally responsible.

I would also encourage you to actively negotiate for pension reform now. Time is of the essence as this is the largest problem our City faces. This may even be an opportunity for our City Council to be creative and possibly become a role model for other cities who also grapple with the same pension problems. Collaborating with RSI, Retirement Security Initiative, should be helpful.

Many in PVE are looking forward to hearing what each of you are doing to reduce our growing budget and our growing pension debt. The easiest action to take right now may be to institute a hiring freeze as well as a freeze on wage and benefit increases. Without such actions, our pension debt will continue to grow at an alarming rate.

As I read earlier in the week: public safety unions are not in the business of promoting public safety, they are in the business of promoting the wage and benefit increases of their members...but those benefits are now unsustainable.

It is the right time to act now.

Thank you,  
Christine Bhagat

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**Karina Banales**

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**From:**Carolynn Petru  
**Sent:**Thursday, June 20, 2019 1:10 PM  
**To:**Lauren Pettit; Karina Banales  
**Subject:**FW: Message to PVE City Council Members

**From:** Arif Haji [mailto:████████████████████]  
**Sent:** Thursday, June 20, 2019 1:06 PM  
**To:** City Council <citycouncil@pvestates.org>  
**Subject:** Message to PVE City Council Members

Honorable Mayor and Esteemed Council Members:

First, I want to thank you for giving me an opportunity to serve on FAC and I look forward to serving our community.

Attending recent FAC/Council meetings, it is my sense that there is still discovery going on to ‘peel the onion’ that is our city’s budget. It is also my sense there is concern about the true nature of our overall fiscal standing. Given the increase in staffing expense embedded in the proposed budget — leading to long term liabilities — would the Council consider a prudent and fiscally-responsible move by adopting an interim or stopgap, short term budget to allow staff and FAC to provide additional information upon which to enact a full year budget?

I hope I have not over stepped my boundaries with the suggestion above. It is in the interest of being a good steward, a characteristic I am certain I share with each of you.

Best,  
Arif Haji

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**Karina Banales**

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**From:** Carolynn Petru  
**Sent:** Thursday, June 20, 2019 2:12 PM  
**To:** Lauren Pettit; Karina Banales  
**Subject:** FW: New budget

**From:** Jack goldberg [mailto:jackgoldberg@pvestates.org]  
**Sent:** Thursday, June 20, 2019 2:11 PM  
**To:** City Council <citycouncil@pvestates.org>  
**Subject:** New budget

Dear Mayor Kao  
MPT McGowan,  
Council members Kemps, Lozzi and Davidson:

When deciding on Tuesday on passing a previous councils budget, I strongly recommend doing your own due diligence and severely cut the budget where practical. That was the reason we voted for this new blood.

Thank you.

Jack Goldberg  
Via Landeta

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**Karina Banales**

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**From:** Sabine de Chastonay [REDACTED]  
**Sent:** Thursday, June 20, 2019 4:47 PM  
**To:** Karina Banales  
**Cc:** City Council  
**Subject:** City Council meetings June 25 and July 9

Please enclose the following letter in the Council Agenda package for Tuesday June 25 as well as July 9.

Dear Mayor Kao, MPT McGowan, Councilmembers Lozzi, Kemps and Davidson,

We see on the City Council Agenda, that on Tuesday, June 25, 2019, the City Council will decide on whether to pass the 2020 budget as is, e.g. as it was assembled last year by last year's City Council members. The discussion regarding the affordability of this budget has been ongoing ever since the details of this budget emerged. The FAC (Financial Advisory Committee) has advised the City Council that the City cannot sustain this budget without accumulating more debts and digging into the City's reserves. As concerned residents, we are asking you all to implement the FAC's advice and revise the budget so the City can actually afford it.

Even to a person who balances a family budget it is obvious that the City of Palos Verdes cannot afford this budget without seriously jeopardizing the financial health and future of our City.

Pension payments are on the agenda for July 9. Currently, pensions are a big item in the City's budget and they will grow faster than revenue. Apparently, RSI ([RetirementSecurityInitiative.com](http://RetirementSecurityInitiative.com)) is a free service to help cities and states reform pensions and has offered to help our City with pension liabilities and debt. We strongly hope that the leadership is taking pension reform seriously and will work with this organization.

Getting a grip on the City's financial situation will help retain hardworking staff and services such as our local police force.

From budget to pension reform, this coming Tuesday night and on July 9, the Council will make two crucial decisions regarding the future of our City, and we hope that the difficult but appropriate steps will be taken to reduce current financial liabilities.

With great appreciation for all your time and effort that is needed to shoulder the huge responsibilities this job requires – Thank you!

Sabine and José de Chastonay

2225 Via Anacapa, PVE

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**Karina Banales**

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**From:** Silk, David. [REDACTED]  
**Sent:** Thursday, June 20, 2019 5:55 PM  
**To:** Karina Banales  
**Cc:** City Council  
**Subject:** 2020 PVE Budget

Dear Mayor Kao, MPT McGowan, Councilmembers Kempf, Lozzi and Davidson,

On Tuesday, the Council will be deciding whether to pass the 2020 budget, as is. This was created by prior leadership last year. The FAC (Financial Advisory Committee) has advised the Council that this budget is not affordable for our city.

I urge that this Council, heed the advice of the FAC and conduct proper due diligence to REDUCE the budget to what the city can afford. Palos Verdes Estates needs to live within its means.

July 9th, the Council plans to discuss pension reform. I understand RSI (RetirementSecurityInitiative.com), who has reformed pensions for Arizona, San Jose, Utah and others - has offered to help our City with pension reform for free.

Residents are fully aware pension payments and pension debt are both increasing faster than Palos Verdes Estates' revenue.

It is critical city leadership takes pension reform seriously so choices, such as keeping our local police, are made possible and affordable.

Thank you for your consideration.

David Silk  
Via Largavista

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**Karina Banales**

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**From:** Bob Stearns [REDACTED]  
**Sent:** Thursday, June 20, 2019 7:47 PM  
**To:** Karina Banales  
**Cc:** City Council  
**Subject:** 2020 budget/pension reform

Dear Mayor Kao, MPT McGowan, Councilmembers Kemps, Lozzi, and Davidson,

The recent election seemed to send a clear message to the City leaders about financial responsibility. On Tuesday, the Council will decide whether or not to pass the 2020 budget as is, which was created by prior City leadership last year. The FAC has advised the Council that this budget is not affordable.

My wife and I strongly recommend that this Council heed the advise of the FAC and conduct proper due diligence to pass a budget that is based on sound financial practices. that we can afford. We must start immediately to live within our means.

On July 9th, the Council intends to discuss pension reform. I understand that RSI (Retirement/SecurityInitiative..com, who has reformed pensions for Arizona, Utah, San Jose, and others, has offered to help our City with pension reform. And will do this gratis. It makes no sense not to pursue this. Pension reform must be a top priority for this Council, as pension payments and pension debt are increasing faster than our revenue stream. We understand this is a difficult issue to tackle, and we hope the current Council is up to the task.

Sincerely,

Bob and Janet Stearns  
1564 Via Zurita

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**Karina Banales**

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**From:** Susan Nelson [REDACTED]  
**Sent:** Friday, June 21, 2019 11:45 AM  
**To:** Karina Banales  
**Cc:** City Council  
**Subject:** Letter for 25 June 2019 Council Agenda Package  
**Attachments:** PVECityLetter\_21Jul2019.docx

The letter for consideration to be included in the 25 June 2019 Council Agenda Package is attached.

Thank you for your continued commitment to the viability and prestige of our beautiful, unique City.

Kindest regards,  
The Nelsons  
1629 Via Montemar

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Susan & Vince Nelson  
1629 Via Montemar  
Palos Verdes Estates, CA 90274

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6/21/2019

Dear Mayor Kao, MPT McGowan, Councilmembers Kemps, Lozzi and Davidson:

On Tuesday, the Council will decide whether to pass the 2020 budget, as is, which was created by prior leadership last year. The FAC (Financial Advisory Committee) has advised the Council that this budget is not affordable.

I strongly recommend that this Council heed the recommendation of the FAC and conduct proper due diligence to reduce the budget to what the City can afford.

It is also our continuing opinion that City leadership takes pension reform seriously so options, such as keeping our local police, is made possible and affordable.

Thank you for your consideration.  
The Nelsons

**Karina Banales**

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**From:** Ela Jhaveri [REDACTED]  
**Sent:** Friday, June 21, 2019 11:46 AM  
**To:** Karina Banales  
**Cc:** City Council  
**Subject:** Fwd: City Budget

Please include my letter in Agenda package for the budget meeting on Tuesday.  
Thank you.

**Subject: Fwd: City Budget**

Dear Mayor Kao, MPT  
McGowan,  
Councilmembers  
Kemps, Lozzi and  
Davidson,

On Tuesday, the  
Council will be  
deciding whether to  
pass the 2020 budget  
which was created  
almost two years ago.

At the last FAC  
meeting the chairman  
asked the City manager  
and the Finance  
Director to go back to  
all departments and see  
if they could all cut  
their budgets to come  
up with a total  
reduction of \$975,000.

Our City's pension  
expense and pension  
liability are increasing  
at a rate higher than the  
rate of increase in our  
revenues. Our

payments for pension  
expense will double in  
the next few years.

The Council needs to take a fresh look at the City's assets, revenues and whether the budget we are on is sustainable in the long-term. In the past huge amounts were allocated to Capital expenditures. These were not all spent and unused funds were transferred to General fund and in Government accounting terms shown as Revenues. Unused Capital expenditures need to stay in the fund for future expenditures.

Sincerely,  
Ela Jhaveri

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**Karina Banales**

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**From:** Tom Bosseler [REDACTED]  
**Sent:** Friday, June 21, 2019 1:13 PM  
**To:** Karina Banales  
**Cc:** City Council; Joyce Bosseler  
**Subject:** Re: June 25 Council Meeting and Budget

Council Members,

Please postpone the final vote on next year's budget until you've been able to reconcile our city's revenue shortfall against expenditures.

We suggest you take time to work with the Financial Advisory Committee and develop a spending priority plan. And then strongly consider eliminating or cutting back lower priority budget items on the 2020 budget so the city can get back to financial solvency as soon as possible. By "solvency", we mean matching all expenditures - short and long term - to revenues. Its not clear the impending budget is moving the city in that direction, and that is why it needs to change.

Inn addition, city residents would be well served if the newly elected City Council could lay out a road map on how we'll meet pension costs in the long term. This has been an overhanging issue that has never been addressed properly.

Thank you,

Tom and Joyce Bosseler  
Valmonte



**Karina Banales**

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**From:**Carolynn Petru  
**Sent:**Friday, June 21, 2019 4:39 PM  
**To:**Karina Banales; Lauren Pettit  
**Subject:**FW: IMPORTANT CITY ISSUES

-----Original Message-----

**From:** CMTI CMTI [REDACTED]  
**Sent:** Friday, June 21, 2019 4:37 PM  
**To:** City Council <citycouncil@pvestates.org>  
**Subject:** FW: IMPORTANT CITY ISSUES

Dear Members of the City Council,

My Friends,

On Tuesday you will have the opportunity to decide on the future of our City. The residents have authorized an additional \$5,000,000 annually. I think that they (the residents) THINK that by paying this extra money (that no other City's residents pay) that you will be able to keep our local police and other essential services.

How much and what we can afford are great questions. Further, the process of making this decision has, as its first step, a critical examination of our budget. For example, it is clear that the current budget does not properly forecast the cost of the pensions we have promised our employees.

I'm hoping that you FIRST attempt to figure out what the proposed budget will really cost then decide what services we should purchase with that money. And, in considering the budget I personally hope you will look at some costs that our City pays that most others do not. I'm speaking of dispatch and the jail. I have been in the local government 'business' for over 40 years and I can't think of any good reason that a little City, like ours, attempts to do its own dispatching or attempts to run its own jail --> others don't do it because it is inefficient and to expensive.

Good luck and please SERIOUSLY consider the costs that you are committing the current and future residents to.

Jim Nyman

