

# *City of Palos Verdes Estates*

FISCAL YEAR 2018-2020

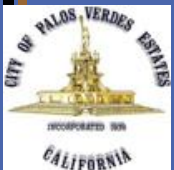
DRAFT BUDGET

PRESENTATION AND DISCUSSION



# DRAFT BUDGET PRESENTATION & DISCUSSION AGENDA

- Introduction and Budget Process
- Overview of General Fund roll forward year to year
- Overview of Revenue Sources
- Department expenditures presented by department
  - Police
  - Planning & Building
  - Public Works
  - Administration
  - Finance
- Overview of Capital Projects
- Overview of Equipment Replacement
- Overview of the City's Funds Balance and General Fund Reserve
- Next Steps



# BUDGET

- Roadmap for allocating resources, achieving priorities and goals of the City Council that serve residents and the public, appropriating funds, and authorizing expenditures.
- Budget Process – to date:
  - Mid-year budget status presentation - February 27, 2018
  - Year-end projection presentation – May 8, 2018
  - Base Budget workshop presentation – May 22, 2018
  - Decision Package workshop presentation – May 30, 2018
  - Public Hearing on Draft Budget (Base Budget & Decision Packages) – June 12, 2018
- Budget Process – next steps
  - CIP review for consistency with General Plan (Planning Commission) – June 19, 2018
  - Final Budget approval - June 26, 2018



# DECISION PACKAGES

DESCRIPTION	FUND	FY18-19	FY19-20	COST TYPE
COMMUNITY SAFETY & ENGAGEMENT	GF	7,000	-	ONE-TIME
DELETE EQUIPMENT REPLACEMENT ALLOCATION	GF	(260,258)	(246,985)	
VEHICLE REPLACEMENT (in base budget)	Eq Rpl	48,000	-	ONE-TIME
VEHICLE REPLACEMENT (in base budget)	Eq Rpl	35,000	-	ONE-TIME
MOUNTAINS RECREATION AND CONSERVATION AUTHORITY (MRCA) CONTRACT (in base budget)	GF	25,000	25,000	ONE-TIME
VEHICLE REPLACEMENT (in base budget)	Eq Rpl	-	50,000	ONE-TIME
VEHICLE REPLACEMENT (in base budget)	Eq Rpl	-	48,000	ONE-TIME
VEHICLE REPLACEMENT (in base budget)	Eq Rpl	-	30,000	ONE-TIME
<b>TOTAL POLICE</b>		<b>(145,258)</b>	<b>(93,985)</b>	
CODE ENFORCEMENT POSITION	GF	28,283	37,709	On-Going
DELETE EQUIPMENT REPLACEMENT ALLOCATION	GF	(25,704)	(24,392)	
<b>TOTAL PLANNING AND BUILDING</b>		<b>2,579</b>	<b>13,317</b>	
SUMMER WORK PROGRAM	GF	25,000	25,000	On-Going
DELETE EQUIPMENT REPLACEMENT ALLOCATION	GF	(65,829)	(62,471)	
WORK AND ASSET MANAGEMENT SOFTWARE	GF	15,706	8,206	On-Going
<b>TOTAL PUBLIC WORKS</b>		<b>(25,123)</b>	<b>(29,265)</b>	
TRAINING & DEVELOPMENT	GF	19,507	18,400	On-Going
<b>TOTAL ADM - City Manager, City Clerk, Non-Dept</b>		<b>19,507</b>	<b>18,400</b>	

DESCRIPTION	FUND	FY18-19	FY19-20	COST TYPE
CASHLESS COUNTER SERVICE	GF	36	36	On-Going
ANALYZE AND DEVELOP STRATEGY ALTERNATIVES FOR CALPERS UNFUNDED ACCRUED LIABILITY (UAL)	GF	20,000		ONE-TIME
FISCAL HEALTH REPORT	GF	1,200		ONE-TIME
BUDGET ANALYST POSITION	GF	37,039		On-Going
PASSWORD SYNCHRONIZATION BETWEEN ACTIVE DIRECTORY AND OFFICE 365 TENANT ACCOUNT(EMAIL)	GF	3,200		ONE-TIME
MULTI-FACTOR AUTHENTICATION(MFA) FOR OFFICE 365 (EMAIL)	GF	3,500		ONE-TIME
ANNUAL SUBSCRIPTION TO KNOWBE4 (USER CYBER SECURITY AWARENESS TRAINING)	GF	1,200	1,200	On-Going
<b>TOTAL FINANCE AND IT</b>		<b>66,175</b>	<b>1,236</b>	
<b>GRAND TOTAL ALL DEPARTMENTS</b>		<b>(82,120)</b>	<b>(90,297)</b>	
FARNHAM MARTIN AND ROESSLER FOUNTAINS UPGRADES	CIP	25,000		ONE-TIME
LUNADA BAY PLAZA ENHANCEMENTS	CIP	150,000		ONE-TIME
SERVER ROOM UPGRADES	CIP	150,000		ONE-TIME
CITY HALL SECURITY PROJECT	CIP	110,000		
TRIANGLE LANDSCAPING	PKLNDS	20,000		
SOLL PARK RENOVATIONS	PKLNDS	50,000		ONE-TIME
MODIFICATIONS TO COUNCIL CHAMBERS TO ALLOW FOR CONVERSION TO AN EMERGENCY OPERATION CENTER	CIP	47,000		ONE-TIME
<b>TOTAL CAPITAL IMPROVEMENTS</b>		<b>552,000</b>	<b>-</b>	

# DECISION PACKAGE SUMMARY

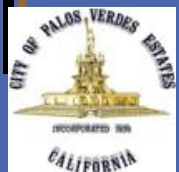
DESCRIPTION	FY18-19	FY19-20
<b>TOTAL FOR BASE BUDGET ITEMS</b>	<b>108,000</b>	<b>153,000</b>
 <i><u>DECISION PACKAGE FUND RECAP</u></i>		
DEPARTMENT EQUIP REPLACEMENT ALLOCATION REVERSAL	(351,791)	(333,848)
GENERAL FUND	161,671	90,551
<b>TOTAL GENERAL FUND DECISION PACKAGES</b>	<b>(190,120)</b>	<b>(243,297)</b>
 EQUIPMENT REPLACEMENT		
CAPITAL IMPROVEMENT PROGRAM (CIP)	482,000	
PARKLANDS	70,000	
<b>TOTAL EQUIP REPL + CIP + PARKLANDS DECISION PACKAGES</b>	<b>552,000</b>	<b>-</b>
<b>GRAND TOTAL DECISION PACKAGES</b>	<b>361,880</b>	<b>(243,297)</b>
<b>GRAND TOTAL DECISION PACKAGES + BASE BUDGET ITEMS</b>	<b>469,880</b>	<b>(90,297)</b>

# OVERVIEW OF GENERAL FUND (OPERATING FUND)

## HIGHLIGHTS

- General Fund – operating budget - is balanced.
- 50% operating reserve (Reserved Fund Balance).
- Remaining: Undesignated Fund Balance.
- Primary expenditure increases
  - Contract for Fire and Paramedic services Proposed \$5.1M and Planned \$5.3M.
  - CalPERS pension rate and UAL
  - Transfer out to CIP (\$482k) & Parklands Funds (\$70K)
- Increase in ending Fund Balance
  - \$4.9M annual transfer-in from the new Law Enforcement Fund.
  - FY18-19 transfer-in (close-out) of \$122K from prior year excess transfer to Fire Parcel Tax Fund.

General Fund Balance	Projected Fund Balance FY17-18	Proposed Fund Balance FY18-19	Planned Fund Balance FY19-20
Beginning Fund Balance	11,138,731	9,796,091	10,653,377
Revenues	13,637,968	14,461,039	14,853,416
Expenditures	12,258,495	18,147,305	18,454,588
Net Revenue over Expenditures (before transfers)	1,379,472	(3,686,266)	(3,601,172)
Transfers In (Out)	(2,722,112)	4,543,552	4,973,000
Net Revenue over Expenditures (after transfers)	(1,342,640)	857,286	1,371,828
<b>Ending Fund Balance</b>	<b>9,796,091</b>	<b>10,653,377</b>	<b>12,025,205</b>
<i>Reserved Fund Balance</i>	7,200,000	9,073,653	9,227,294
<i>Undesignated Fund Balance</i>	2,596,091	1,579,725	2,797,911



6/12/18

Preliminary Budget - subject to change

# OVERVIEW OF GENERAL FUND REVENUE SOURCES

## HIGHLIGHTS

Property taxes key driver of revenues.

Service charges decrease:

- due to new accounting method for medical reimbursement receipts.

Transfers include:

- Annual \$4.9M transfer-in from the Law Enforcement Fund.
- \$122K transfer-in from excess prior year transfer into Fire Parcel Tax Fund.

General Fund Revenue Sources	Projection 17-18	Proposed 18-19	Planned 19-20
Property Tax	7,795,302	8,296,297	8,591,564
Property Tax-In Lieu	1,391,098	1,514,992	1,570,592
Sales Tax	339,840	354,000	356,000
Real Estates Transfer Tax	192,000	200,000	200,000
Business License Tax	208,600	221,250	225,000
Franchise Fees	572,788	578,500	587,060
Development Fees	1,449,265	1,532,500	1,532,500
Interest Income	29,140	133,500	144,500
<b>Key Revenues</b>	<b>11,978,033</b>	<b>12,831,039</b>	<b>13,207,216</b>
Concessions and Rent	1,354,832	1,308,600	1,333,800
Licenses & Permits	14,515	30,500	30,500
Safety Fines	127,048	150,000	150,000
Services Charges	92,952	49,000	47,000
Other Fees	34,157	54,500	47,500
<b>Other Revenues</b>	<b>1,623,503</b>	<b>1,592,600</b>	<b>1,608,800</b>
Revenues Before Transfers	13,601,537	14,423,639	14,816,016
<b>Transfers In</b>	<b>1,623,746</b>	<b>5,095,552</b>	<b>4,973,000</b>
<b>Total Revenues Incl Transfers</b>	<b>15,225,283</b>	<b>19,519,191</b>	<b>19,789,016</b>



6/12/18

Preliminary Budget - subject to change



# Community

City Treasurer

City Council

City Manager

(Appointed)

City Attorney

(Appointed)

Planning Commission  
Parklands Committee  
Traffic Safety Committee  
Investment Policy Advisory Committee  
Finance Advisory Committee  
Technology Advisory Committee  
Law Enforcement Services Special Tax Oversight Committee

City Clerk's Office

1.00 City Clerk  
0.563 Receptionist

Management Support

1.00 Assistant to the City Manager  
1.00 Administrative Analyst

Fire

Paramedics  
Firefighters

3 Shifts of:

1 Captain  
1 Engineer  
3 Firefighter/Paramedic

6/12/18

Police

1.00 Chief  
1.00 Exec Asst/Custodian  
1.00 Comm Relations Ofc  
1.00 Captain\*  
1.00 Support Srvs Mgr  
6.00 Sergeant  
3.00 Corporal  
13.00 Police Officer  
1.00 Lead Service Ofc  
9.00 Service Officers  
1.00 Traffic Contr. Ofc  
.50 Volunteer Coord.  
1.00 Police Intern (2-PT)  
**39.50 Total**

Parkland Rangers (contract)  
Law Enforcement Citizen Oversight Committee

Planning & Building

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

**4.00 Total**

Public Works

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

**7.00 Total**

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

Finance

1.00 Finance Director  
1.00 Senior Accountant  
2.00 Fin Services Technician

**4.00 Total**

Information Technology (contract)  
Investment Policy Advisory Committee  
Finance Advisory Committee



# OVERVIEW OF GENERAL FUND EXPENDITURES

DEPT / DIVISION EXPENDITURES	Projection 17-18	% Total	Proposed 18-19	% Total	Planned 19-20	% Total
CITY MANAGER	668,875		649,493		667,289	
CITY ATTORNEY	233,054		213,000		203,000	
CITY CLERK	276,321		280,197		238,539	
NON-DEPARTMENTAL	172,090		297,227		158,861	
<b>ADMINISTRATION</b>	<b>1,350,340</b>	<b>8.13%</b>	<b>1,439,917</b>	<b>7.70%</b>	<b>1,267,688</b>	<b>6.87%</b>
FINANCE	796,178		796,437		701,188	
CITY TREASURER	38,416		44,963		47,517	
<b>FINANCE</b>	<b>834,594</b>	<b>5.03%</b>	<b>841,400</b>	<b>4.50%</b>	<b>748,705</b>	<b>4.06%</b>
POLICE	6,586,586		6,896,226		7,137,129	
FIRE	-		5,121,957		5,275,615	
<b>SAFETY</b>	<b>6,586,586</b>	<b>39.67%</b>	<b>12,018,183</b>	<b>64.27%</b>	<b>12,412,744</b>	<b>67.26%</b>
BUILDING	801,167		874,471		897,798	
PLANNING	403,585		371,269		398,377	
PARKLANDS	1,249,116		1,318,683		1,363,136	
<b>PLANNING &amp; BUILDING</b>	<b>2,453,868</b>	<b>14.78%</b>	<b>2,564,423</b>	<b>13.71%</b>	<b>2,659,310</b>	<b>14.41%</b>
CITY PROPERTIES	165,363		206,403		193,449	
PUBLIC WORKS ADMIN	775,066		883,429		909,830	
STREETS	92,678		193,551		262,862	
<b>PUBLIC WORKS</b>	<b>1,033,107</b>	<b>6.22%</b>	<b>1,283,382</b>	<b>6.86%</b>	<b>1,366,141</b>	<b>7.40%</b>
General Fund Expenditures before Transfers	12,258,495		18,147,305		18,454,588	
Transfers Out	4,345,858	26.17%	552,000	2.95%		0.00%
General Fund Expenditures Including Transfers	16,604,353	100%	18,699,305	100%	18,454,588	100%

## HIGHLIGHTS

- FY18-19 and FY19-20 Contract for Fire and Paramedic services in General Fund.
- Police Dept remains 100% in General Fund.
- FY17-18 shows last transfer-out to Fire Parcel Tax Fund.

## Primary expenditure increases:

- Contract for Fire & Paramedic services.
- CalPERS pension rate.
- Transfer out to CIP (\$482k) & Parklands Funds (\$70K)



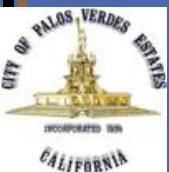
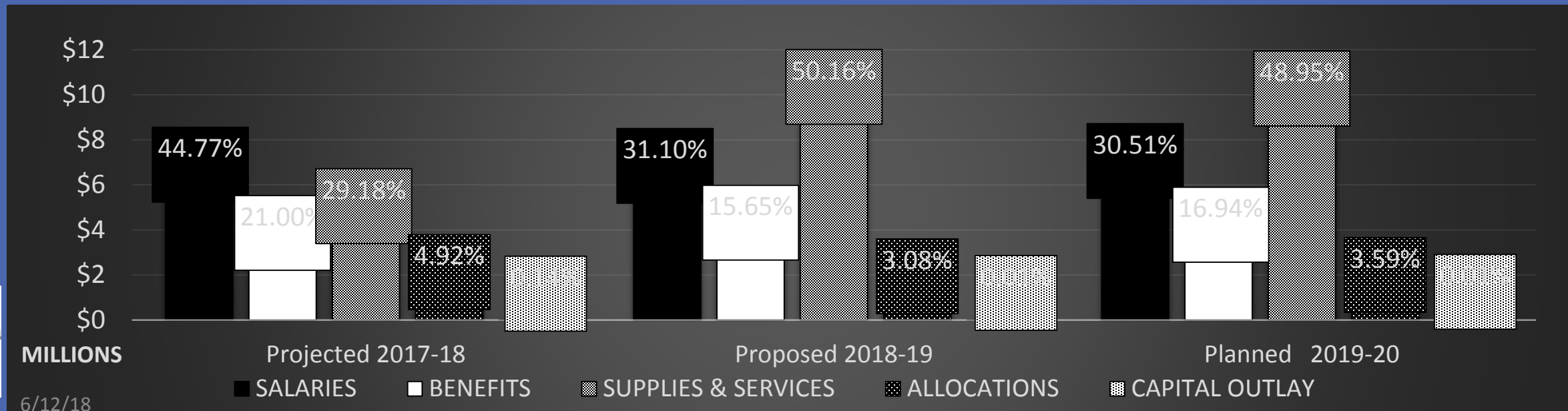
Preliminary Budget - subject to change

6/12/18

# GENERAL FUND EXPENDITURES BY TYPE

General Fund Expenditures	Projected 2017-18	Percent of Total	Proposed 2018-19	Percent of Total	Planned 2019-20	Percent of Total
SALARIES	5,487,788	44.77%	5,643,384	31.10%	5,630,549	30.51%
BENEFITS	2,573,675	21.00%	2,840,096	15.65%	3,126,446	16.94%
SUBTOTAL SALARIES & BENEFITS	8,061,463	65.76%	8,483,480	46.75%	8,756,995	47.45%
SUPPLIES & SERVICES*	3,577,047	29.18%	9,102,805	50.16%	9,033,203	48.95%
ALLOCATIONS	603,372	4.92%	558,395	3.08%	661,640	3.59%
CAPITAL OUTLAY	16,612	0.14%	2,625	0.01%	2,750	0.01%
<b>TOTAL GENERAL FUND</b>	<b>12,258,494</b>	<b>100%</b>	<b>18,147,305</b>	<b>100%</b>	<b>18,454,588</b>	<b>100%</b>

*\*FY 2018-20 Fire Safety expenditures are now included in the General Fund.*



MILLIONS

6/12/18

# *City of Palos Verdes Estates*

## DEPARTMENT PRESENTATIONS



# *City of Palos Verdes Estates*

## POLICE DEPARTMENT



# POLICE DEPARTMENT

## ACCOMPLISHMENTS FY 2017-18

### Community Engagement

- Developed Smart Phone Application
- Hosted Senior Health Fair
- Instituted area Street Meets
- Conducted Civilian Gun Safety Course
- Established Student Chief Leadership Council at PVHS
- National Night Out, LE Special Olympics Torch Run, July 4th, Santa, Little league opening day Concerts in the Park
- Social Media footprint- Facebook, Twitter, Instagram, Snapchat
- Established Wildlife Watch Program (First on the Peninsula)

### Training

- Conducted Active Shooter Training at Intermediate and High School
- Command Staff Member completed POST Command College
- In addition to required- SWAT School, Advanced Incident Command System, Mental Health Awareness, Disaster, Motor, Volunteer training

### Safety and Service

- First quarter of 2018- response time for Priority 1 calls of 2:44 minutes
- FY 17-18 (YTD) issues 2,603 citations, and made 409 arrests
- Established Social Host Ordinance
- Motor Officer trained and deployed- focusing on stop signs and speed
- Implemented Text 911 system at Dispatch
- Participated in interagency Mutual Aid Taskforce Training and operations including Montecito Mud Slide



06/12/2018

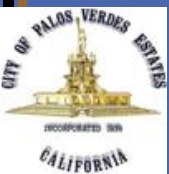
# STAFFING FY 2017-20

Position	FY 17-18 (Budgeted)	FY 18-19 (Budgeted)	FY 19-20 (Budgeted)
Chief	1	1	1
Captain*	2	2	2
Sergeant	6	6	6
Corporal	3	4	4
Officer	13	11	11
Service Officers	10	9	9
Traffic Control Officer	1	1	1
Police Service Aides	1	1	1
Community Relations	1	1	1
Volunteer Coordinator	.5	.5	.5
Exec Asst/Cust of Rec	1	1	1
<b>Total</b>	<b>39.5</b>	<b>37.5</b>	<b>37.5</b>



# TOTAL BUDGET COMPARISON FY 2017-20

Item	FY 17-18 Budgeted	FY 17-18 Projected	FY 18-19 Proposed	FY 18-19 Difference	FY 19-20 Planned	FY 19-20 Difference
Salaries	\$4,099,537	\$3,892,305	\$3,927,253	\$34,948	\$3,944,421	\$17,168
Benefits	\$2,260,837	\$2,029,863	\$2,254,964	\$225,101	\$2,454,223	\$199,259
Supplies & Services	\$602,414	\$488,526	\$555,921	\$67,395	\$550,298	(\$5,623)
Allocations	\$175,900	\$175,900	\$162,787	(\$13,113)	\$192,886	\$30,099
Capital Outlay	\$0	\$1,460	\$0	(\$1,460)	\$0	\$0
<b>Total Budget</b>	<b>\$7,138,688</b>	<b>\$6,588,054</b>	<b>\$6,900,925</b>	<b>\$312,871</b>	<b>\$7,141,828</b>	<b>\$240,903</b>





# TOTAL BUDGET COMPARISON FY 2018-20

Item	FY 18-19	FY 19-20	Difference
Salaries	\$3,927,253	\$3,944,421	\$17,168
Benefits	\$2,254,964	\$2,454,223	\$199,259
Supplies & Services	\$555,921	\$550,298	(\$5,623)
Allocations	\$162,787	\$192,886	\$30,099
Capital Outlay	\$0	\$0	\$0
<b>Total Budget</b>	<b>\$6,900,925</b>	<b>\$7,141,828</b>	<b>\$240,903</b>

During FY 18-19 the budget increased \$312,871 due to an increase of \$34,948 in salaries, \$225,100 in benefits, and \$67,395 in supplies and services.

During FY 19-20 the budget increases \$240,903 primarily due to an increase of \$17,168 in salaries, \$199,259 in benefits, and \$30,099 in insurance allocations.



# BUDGET ISSUE PAPERS APPROVED FY 2018-19

## FY 18-19

- 2014 Black and White Dodge Charger- \$48,000
- 2008 Ford Crown Victoria (unmarked Detective unit)- \$35,000
- Citizen Engagement and Safety- \$7,000

## FY 19-20

- 2016 Chevy Tahoe Black and White W/C truck- \$50,000
- 2016 Ford SUV Black and White- \$48,000
- 2012 Chevy Colorado Traffic Control Officer- \$30,000
- Citizen Engagement and Safety- \$7,000 (tentative)



# COPS FUND / DRUG ASSET FORFEITURE- RESTRICTED FUNDS

- Can use to supplement not supplant the budget
- Must be used for front line law enforcement personnel
- Can be training, personnel (new program), equipment
- Will work with other City departments
- Need to take into consideration the impact to the equipment replacement fund
- We will be coming back to Council when we spend the funds
  - New EOC
  - Medical training and equipment
  - Body worn cameras
  - Mobile command post



# POLICE DEPARTMENT GOALS FY 2018-19

- Maintaining a smart and healthy department
- Maintain Priority 1 response times of 2-3 minutes
- Hold 2 Weapon Safety Courses
- Provide advanced medical training to employees
- Increase community engagement
- Increase Volunteer Corps
- Increase Traffic Enforcement
- Increase police presence at the schools
- Reduce thefts from motor vehicles
- Reduce traffic related collisions



# POLICE DEPARTMENT SUMMARY SLIDE

- Continue to implement the McCrary recommendations as directed
- Eliminating positions through attrition
- Increasing our volunteer groups
- Increase our community engagement, school presence
- Keep traffic enforcement / safety a high priority
- Continue to monitor budget and make reductions where possible
- Will return to Council with staff report on how to spend restricted funds



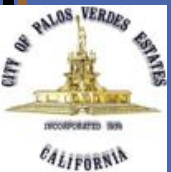
# *City of Palos Verdes Estates*

## PLANNING & BUILDING DEPARTMENT



# BUILDING DIVISION ACCOMPLISHMENTS 2017-18

- A new SmartGov permit tracking system was implemented in 2018 to provide enhanced project review and case management with all City departments.
- Updated building code to provide an expedited permitting process for vehicle charging stations
- Achieved a record high in FY17/18 for plan check and building permits:
  - Provided 123 plan check services
  - Issued 2,030 building permits
- Projected to provide 120 plan check services and issue 2250 building permits in FY 17/18





# PLANNING DIVISION ACCOMPLISHMENTS 2017-18

- Updated the Zoning Ordinance to regulate expressly ban commercial marijuana, regulate indoor cultivation and ban outdoor cultivation of marijuana.
- Implemented new ordinance regulating wireless communication facilities
- Facilitated meetings of the PVE/PVHA Ad Hoc Committee to address development review processes
- Provided code enforcement services by utilizing existing staff
- Prepared a Climate Action Plan to serve as the City's roadmap for reducing greenhouse gas (GHG) emissions in City operations and the community at large.
- Conducted the annual Coastal Cleanup with Heal the Bay in September.
- Prepared agreement to allow Palos Verdes Little League use of George Allen Field
- Number of planning cases filed: 197 in FY 17/18 (est.).
- Processed nine appeals before the City Council
- Provided support to City Council, Planning Commission, and PVE/PVHA Ad Hoc Committee, including annual joint meeting



# PARKLANDS DIVISION ACCOMPLISHMENTS 2017-18

- Planted 51 street trees as part of the inaugural Arbor Day Tree Planting program
- Updated the Tree Management Policy
- Assisted Eagle Scout project to provide upgrades to peafowl pen
- Provided seating rocks in the Bluff Cove open space area
- Updated policy for code enforcement activities associated with parklands
- Number of Parklands Committee applications processed: 39 in FY 17/18
- Assisted Public Works Department in the review and management of tree trimming, strategic trimming of older trees, maintenance of trees and landscape and consideration of water efficient landscape refurbishment projects
- Provided support to City Council and Parklands Committee



# DEPARTMENT STAFFING

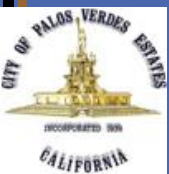
- Current staffing
  - 1 Director
  - 1 Planner
  - 1 Urban Forester
  - 1 Code Enforcement Officer (vacant)
  - 1 Permit Technician
- Supported by consulting services
  - HR Green - building & safety services
  - Kling Consulting – geotechnical
  - CTC – wireless telecommunication



# PLANNING & BUILDING DEPARTMENT BUDGET COMPARISON FY 2017-20

Item	FY 17-18 Budget	FY 17-18 Projected	FY 18-19 Proposed	FY 18-19 Difference	FY 19-20 Planned	FY 19-20 Difference
Salaries	\$612,758	\$594,770	\$607,162	\$12,392	\$616,411	\$9,249
Benefits	\$188,165	\$203,711	\$229,987	\$26,276	\$257,934	\$27,948
Supplies & Services	\$1,385,963	\$1,484,795	\$1,569,398	\$84,603	\$1,597,899	\$28,501
Allocations	\$170,592	\$170,592	\$157,876	(\$12,716)	\$187,066	\$29,190
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Budget</b>	<b>\$2,357,477</b>	<b>\$2,453,868</b>	<b>\$2,564,423</b>	<b>\$110,555</b>	<b>\$2,659,310</b>	<b>\$94,887</b>

- Salaries – increased FY18-19 due to Part-Time staff (likely eliminated from final budget); Salary and benefits costs for Streets and Parks Foreman and Crew are shared 50/50 between Streets and Parklands Divisions
- Benefits – increased FY 2018-19 and FY 2019-20 primarily due to CalPER’s pension rate and Unfunded Accrued Liability annual increases and an estimated 10% increase in medical premiums.
- Supplies and Services – Budget increases are due to:
  - All contracts are anticipated to have increased expenses due to CPI and other adjustments
  - Increases in technology enhancements in Building (offset by permit activity)
  - Increase water utility costs for landscape irrigation



# DEPARTMENT GOALS FY 2018-20

- Provide enhanced opportunities for on-line plan check services
- Work with Finance Department to provide cashiering process and streamline development fee revenue accounting associated with SmartGov system.
- Update forms and applications
- Continue to support the PVE/PVHA Ad Hoc Committee efforts to identify more effective and efficient means of conducting development review
- Improve records management by providing more electronic storage of plans and documents
- Promote economic development opportunities within Lunada Bay Plaza and Malaga Cove Plaza by addressing signage, parking and shop locally marketing



# *City of Palos Verdes Estates*

## PUBLIC WORKS DEPARTMENT



# PUBLIC WORKS DEPARTMENT ACCOMPLISHMENTS 2017-18

- Maintained 144 miles of road, 59 acres of medians and parks, 10,000 trees and 1,300 signs
- MOU approved for implementation of Santa Monica TMDL Project to install full capture devices in catch basins
- Video inspected and cleaned problematic city-maintained sewer laterals
- Trimmed and restructured trees along Torrance Boundary Strip, Palomino Trail, Granvia Altamira Easement
- Implemented and completed City Hall telephone replacement and upgrades
- PW staff completed Incident Command Training
- Performed Pavement Management System Update
- Updated Municipal Code to include Solid Waste and C&D Recycling
- Installed ALPR infrastructure and cameras on PVDW and Via Valmonte at Torrance Boundary
- Issued 170 public works permits
- Initiated new software system for public works permit, plan check and inspection services in SmartGov
- Completed planting/beautification at Granvia Altamira/Via Cerritos entrance median
- Implemented PVDW/Via Corta Afternoon Traffic Control Study
- Supported community events
- Implemented three-year contract for Fire Safety & Weed Abatement (FY 17-20)



06/12/2018



# PUBLIC WORKS DEPARTMENT STAFFING

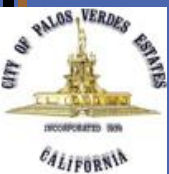
- Current staffing
  - 1 Director/City Engineer
  - 1 Maintenance Foreman
  - 4 Streets and Park Crew
  - 1 Permit Technician
- Supported by 5 Contractors and Consultants, and LACDPW



# Public Works Department Budget Comparison FY 2017-20

Item	FY 17-18 Budgeted	FY 17-18 Projected	FY 18-19 Proposed	FY 17-19 Difference	FY 19-20 Proposed	FY 19-20 Difference
Salaries	\$425,729	\$395,323	\$419,877	\$24,554	\$419,877	\$0
Benefits	\$138,665	\$142,394	\$159,916	\$17,522	\$176,215	\$16,299
Supplies and Services	\$751,287	\$654,383	\$888,919	\$234,537	\$936,516	\$47,597
Allocations	\$167,353	\$167,353	\$154,877	\$(12,476)	\$183,514	\$28,637
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Budget</b>	<b>\$1,483,033</b>	<b>\$1,359,452</b>	<b>\$1,623,590</b>	<b>\$264,138</b>	<b>\$1,716,123</b>	<b>\$92,533</b>

- Salaries – Salary and benefits costs for S&P Foreman and Crew are shared 50/50 with Parklands Division
- Benefits – Increases in CalPER’s pension rate, Unfunded Accrued Liability and medical coverage.
- Supplies and Services – Budget increases are due to:
  - All building related utilities now funded exclusively through Department 3080 (previously partially funding in PD)
  - Repairs to City Hall sewer lateral along PVDW; replacement of the green waste transfer yard gate
  - Increased engineering consultant costs (engineering, stormwater and solid waste)
  - Shoreline stormwater monitoring; more frequent catch basin cleaning (from 1x/year to up to 6x/year)



# PUBLIC WORKS DEPARTMENT GOALS 2018-20

- Perform geometric analysis and study of PVDW
- Implement and/or complete CIP projects
- Complete Santa Monica Bay Trash TMDL compliance project
- Implement Lunada Bay enhancements and ADA pedestrian upgrades
- Support the newly formed Technology Advisory Committee
- Continue to explore grants funding sources
- Implement a computerized maintenance management system and establish Asset Management Plan in conjunction with Finance Dept.
- Continue implementation of landscape refurbishment and smart irrigation projects for medians and parks



# *City of Palos Verdes Estates*

## ADMINISTRATION DEPARTMENT



# ADMINISTRATION DEPARTMENT - CITY MANAGER'S OFFICE

## ACCOMPLISHMENTS FY2017-18

- **Human Resources**

- Filled vacancies of Police Services Officer, Police Officer, City Clerk, Police Chief, Senior Accountant, Financial Services Technician, Elections Assistant, and Administrative Analyst

- **Palos Verdes Estates Internship Program**

- Summer/Fall 2017 - 4 students
- Spring 2018 - 6 students
- Summer 2018 - 17 students

- **Intergovernmental Relations**

- Participated in South Bay Cities Council of Governments
- Participated in the Los Angeles Division of the League of California Cities
- Participated in League of California Cities
- Established Workers' Compensation return to work program
- Labor Negotiations
- Employee Relations

- **Community Outreach Efforts**

- Collaborated with Davenport Institute for community engagement
- Commenced 2nd annual Citizens Academy
- Published quarterly City newsletters
- Facilitated annual City Council/Planning Commission/Homes Association Meeting
- Business Community meetings
- Conducted meetings and strengthened relations with Concessionaires
- Facilitated Ad hoc meetings among Chairs and Vice-Chairs of the Planning Commission, Parklands Committee and Traffic Safety Committee
- Processed Special Event Applications and Film Permits
- Initiated and maintained social media platforms
- Established the Technology Task Force, Technology Advisory Committee, Investment Policy Advisory Committee, Finance Advisory Committee, and Law Enforcement Services Special Tax Oversight Committee

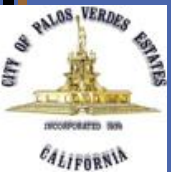


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# ADMINISTRATION DEPARTMENT – CITY CLERK’S OFFICE

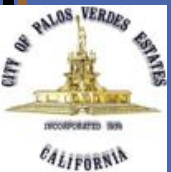
## ACCOMPLISHMENTS FY2017-18

- April 10, 2018 Special Municipal Election – the City Clerk's Office successfully implemented a stand-alone election in full compliance with the provisions of the Elections Code.
- Records Management - This enables the City Clerk’s Office to apply efficient and cost-effective methods for utilization, maintenance, retention, preservation and destruction of records retained by the City.
- Conflict of Interest Code – Facilitated the review and update the City’s Conflict of Interest Code to reflect all officers, employees, Commission/Committee members or consultants for appropriate disclosure of economic interests in accordance with Government Code.
- On-going Operations - Maintained on-going department functions including agenda preparation, City Council Action Minutes, legal noticing, responses to Public Records Act requests, contract management, website updates, codified and posted Municipal Code updates, and coordination of annual financial disclosure filings of public officials.



# STAFF POSITIONS

City Manager's Office	2017/18	2018/19	2019/20
City Manager	1.000	1.000	1.000
Asst. to the City Manager	0.000	1.000	1.000
City Clerk/ Exec Asst. to CM	0.500	0.500	0.500
Administrative Analyst	2.000	1.000	1.000
City Clerk's Office	2017/18	2018/19	2019/20
City Clerk/ Exec Asst. to CM	0.500	0.500	0.500
Office Specialist	0.560	0.000	0.000
Receptionist	0.563	0.000	0.000
Senior Receptionist	0.563	0.563	0.563
	<b>2.186</b>	<b>1.063</b>	<b>1.063</b>



# ADMINISTRATION DEPARTMENT

Cost Category	ACTUAL	BUDGET	PROJECTED	PROPOSED	PLANNED
	2016/17	2017/18	2017/18	2018/19	2019/20
SALARIES	540,726	581,149	491,279	494,056	494,056
BENEFITS	166,537	183,776	205,991	182,705	210,826
SUPPLIES AND SERVICES (01)	694,403	569,428	566,480	694,417	481,719
SUPPLIES AND SERVICES (26)	6,016	5,310	-	6,740	6,740
<b>TOTAL SUPPLIES AND SERVICES</b>	<b>700,419</b>	<b>574,738</b>	<b>566,480</b>	<b>701,157</b>	<b>488,459</b>
ALLOCATIONS	57,489	71,438	71,438	66,113	78,337
CAPITAL OUTLAY	1,546	10,949	15,152	2,625	2,750
<b>TOTAL</b>	<b>1,466,717</b>	<b>1,422,049</b>	<b>1,350,339</b>	<b>1,446,657</b>	<b>1,274,428</b>

Fiscal Year 2018-19 includes an increase of \$96,657 primarily due to Labor Relations (counsel) for contract negotiations with employee labor organizations and personnel matters, tuition reimbursement and training for professional development, and membership in the South Bay Cities Council of Governments (COG). Fiscal year 2019-20 projects a planned decrease primarily due to a reduction in Labor Relations (counsel) associated with contract negotiations, and election expenses.





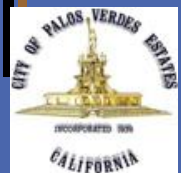
# ADMINISTRATION GOALS 2018-20

## CITY MANAGER'S OFFICE

- Increase and expand citywide, community communications
- Implement infrastructure improvements including traffic flow enhancements in the vicinity of City Hall and Lunada Bay Plaza improvements
- Professional Development and Skills Training
- Labor Negotiations & Employee Relations
- Enhanced Connectivity with Community through social media outlets
- Utilize Davenport Institute to increase Civic engagement/participation and develop engagement manual
- Technology Enhancements
- Inter-governmental Relations with Other Agencies
- Inventory and depreciation schedule of fixed assets and equipment

## CITY CLERK'S OFFICE

- Municipal Election - Conduct the March 2019 General Municipal Election.
- Records Management – Fully implement the public-facing portal of Questys to make all digital records of the City available and searchable through the City's website, allowing for more transparency and accessibility to residents, and in turn reducing the number of Public Records Act requests to the City Clerk's Office. Continue to digitalize future and historical City records to be uploaded into the Questys database.
- City Website – Participate and play an integral role in the update of the City's website to enhance the City's online presence to the public. Implement strategies to enhance website readership and subscriptions for e-notification. Facilitate web posting of all digitally recorded video of City Committee meetings, Action Minutes for all Commissions and Committees, financial reports etc. Fully implements the Questys outward-facing portal to allow
- Public Records Act requests - Continue to efficiently and successfully fill all incoming Public Records Act requests for the City.



# *City of Palos Verdes Estates*

## FINANCE DEPARTMENT



# FINANCE DEPARTMENT ACCOMPLISHMENTS FY2017-18

- Meeting fiscal deadlines with staffing shortage/changes.
- Completed Fiscal Year 2017-2018 mid-year budget status
- Completed Fiscal Year 2017-2018 year-end annual projection.
- Fiscal Year 2018-2020 budget underway.
- Completed Fiscal Year 2016-2017 CAFR.
- Initiated Fiscal Year 2017-2018 Annual Audit process.
- Started Implementation of OpenGov reporting.
- Banking Enhancements.



# FINANCE POSITIONS

For maintaining current operations (no additional work), staff level of 4 is necessary (Matrix Study).

2 Financial Services Technicians

1 Senior Accountant

.5 Budget Analyst - part-time (approved decision package)

1 Finance Director – currently filled with Acting Director



# FINANCE DEPARTMENT BUDGET COMPARISON FY 2017-20

Item	FY 17-18 Budgeted	FY 17-18 Projected	FY 18-19 Proposed	FY 18-19 Difference	FY 19-20 Proposed	FY 19-20 Difference
Salaries	\$301,620	\$277,238	\$348,448	\$71,210	\$308,047	\$(40,401)
Benefits	\$83,555	\$70,654	\$100,320	\$29,666	\$123,579	\$23,258
Supplies and Services	\$298,341	\$436,310	\$336,585	\$(99,724)	\$256,430	\$(80,156)
Allocations	\$11,976	\$11,976	\$11,084	\$(892)	\$13,133	\$2,049
Capital Outlay	\$4,000	\$0	\$0	\$0	\$0	\$0
<b>Total Budget</b>	<b>\$699,493</b>	<b>\$796,178</b>	<b>\$796,437</b>	<b>\$260</b>	<b>\$701,188</b>	<b>\$ (95,249)</b>

- Salaries – FY18-19 - fully staffed department. FY 2019-20 decrease - eliminated salaried temporary staff and budget analyst only budgeted for FY18-19.
- Benefits – Increases in CalPER’s pension rate, Unfunded Accrued Liability and medical coverage.
- Supplies and Services –
  - Professional Services – reduction of temporary staff.
  - Contractual Services – offset by increases in HdI Business License Fee and new IT related charges.

# FINANCE DEPARTMENT GOALS 2018-20

- Complete the Bi-Annual FY18-19 and FY19-20 budget.
- Complete a clean fiscal audit in a timely basis and file all state regulatory reports
- Develop a comprehensive monthly/quarterly financial reporting package and cash flow reporting to meet the goals of the departments, City Manager, City Council and Financial Advisory Committee and manage financial resources more effectively.
- Support planning/accounting for upcoming capital improvements and funding strategies.
- Upgrade existing financial systems to accepted industry standards and upgrade current software to meet server specifications.
- Prepare an Inventory of Assets and Depreciation Schedule.
- Review Tree Bank revenues.
- Implement CAFR / External Auditor recommendations
- Complete implementation of OpenGov reporting.
- Streamline SmartGov development fee revenue accounting in financial system and continue to review other finance related areas to increase efficiency.
- Review and enhance performance measures for the department.
- Support City Management through FY18/19 labor negotiations.
- Facilitate review of Reserve Policy.

# CAPITAL IMPROVEMENTS

CAPITAL PROJECT	17-18 PROJECTED	18-19 PROPOSED	19-20 PLANNED
TRAFFIC CALMING	13,945	27,500	28,750
SLURRY SEAL	580	242,800	240,000
REPAIRS STORM	2,812	400,000	50,000
CATCH BASIN REPLACEMENT	-	375,000	-
CROSS GUTTER	-	35,000	35,000
MS4: FULL CAPTURE SM BAY	51,145	210,000	-
STREET CONST. & MAINT.	-	364,000	360,000
PINALE LANE EMERGENCT RP	70,889	-	-
CITY HALL SAFETY PROJECT	-	110,000	-
CITY HALL ADA IMPROVEMEN	-	188,000	-
ON-CALL ROADWAY MAINT/REPAIR	139,525	412,580	180,000
PAVEMENT MGMT SYSTEM	60,000	-	-
LIGHT CRS WLK PVDW VIA C	1,200	-	-
ADA UPGRADES CITYWIDE	-	302,500	105,000
EOC CONVERSION	-	47,000	-
SERVER RM UPGRADE/RELOCATION	-	150,000	-
ADA UPGRADES FOR CITY HALL & POLICE STATION ENTRANCE	-	200,000	-
CTY STM DRN #3 REPAIR	-	300,000	-
TREE MGMT PLAN	-	50,000	-
PVDW TRIANGLE STUDY	2,700	100,000	-
FARNHAM MARTIN PK FNTN UPGRADE	-	23,500	-
ROSSLER FOUNTAIN UPGRADE	-	1,500	-
LNDA BY PLZA ENHANCEMENT	-	150,000	-
TREE INVENTORY	-	50,000	-
AUTOMOBILE LICENSE PLATE READER	19,787	-	-
CURB & GUTTERS	25,377	126,523	75,000
GUARDRAIL PROJECT	15,000	253,000	-
REFLECT ROAD REG SIGNS	-	100,000	-
<b>CAPITAL IMPROVEMENTS BEFORE TRANSFERS</b>	<b>402,960</b>	<b>4,218,903</b>	<b>1,073,750</b>
CIP - NET OPERATING TRANSFERS **	1,029,246	(719,268)	-
<b>CAPITAL IMPROVEMENTS AFTER TRANSFERS</b>	<b>1,432,206</b>	<b>3,499,635</b>	<b>1,073,750</b>
PARKLANDS PROJECTS	-	70,000	-
NET OPERATING TRANSFERS ***	50,000	(70,000)	-
<b>PARKLANDS</b>	<b>50,000</b>	<b>-</b>	<b>-</b>
SEWER REPAIR	9,727	-	-
VIA CORONEL/ZURITA UPGRA	26,130	325,000	-
SEWER COND ASSESSMENT	6,502	100,000	-
<b>SEWER</b>	<b>42,359</b>	<b>425,000</b>	<b>-</b>

# EQUIPMENT REPLACEMENT

EQUIPMENT REPLACEMENT FUND		PROJECTED FY 17-18	PROPOSED FY18-19	PLANNED FY19-20
Financial Software Upgrade	Finance		13,110	
HdL Sales Business License report & audit	Finance	22,408		
Regular Workstation	Technology		2,100	21,750
Dispatch Workstation (1)	Technology		2,000	
Regular Laptop (3)	Technology		3,000	
Advanced Laptop (2)	Technology		4,000	
Monitors (5)	Technology		1,000	
Professional Services	Technology		2,700	9,600
Add'l 4GB RAM for workstations (30)	Technology		1,050	
Hyper-V Server - Hardware	Technology		13,000	
Hyper-V Server - Software	Technology		8,000	
Hyper-V Server - Professional Services	Technology		15,000	
City Hall Phone System Upgrade	Technology	153,695		
City Hall Needs Assessment	City Hall		75,000	
Vehicle Replacement Patrol Cars	Police	5,488	83,000	128,000
<b>TOTAL</b>		<b>181,591</b>	<b>222,960</b>	<b>159,350</b>

Equipment Replacement Allocation has been suspended for FY 18-19 & FY 19-20



6/12/18

*Preliminary Budget - subject to change*



# OVERVIEW OF ALL FUNDS

## HIGHLIGHTS

- 100% of Law Enforcement Fund balance is transferred to the General Fund to cover Police Department Expenditures.
- \$5 million in Capital Projects budgeted for FY18-19 and \$1.4 million budgeted in FY19-20.
- Increase in Governmental fund balances banked for future restricted uses.
- Suspended Equipment Replacement Allocation.
- Administrative directive to use restricted Special Revenue Funds before General Funds prior to expiration date.

Funds	Projected Fund Balance June 30, 2018	Proposed Fund Balance June 30, 2019	Planned Fund Balance June 30, 2020
Fiscal Policy Reserve	7,200,000	9,073,653	9,227,294
Undesignated	2,596,091	1,579,725	2,797,911
<b>Total General Fund</b>	<b>9,796,091</b>	<b>10,653,377</b>	<b>12,025,205</b>
Special Projects	961,688	994,688	1,023,688
Fire Parcel Tax	122,552	-	-
Law Enforcement Fund	-	-	-
Transit Proposition A	38,737	69,867	90,268
<b>Total Special Revenue Funds</b>	<b>1,122,977</b>	<b>1,064,555</b>	<b>1,113,956</b>
Capital Improvement Fund	5,060,913	1,609,278	587,528
Sewer Capital Projects Fund	3,687,835	2,925,645	2,590,328
<b>Total Capital Projects Funds</b>	<b>8,748,748</b>	<b>4,534,924</b>	<b>3,177,857</b>
Other Governmental Funds *	2,018,697	2,763,508	3,689,852
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>21,686,513</b>	<b>19,016,364</b>	<b>20,006,870</b>
Equipment Replacement	2,382,091	2,180,131	2,042,781
Insurance	1,051,064	1,056,064	1,060,064
<b>Total Internal Service Funds (ISF)</b>	<b>3,433,155</b>	<b>3,236,195</b>	<b>3,102,845</b>
<b>TOTAL GOVERNMENTAL INCL ISF</b>	<b>25,119,669</b>	<b>22,252,559</b>	<b>23,109,715</b>

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



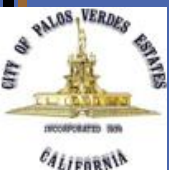
6/12/18

Preliminary Budget - subject to change

# CITY OF PALOS VERDES ESTATES FISCAL YEAR 2018-2020 BUDGET

## Next Steps:

- CIP review for consistency with General Plan (Planning Commission)  
– June 19, 2018
- Final Budget Approval – June 26, 2018



# CITY OF PALOS VERDES ESTATES FISCAL YEAR 2018-2020 DRAFT BUDGET

*Questions?*

