

CITY OF MANHATTAN BEACH



ADOPTED
OPERATING BUDGET
FISCAL YEARS
2016/17 AND 2017/18



**CITY OF
MANHATTAN BEACH
CALIFORNIA**



ADOPTED

**OPERATING BUDGET
FISCAL YEARS
2016/17 AND 2017/18**



Mayor
Tony D'Errico



Mayor Pro Tem
David J. Lesser



Councilmember
Mark Burton



Elected Officials



Councilmember
Amy Thomas Howorth



Councilmember
Wayne Powell



City Treasurer
Tim Lilligren

Elected Officials & Executive Staff

Elected Officials

Term Ends

<i>Mayor</i>	<i>Tony D'Errico</i>	<i>March 2017</i>
<i>Mayor Pro-Tem</i>	<i>David J. Lesser</i>	<i>March 2019</i>
<i>City Council Members</i>	<i>Mark Burton</i>	<i>March 2017</i>
	<i>Amy Thomas Howorth</i>	<i>March 2019</i>
	<i>Wayne Powell</i>	<i>March 2017</i>
<i>City Treasurer</i>	<i>Tim Lilligren</i>	<i>March 2017</i>

Executive Staff

<i>City Manager</i>	<i>Mark Danaj</i>
<i>Assistant City Manager</i>	<i>Nadine Nader</i>
<i>City Clerk</i>	<i>Liza Tamura</i>
<i>City Attorney</i>	<i>Quinn M. Barrow</i>
<i>Finance Director</i>	<i>Bruce Moe</i>
<i>Human Resources Director</i>	<i>Teresia Zadroga-Haase</i>
<i>Parks & Recreation Director</i>	<i>Mark Leyman</i>
<i>Police Chief</i>	<i>Eve R. Irvine</i>
<i>Fire Chief</i>	<i>Robert Espinosa</i>
<i>Community Development Director</i>	<i>Marisa Lundstedt</i>
<i>Public Works Director</i>	<i>Vacant</i>
<i>Information Technology Director</i>	<i>Sanford Taylor</i>

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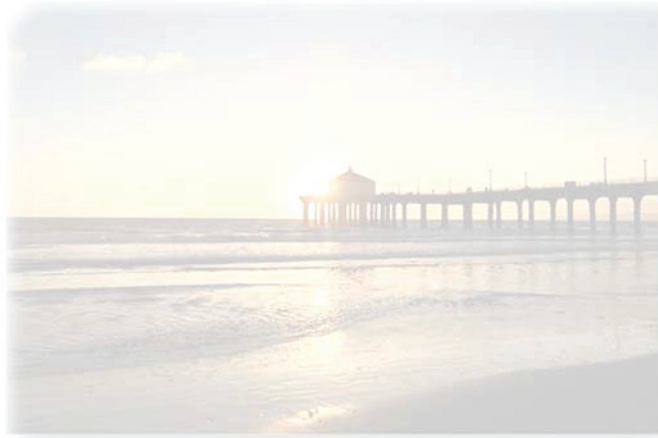
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Introduction





CITY MANAGER'S BUDGET MESSAGE

Mayor D'Errico and Members of the City Council:

As a result of prudent policy decisions, support from City Employees, input from the community, and a recovering economy, the City of Manhattan Beach is well positioned to continue to offer exemplary service to its residents and plan strategically for its future investment needs. As I complete my second year as your City Manager, I am reminded of all we have accomplished together, and as a result, I am very excited to present the adopted operating budget for your consideration.

A budget is more than a spending plan. It is a statement of priorities; a roadmap for the coming year and beyond; a melding of ideas, thoughts, perspectives, and opinions, balanced against fiscal realities and constraints. This budget reflects the collaboration between the community, the Council and staff members.

The following budget proposal is an outcome of community and Council engagement. The changes in this budget are directly correlated to what we heard during our community engagement efforts as well as a result of Council's policy actions leading to this adopted budget. To that end, in developing this plan, we continued last year's new and innovative methods for gathering the information. Ultimately, our goal was to provide the Council with the tools you need to develop your spending plan, and aid in your decision making.

The details of the spending plan are discussed later in the budget message, but I am pleased to tell you that we have developed a conservative spending plan that provides for many of the City Council and community priorities and the newly initiated programs, while leaving sufficient unallocated funds for City Council to further program as you complete the development of the budget.

Two Year Budget

One major change in this spending plan is that this is a two-year budget. The purpose of the two year budget is to encourage longer range planning and link the spending plan to that vision of the Strategic Plan, which prioritizes the City's goals for the coming years. The multi-year budget is also linked to other planning efforts such as community surveys. The advantages include a greater emphasis on management, service delivery, program evaluation and monitoring. It also improves long-term planning, reallocation of human resources to more value-added activities other than budget preparation, and reduction in staff time spent on budget development in the second budget year. Cities with relatively stable operating service levels (meaning minor changes in service allocations from year to year), like Manhattan Beach, are best suited for the reflective planning that comes with a two-year cycle.

Under the two year budget, the first year of the biennial budget (2016-2017) is adopted and the second year (2017-2018) is approved as a spending plan but not adopted - that occurs before the beginning of the second year. At the end of the first year, we will perform an abbreviated review process for any critical changes to the second year spending plan and then formally adopt the second year spending plan.

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One of the greatest benefits to the two-year budget involves the City's Capital Improvement Plan (CIP). Under the one year budget process, the development and approval of the CIP happens concurrently with the budget. Review of the CIP generally occurs at a Budget Study Session as a subset of the operating budget. This does not provide adequate time for a thorough review of one the City's major spending components - capital projects.

Under the two year budget, the first year centers on the operating budget with less emphasis on the CIP. The second year more closely focuses on CIP. Given recent policy conversations around a few significant possible projects (e.g., fire station #2, a community pool, and additional parking/replacement of City Hall) and the numerous water service improvements coming in the near future, an opportunity to more exclusively focus on the CIP during "off-budget" years will prove particularly helpful. And since we have many years of other infrastructure needs before us, a "deep dive" every other year on the CIP elements will serve us well for many budget cycles to come.

Budget Process and Civic Engagement Efforts

Last Fiscal Year, we embarked on a new approach to budgeting. It began with the City Council adopting new, expanded Budget Policies. These principles addressed fiscal integrity, revenues, reporting, civic engagement, capital budgeting and other standards, which when applied, provided guidance in the creation and execution of the spending plan (the policies are presented in the Appendix of this document). We continued to build upon those policies through Council adoption of Budget goals for this year, which include:

- Enhancing available crime prevention tools
- Acquiring, implementing and improving technologies utilized to deliver outstanding services
- Planning for major capital improvements and infrastructure and the resources necessary to complete those projects
- Providing the workforce with the appropriate tools to execute services
- Addressing the six pillars of success in the City Council's Strategic Plan when considering any and all expenditures
- Utilize performance measurements to communicate goals, results and values

Last year, the City held our first-ever Community Budget Priorities Meeting. The workshop provided an opportunity for the community to share opinions about the City budget priorities early in the development of the plan. This year, we continued that effort, but expanded it to include a separate meeting with the Older Adults group. These gatherings brought together over 65 participants to discuss City services and priorities for spending City resources.

In addition to the workshops, a Community Budget Priorities Survey was posted to Open City Hall on the City's website. Thirty-four people "attended" the survey information. Open City Hall provides residents the opportunity to weigh in on a number of topics, while ensuring that the polling is fair and not skewed through multiple comments from the same user. The City can

CITY MANAGER'S BUDGET MESSAGE

initiate a public forum on a topic, include background information, maps, charts, data and photos, to which residents can then comment while also viewing other participants' thoughts and suggestions. Information gathered may then assist the City Council in decision making with more complete information, which can even be stratified by the geo location of feedback. The budget@citymb.info email option has also been useful and will remain active throughout the budget process this year for the community to communicate with Council and the staff.

In February 2015, the City conducted a statistically valid resident satisfaction survey, which provided valuable feedback and information on what the City does well, and where improvement may be needed. This type of feedback is so important to gaining an accurate and full perspective of what all of our residents need and want from their local government. Key findings included:

- Manhattan Beach residents have a very positive opinion of Manhattan Beach as a place to live
- Residents give their local government high marks for providing services as well as for being open, accessible and accountable
- Despite low intensity of concern about any issue, crime is the most salient and prominent issue among residents. In fact, nearly half of the respondents think crime has increased
- Residents expressed concern about parking, with the availability of parking Downtown topping the list of serious concerns, and seven in ten feeling there is a great need or some need for more parking Downtown
- Public Safety, Infrastructure and Environmental Programs top the list when asked to choose the most important priority to improve
- A high percentage of residents rated repairing and improving the City's storm drain system to prevent flooding and beach/ocean pollution as a medium or high priority

Gathering of this important information is not limited to the duration of the budget creation. One of the major goals when the City Council hired me was to implement technology in an intelligent yet aggressive manner, using tools that will benefit our tech-savvy community. Expanded use of social media, on-line City Hall applications and improving the City's website are all goals for improving our digital presence. We have increased our social media presence in an impressive manner:

- Facebook – Since April 2014 to present, the City's Facebook page went from 317 likes to 918 likes
- Twitter - Since September 2014 to present, the City's Twitter account went from 0 followers and 4,407 impressions to 1,369 followers and 14,400 impressions
- Nixle – Since 2014, Nixle subscribers are up to 8,000+
- Open City Hall - Since the implementation of the Open City Hall platform in May 2015, the City has amassed 293 participants and 490 subscribers to date.

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This spending plan continues to address the survey issues as well as promoting technology throughout the organization.

Strategic Plan

Among the tools utilized in creating the adopted budget was the City Council's Strategic Plan. The Strategic Plan is designed to guide decision-making at all levels of the organization and allows the City to focus on core functions and ensure that every department is working together towards common goals. During budget planning season, the Strategic Plan allows the City Council to set budget priorities in line with the overall vision of the City and provides a common language of goals and objectives for all departments.

Adopted in January 2016, the Plan established a new mission statement and six Pillars of Success:

Mission Statement: The City of Manhattan Beach is recognized for providing exemplary municipal services and contributing to the exceptional quality of life afforded to residents, business and visitors who enjoy living in and visiting California's safest Beach community.

Pillars of Success:



Strong Governance that Values Meaningful Resident Engagement



Excellent Municipal Services Provided by an Aligned and Committed Workforce



Financial Sustainability



Environmental Stewardship



Effective Physical Asset Management - Infrastructure, Facilities, Amenities



Economic Vitality

Each of these pillars includes associated Governance Activities that offer more details on how the Pillars themselves can be incorporated into the City of Manhattan Beach on a day-to-day and long-term basis. For more information, please see the Strategic Plan and Performance Measures tab in this document, or visit the City's website at www.citymb.info.

CITY MANAGER'S BUDGET MESSAGE

Service Delivery Investments

As a city, we rely upon our employees to provide exemplary municipal services. And just as any other business adjusts staffing to meet demands, we too must constantly evaluate and adapt to our customers' needs, as well provide adequate support staffing to fulfill our mission. As a result, several enhancements have been included in the two-year budget. Each of these satisfies a critical need in the community and organization. In addition, many of these are directly related to policy priorities and/or direction provided by the City Council.

The list includes additional human resources as well as equipment and contract services. By way of position changes, it is important to note that these result in a net subtraction of (1.9) full time employees in FY 2016-2017 when considering the corresponding reductions in part time hours.

This budget directly addresses a number of the City Council's and the Communities priorities, including:

Public Safety

Community Cameras

The presence of community cameras in public areas has been a growing trend in the United States. Video cameras alone can generate an overwhelming amount of evidence for investigators to review; however, a combination of cameras and automated license plate reader (LPR) technology has proven to be an efficient way for law enforcement to generate investigative leads and locate suspects. Fixed LPRs scan the license plates of vehicles coming into our community. The plate information is then automatically checked against a database for existing unresolved violations, wants/warrants, etc. LPRs also allow law enforcement to search for the license plates of suspicious vehicles (based on descriptions) in certain intersections at specified time frames. High definition video cameras directed at the roadways can help to identify additional characteristics of a suspect vehicle, such as make, model, color, and identifying features, as well as a physical description of the occupants.

Utilizing video and LPR data is a tool in the investigative toolbox that can potentially expedite the identification and apprehension of criminals, helping to preserve and enhance safety in the City. To maximize the effectiveness of the cameras and/or LPRs as a crime deterrent and crime prevention tool, the Police Department will coordinate a public awareness campaign, including press releases, social media postings, and Nixle messages.

The cost to lease/purchase these cameras/license plate readers is included in the FY 2016-2017 budget.

Police Department Staffing

An enhancement to our public safety efforts is an upgrade of a clerical position in our Neighborhood Watch program. Programs such as Neighborhood Watch extend our crime-fighting efforts and are invaluable. As we make every effort to "paint the town orange" through expansion of the program to each and every street and neighborhood in the City, the support

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for the Neighborhood Watch program needs to be enhanced. As a result, we have converted part time hours to full time with minimal cost.

The Park Ranger position is transferring from the Parks and Recreation Department to the Police Department. The nature of this position is more closely aligned with enforcement activities and the synergies of working within the safety department.

Police and Fire Department Radio Interoperability

Funds have been provided for in FY 2017-2018 to lease/purchase new radios for both Police and Fire departments to take advantage of the new communications interoperability platform being implemented at the South Bay Regional Public Communications Authority (SBRPCA) dispatch center. One of the greatest challenges the public safety sector has is communications between varying radio and wireless networks. Today, first responders converging on major emergency incidents or crossing jurisdictional boundaries lack the communication tools to coordinate response and intelligence gathering efforts.

Manhattan Beach's Police and Fire communications are provided through SBRPCA (also known as RCC). This system provides interoperability among the five agencies utilizing the RCC system (El Segundo and Hermosa Beach are subscribers to the RCC systems), as well as other Area "G" South Bay cities. However, once those Area "G" agencies travel outside the South Bay, communications back to home base are not possible. This is particularly problematic when participating in a multi-agency incident regardless of the location.

Locally, the Interagency Communications Interoperability System (ICIS) was formed in order to develop a regional communications platform for agencies in the Los Angeles region. In order for the RCC and its member agencies to take advantage of the ICIS radio system and its interoperability, the RCC-based systems must be upgraded to be compatible with the ICIS systems, and each city must also upgrade their individual handheld and portable radios to be ICIS compatible. RCC secured grant funding to complete the infrastructure upgrade, but each member agency is responsible for upgrading radio equipment. This requires the replacement of all in-car and portable radios to Motorola ICIS compatible radios. Fully functional, interoperable communications will provide RCC's member agencies with the ability to communicate with other public agencies across the region in the Los Angeles County area and will enhance safety. This is especially important for small communities such as Manhattan Beach, which will rely on external resources from other public agencies in the event of a large-scale disaster.

These new radios carry a cost of nearly \$1 million. While grants are being actively pursued at the RCC level to lower or defer these expenses for all its members, including Manhattan Beach, it is not a certainty and thus it is prudent for us to prepare for the more costly outcome of budgeting for the implementation of this enhanced emergency communications equipment. As a result, we have included the costs to lease/purchase the radios.

EMS Director

The Manhattan Beach Fire Department (MBFD) provides emergency medical response and transportation services. All MBFD full-time line personnel are state-licensed Paramedics. Los Angeles County Department of Health Services (DHS) requires all fire departments that

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provide medical services, as we do, to have a Medical Director. Until now, we have used DHS's Medical Director. However, we have been advised that DHS will not provide that service after July 1, 2016. A contracted Medical Director for our EMS programs is necessary, and has been included in this budget.

A Medical Director will provide medical expertise to enhance the emergency medical services (EMS) provided by department personnel. Examples of these enhancements include reviewing and approving components of a tiered medical dispatch screening program, overseeing a controlled drug replacement program and participating in our current quality assurance program. The Medical Director will participate in field observation of EMS responses, provide enhanced EMS training, assist with evaluation of medical questionnaires completed annually, and assist with representation of participating agencies at local and state EMS organizations. The cost of this service is \$30,000 per year. However, the Fire Department is working with our regional partners to explore the possibility of joint Medical Director service provided through South Bay Regional Public Communications Authority. This opportunity could provide the same level of enhanced service to the MBFD while reducing the overall cost.

Finally, while no new funding is included in this budget for this purpose, the Fire Department is reviewing its inspection and permitting programs to ensure compliance with state mandates. Once the review has been completed later in FY 2016-2017, we will return with any additional costs as well as new revenues that may be achieved from program modifications.

Customer Service Excellence

Customer Service Training

Continuing with our goal of maintaining and enhancing our employees' skills, additional training and development funds have been allocated in this budget. Customer service training directly aligns with the City Council's strategic Pillar of Success for providing excellent municipal services by an aligned and committed workforce, and will improve service levels and increase customer satisfaction. It will also increase pride in the workforce (employee engagement) and improve retention. Additional training is also being provided to management for effective use of performance evaluations and other management tools.

Technology Investments

As previously discussed, one of City Council's major goals when I was hired was to implement technology in an intelligent yet aggressive manner. We have already built the foundation to meet that goal by creating a stand-alone Information Technology department, and hiring our first-ever Director for that department. We have expanded our use of social media, and are pushing ahead with community-based technology projects such as community cameras and Wi-Fi in the parks. We are also exploring future service possibilities by conducting a fiber master plan which could serve as the infrastructure for many more technologies that benefit the community. The following investments are included in this spending plan.

Enterprise Resource Planning (ERP)

Technology continues to be a focus for us as we look for efficiencies and customer service enhancements. One of the City's main mission critical technology applications is the

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Financial/Human Resources system. Accounting, utility billing, procurement, animal and business licensing, payroll, employee records, accounts payable and receivable, budget preparation, etc. are all maintained in one centralized application. The City has utilized and maintained that same system since 1996, performing upgrades as required and/or beneficial. But technologies evolve, and while the provider continues to support our current platform, it appears that they will not be investing in the current system in the long term. As a result, a new ERP system needs to be planned for proactively.

In anticipation of this future need, we are contracting with a technology professional services firm to assist with the evaluation of the existing system and the potential solutions available. That review will take place beginning in late FY 2015-2016 and will include a thorough analysis and review of providers and products. The goal is to procure a new system that will expand our information capabilities and meet our technology needs for many years to come. The cost of that new system has been budgeted in FY 2017-2018 for \$750,000 as a lease/purchase with debt service of \$118,000 per year for seven years.

On a final ERP note, these systems are often designed to integrate with other modules by the same provider, or with other systems utilized as the standard for a particular industry (such as Accela for permitting). Another major benefit is automating expensive, labor intensive paper processes with automated work flow, allowing for employee time to be devoted to more value-added service. The goal of any new ERP system we select will be to leverage our investment, not only in the new system, but in other technologies to enhance customer service and improve efficiencies.

Other Proposed Investments

Older Adults Program

As we know, the City's older adult population continues to grow, and with it, demand for our highly successful older adults programs. This extra emphasis leads me to recommend an Older Adults Coordinator. This position will coordinate, implement and evaluate programs and activities, be responsible for the monthly newsletter, program flyers and advertisements, event and activity planning and implementation, and coordination of older adult volunteers. It will also facilitate customer service, including information and referral for social services as appropriate. This position is offset by a reduction in part time hours of a part-time Senior Recreation Leader. The number of programs offered, along with attendance numbers are continually growing. A consistent Recreation Coordinator adds continuity of staffing, scheduling, and dissemination of information to Older Adults.

Metlox Improvements

The Metlox Plaza celebrated ten years of operation in 2015. By all accounts, it has been a very successful addition to the Downtown, and is a wonderful community gathering place year 'round. But like any successful venue, occasional updates are needed. As a result, we are including a number of items in the two-year budget. These include resurfacing the fountain with Terrazzo tile which will significantly enhance the appearance and facilitate maintenance, and opening the Kiln and adding additional seating, which will invite more patrons to sit around the Kiln and enjoy the fire, and will tie the north side of the Plaza to the center of Plaza. Other enhancements include plaza furniture replacement, painting, and replacing the trellis over the

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escalator to the parking facility. While not required, the Tolkin Group has agreed to share in the costs for some of the improvements, including the kiln upgrade and furniture replacement.

Management Services Analyst

The City Manager's Office will establish a Management Analyst position that builds on the previously created Management Fellow position and supports the efforts and objectives of this office and the division as a whole. This evolved position will act in coordination with the office of the City Clerk and the City Attorney to support the team in executing the services of this department. It will offer additional administrative and research assistance to achieve City Council goals and objectives, as well as support in public policy considerations and community engagement activities. This role will also support online civic engagement efforts and assist in the creation of new opportunities for interaction between the public and the City. The position will help facilitate local and regional media relations, as well as internal communications. It will provide analytical and logistical support for special projects or initiatives.

Economic Outlook

The City continues to see overall economic stability and expansion. Most major revenues are advancing along with the overall economy. The housing market is healthy and along with it the City's Property Tax revenue. Building activity is robust, and tourism and travel are strong.

Sales Tax continues to be a challenge but is showing signs of stability. Retail sales activity has been flat or declining the last two years. Rapid growth in online sales continues to siphon sales tax revenues. More recently, the City lost a significant sales tax producer, DeWitt Petroleum, which was sold and relocated outside of Manhattan Beach in April 2015. This resulted in a loss of approximately \$350,000 per year. This was offset through an increase in parking citation fines in July 2015.

The City is a service organization. We deliver our services through our dedicated employees. Three year labor agreements were struck with all four bargaining units and are effective until the middle of fiscal year 2018-2019. This provides predictability and some stability in one of the City's biggest cost centers.

Speaking of labor, chief among the total compensation issues for the City are retirement system costs. For FY 2016-2017, the City is budgeting \$6.2 million (an increase of \$662,044 from FY 15-16) to provide employees with defined benefit pension plans through the California Public Employees' Retirement System (CalPERS). In the second year (FY 17-18), the budget will increase by \$673,934 to \$6.9 million for these benefits. Together, pension costs are rising \$1.3 million over the next two years.

We have been keenly aware and are closely monitoring our pension costs. In fact, last year we took the unique step of hiring an independent actuary to review our plans and project rates beyond what CalPERS provides. This is a distinctive and progressive action to take as most agencies simply rely on the more dated and short-term analysis regularly provided by CalPERS. Using long-term actuarial analysis allows us to more accurately plan farther on the horizon.

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Recently, we once again consulted with the actuary for an update on projections given recent CalPERS policy changes, and the less-than-adequate investment returns they have achieved the last year and a half. This most recent proactive review indicates that rates will be even higher than those projected last year. This is being caused by two main factors: new risk mitigation policies adopted by CalPERS, and the underperformance of investments. Please note that these new projections have been incorporated into our five year forecast, and while these rates clearly have an impact on our fiscal outlook, we are able to absorb them under our conservative financial projections.

Recently, CalPERS has implemented several major shifts in the structure of the pension plan that will have profound effects on all agencies contracting with CalPERS. For example, new policies call for a gradual lowering of the discount rate (the assumed investment return that CalPERS earns) from the current 7.5% to 6.5% over the next twenty years. This lowered rate reflects a more conservative approach to investments which in turn will reduce risk and future volatility of rates. Additionally, mortality tables reflect the longer life expectancies of CalPERS members (and the need to pay pensions over a longer period), raising overall costs. Unfunded liabilities will also be amortized and paid off more rapidly.

Investment returns in FY 2014-2015 (2.4%) and FY 2015-2016 (projected to be -3.0%) fall well below the current assumed 7.5% rate of return, further exacerbating the funding of pensions. Coupled with the policy changes above, City contributions will be increasing dramatically. The net results of these changes, which are designed to shore-up the CalPERS pension system to ensure viability, come with a price. For Manhattan Beach, our contributions are expected to rise from \$5.1 million in FY 2016-2017 to \$9.0 million by FY 2020-2021, an increase of 77%. Fortunately, our five year forecast indicates the ability to absorb these increases.

It is important to note that while a lot of attention has been given to unfunded pension liabilities, the City's three employee plans with CalPERS (Police, Fire and Miscellaneous Non-Sworn) are currently funded between 80.6% and 84.2% as of the last actuarial report (as of June 30, 2014). Unfunded liabilities currently total approximately \$42.7 million. It is important to note that current and projected contribution rates and costing include a component to pay down those unfunded liabilities. However, these funding levels do not reflect the weak investment performance of the past two fiscal years, or the risk mitigation policies previously described.

To help mitigate these rising pension costs, the creation of a Pension Stabilization Trust Fund was approved by the City Council. This tool, which was first discussed with the City Council during FY 2015-2016 budget study sessions, will provide the City with an option for setting aside funds for pension purposes that present the opportunity to achieve a better rate of return on funds at an acceptable level of risk, diversify our pension investments, and act as a "rainy day" fund to help stabilize variable pension contributions. This is a growing trend among public agencies seeking to mitigate pension cost growth and provide a hedge against rate spikes. Payments into the trust are budgeted within the Salaries & Benefits category in the amount of \$500,000 in each year of the two-year budget as well as included in the following years in the five year forecast period.

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Five Year Forecast

The City of Manhattan Beach is committed to its strong stewardship of the public's taxpayer dollars, including developing a responsive budget that delivers the high quality services our residents expect and deserve. Each year, as the budget is prepared, we project revenues and expenditures for the coming five years (located in the Five Year Forecast tab of the budget document), the proper management of which is essential to maintaining our public safety and quality of life services. We estimate revenue and expenditure growth using trend analyses, consultant support, economic data and known future changes. In the case of one of the City's major expenses, pensions, an independent actuary is retained.

The forecast included in this year's budget shows that the City has been successful in maintaining a fiscally prudent policy of 20% in reserve funds for emergencies and urgent needs. The Economic Uncertainty reserve of \$4 million, which was partially and temporarily used for a one-time expenditure in FY 2015-2016, is scheduled to be fully funded once again in FY 2018-2019.

Our forecast also projects fund balances, including policy reserves and unreserved balances. Fund transfers are indicated for easy identification of fund subsidies, such as the Street Lighting and Landscape Fund and the Storm Water Fund, both of which are being subsidized by the General Fund in FY 2016-2017 in the amounts of \$207,413 and \$745,967 respectively.

As the General Fund is also the source of essential City services such as police and fire, street/pothole repair, building and safety, and parks, it will be a priority to address the pressure on the General Fund by identifying additional sources of funding for Storm Water, and/or our core services. Clearly and unequivocally, immediate and proactive steps must be taken to correct the funding imbalances in these two funds. Unmitigated, these subsidies will eventually cause service level reductions in the most basic of services valued by our public.

Storm Water and Street Lighting subsidies aside, the five year forecast currently shows a balanced budget (the subsidies are irrespective of revenues and expenditures balancing since they are not expenditures per se, and come from fund balance). However, that is not to say that we are fully satisfying our needs. Significant capital improvement projects, such as the replacement of Fire Station #2, recreational facilities, additional parking and upgrades to essential public buildings such as our community centers have no identified funding source. Coupled with the inadequate funding of Storm Water and Street Lighting drawing upon the General Fund - which in the past was the only other funding source for these needs - we are faced with difficult choices in balancing quality of life service needs, deteriorating (or aging) infrastructure and long-term fiscal sustainability – all pillars in the Strategic Plan.

BUDGET OVERVIEW

While in practice we look at the budget on a fund-by-fund basis, the following is a summary of the entire adopted FY 2016-2017 budget as it compares to the prior year adopted budget.

CITY MANAGER'S BUDGET MESSAGE

Fund	Budgeted Revenues			Budgeted Expenditures		
	2015-2016	2016-2017	%-Change	2015-2016	2016-2017	%-Change
General	\$63,652,500	\$67,822,465	6.6%	\$63,565,162	\$67,406,040	6.0%
<u>Special Revenue Funds</u>						
Street Lighting & Landscape	397,180	396,134	(0.3%)	614,829	603,547	(1.8%)
Gas Tax	830,485	784,911	(5.5%)	2,752,541	1,990,000	(27.7%)
Asset Forfeiture & Safety Grants	7,300	58,300	698.6%	215,950	186,920	(13.4%)
Police Safety Grants	101,200	101,400	0.2%	105,000	105,000	0.0%
Proposition A	670,395	680,260	1.5%	859,540	871,193	1.4%
Proposition C	563,514	673,521	19.5%	2,468,399	190,000	(92.3%)
AB 2766	51,712	50,412	(2.5%)	11,100	11,300	1.8%
Measure R	407,740	421,111	3.3%	335,000	1,185,000	253.7%
<u>Capital Project Funds</u>						
Capital Improvement Project	1,599,523	1,568,304	(2.0%)	8,110,434	2,308,538	(71.5%)
Underground Assessments District	1,200	1,800	50.0%	-	-	0.0%
<u>Enterprise Funds</u>						
Water	16,063,977	14,897,000	(7.3%)	13,545,860	14,271,425	5.4%
Stormwater	353,406	354,300	0.3%	1,722,344	1,100,267	(36.1%)
Wastewater	3,543,910	3,358,500	(5.2%)	2,462,565	1,300,567	(47.2%)
Refuse	4,190,074	4,282,562	2.2%	4,267,893	4,141,558	(3.0%)
Parking	2,503,797	2,593,000	3.6%	3,597,542	3,353,910	(6.8%)
County Parking Lots	809,000	798,500	(1.3%)	634,698	611,997	(3.6%)
State Pier & Parking Lot	617,274	609,600	(1.2%)	1,989,051	497,358	(75.0%)
<u>Internal Service Funds</u>						
Insurance Reserve	6,280,680	6,869,640	9.4%	6,244,606	6,555,285	5.0%
Information Systems	2,283,351	2,293,140	0.4%	2,532,368	2,587,668	2.2%
Fleet Management	2,447,895	2,232,420	(8.8%)	1,869,019	2,046,195	9.5%
Building Maintenance & Operations	1,781,814	1,858,135	4.3%	1,799,899	1,849,132	2.7%
<u>Trust & Agency Funds</u>						
Special Assessment Redemption Fund	965,000	965,000	0.0%	950,038	944,261	(0.6%)
Pension Trust	171,900	173,000	0.6%	235,565	233,400	(0.9%)
Budget Totals	\$110,294,827	\$113,843,415	3.2%	\$120,889,403	\$114,350,560	(5.4%)

FY 2015/16 to FY 2016/17 Year-Over-Year Change in Budget

Fund Type	Funds	Revenues	% Change	Expenditures	% Change
General	General	\$4,169,965	6.6%	\$3,840,878	6.0%
Special Revenue	Gas Tax, Prop A, Prop C, Asset Forfeiture, Street Lighting, etc.	136,523	4.5%	(2,219,399)	(30.1%)
Enterprise	Water, Wastewater, Refuse, Parking, etc.	(1,187,976)	(4.2%)	(2,942,872)	(10.4%)
Capital Projects	CIP Fund	(30,619)	(1.9%)	(5,801,896)	(71.5%)
Internal Service	Insurance, Information Systems, Fleet, Building Maintenance	459,595	3.6%	592,389	4.8%
Trust & Agency	Underground Assessment, Pension Trust, UAD Loan	1,100	0.1%	(7,942)	(0.7%)
Total Increase/(Decrease)		\$3,548,588	3.2%	(\$6,538,843)	(5.4%)

CITY MANAGER'S BUDGET MESSAGE

Projections for FY 2017-2018 are as follows:

Fund	Budgeted Revenues			Budgeted Expenditures		
	2016-2017	2017-2018	%-Change	2016-2017	2017-2018	%-Change
General	\$67,822,465	\$69,733,976	2.8%	\$67,406,040	\$69,571,459	3.2%
<u>Special Revenue Funds</u>						
Street Lighting & Landscape	396,134	396,134	0.0%	603,547	619,794	2.7%
Gas Tax	784,911	784,911	0.0%	1,990,000	750,000	(62.3%)
Asset Forfeiture & Safety Grants	58,300	958,300	1,543.7%	186,920	1,284,162	587.0%
Police Safety Grants	101,400	101,400	0.0%	105,000	105,000	0.0%
Proposition A	680,260	680,260	0.0%	871,193	899,903	3.3%
Proposition C	673,521	1,393,521	106.9%	190,000	1,510,000	694.7%
AB 2766	50,412	50,412	0.0%	11,300	11,300	0.0%
Measure R	421,111	421,111	0.0%	1,185,000	175,000	(85.2%)
<u>Capital Project Funds</u>						
Capital Improvement Project	1,568,304	2,126,804	35.6%	2,308,538	2,492,362	8.0%
Underground Assessments District	1,800	1,800	0.0%	-	-	0.0%
<u>Enterprise Funds</u>						
Water	14,897,000	14,994,500	0.7%	14,271,425	21,758,570	52.5%
Stormwater	354,300	2,409,300	580.0%	1,100,267	1,086,718	(1.2%)
Wastewater	3,358,500	3,378,300	0.6%	1,300,567	8,462,328	550.7%
Refuse	4,282,562	4,313,026	0.7%	4,141,558	4,220,332	1.9%
Parking	2,593,000	2,597,000	0.2%	3,353,910	2,652,919	(20.9%)
County Parking Lots	798,500	798,500	0.0%	611,997	619,727	1.3%
State Pier & Parking Lot	609,600	608,600	(0.2%)	497,358	652,859	31.3%
<u>Internal Service Funds</u>						
Insurance Reserve	6,869,640	7,147,960	4.1%	6,555,285	7,052,669	7.6%
Information Systems	2,293,140	2,333,880	1.8%	2,587,668	2,271,147	(12.2%)
Fleet Management	2,232,420	3,433,420	53.8%	2,046,195	3,675,071	79.6%
Building Maintenance & Operations	1,858,135	1,893,969	1.9%	1,849,132	1,900,736	2.8%
<u>Trust & Agency Funds</u>						
Special Assessment Redemption Fund	965,000	965,000	0.0%	944,261	947,439	0.3%
Pension Trust	173,000	182,000	5.2%	233,400	243,900	4.5%
Budget Totals	\$113,843,415	\$121,704,084	6.9%	\$114,350,560	\$132,963,397	16.3%

CITY MANAGER'S BUDGET MESSAGE

Fund Type	Funds	FY 2016/17 to FY 2017/18 Year-Over-Year Change in Budget			
		Revenues	% Change	Expenditures	% Change
General	General	\$1,911,511	2.8%	\$2,165,419	3.2%
Special Revenue	Gas Tax, Prop A, Prop C, Asset Forfeiture, Street Lighting, etc.	1,620,000	51.2%	212,199	4.1%
Enterprise	Water, Wastewater, Refuse, Parking, etc.	2,205,764	8.2%	14,176,374	56.1%
Capital Projects	CIP Fund	558,500	35.6%	183,824	8.0%
Internal Service	Insurance, Information Systems, Fleet, Building Maintenance	1,555,894	11.7%	1,861,343	14.3%
Trust & Agency	Underground Assessment, Pension Trust, UAD Loan	9,000	0.8%	13,678	1.2%
Total Increase/(Decrease)		\$7,860,669	6.9%	\$18,612,837	16.3%

Specific information on each of these funds may be found later in this budget message.

Debt Service

Debt service for FY 2016-2017 approximates \$3.9 million (excluding administration fees) and includes: \$764,338 for the Police/Fire facility; \$257,651 for Water/Wastewater improvements; \$712,363 for the Metlox parking facility; \$506,376 for the financing of the Marine Avenue Sports Fields; and \$936,261 in underground utility bond debt which exists as an assessment pass-through appropriation on the City's books. Debt service also includes \$118,220 for lease payments on a fire pumper and \$79,639 for the lease of a sewer vacuum jet truck. A capital lease was added in FY 2016-17 in anticipation of financing the purchase of the community camera project (\$400,000). Lease payments are estimated at \$86,099 per year. Finally, there is \$450,000 in an operating lease for the County parking lots.

Debt service in FY 2017-2018 approximates \$4.4 million (excluding administration fees) and includes: \$765,162 for the Police/Fire facility; \$256,101 for Water/Wastewater improvements; \$716,213 for the Metlox parking facility; \$506,156 for the financing of the Marine Avenue Sports Fields; and \$939,439 in underground utility bond debt which exists as an assessment pass-through appropriation on the City's books. Debt service also includes \$118,220 for lease payments on a fire pumper, \$79,640 for the lease of a sewer vacuum jet truck, and \$86,099 for the community camera equipment. Capital leases added in FY 2017-18 include the Enterprise Resource Planning system (\$118,122) and Replacement Motorola Radios (\$210,942) for the Police and Fire departments. Finally, there is \$450,000 in an operating lease for the County parking lots.

An executive summary schedule of revenues, expenditures, reserves and changes in fund balances is presented in the Summaries section of this budget.

CITY MANAGER'S BUDGET MESSAGE

FUND SUMMARIES

General Fund

At year-end, current estimates for FY 2015-2016 indicate that expenditures will exceed revenues in the General Fund by \$1.6 million due to a one-time outlay of funds.

The unreserved (available) General Fund balance on June 30, 2016 is projected to be \$3.1 million after accounting for financial policy designations. However, the FY 2016-2017 budget includes transfers of \$207,413 to the Street Lighting and Landscape Fund and \$745,967 to the Storm Water Fund to relieve deficits. Additionally, at the end of FY 2016-2017, the financial policy designation, which is based on 20% of General Fund expenditures, equals \$13,481,208, an increase of \$768,176 due to the increase in General Fund expenditures from the prior year. The Economic Uncertainty reserve was reduced to \$1.8 million when funds were utilized for a temporary, short-term loan. The Economic Uncertainty reserve will be replenished as the loan is repaid, and is expected to have a balance of \$1.9 million by June 30, 2017.

FY 2016-2017 General Fund revenues total \$67,822,465. Expenditures total \$67,406,040, resulting in an operating budget surplus of \$416,425. As a result of the transfers and policy reserves, the unreserved General Fund balance is projected to total \$2.0 million on June 30, 2017. These moneys provide an opportunity to further fund capital improvements, bolster reserves or allocate to one-time expenditures as directed by the City Council.

Revenues:

General Fund revenues are projected to be \$67,822,465 in FY 2016-2017, an increase of \$4.2 million or 6.6% from the FY 2015-2016 adopted budget. Increases in Property Tax, Transient Occupancy Tax, Building and Planning fees all contribute to the rise in revenue.

Revenues forecasted in FY 2017/18 total \$69,733,976, an increase of 2.8% or \$1.9 million from the FY 2016/17 Budget. Revenue forecasts are based on current trends and activity; assumptions may be adjusted during the FY 2017/18 Budget update when more precise information is available.

Specific revenue highlights include:

Property Taxes: For FY 2016-2017, we are expecting continued solid improvement in overall property tax revenues of \$1.6 million over FY 2015-2016 estimates (5.9%). With a continued strong housing market, and residential construction and remodeling adding to the assessed valuation of properties, we are anticipating measured continuation in future years of this upward trend in the General Fund's largest revenue source.

FY 2014-2015 Actual:	\$24,435,185
FY 2015-2016 Budget:	\$25,948,000
FY 2015-2016 Estimate:	\$26,266,432
FY 2016-2017 Budget:	\$27,822,060
FY 2017-2018 Budget:	\$28,857,000

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Sales Tax: The city's second largest General Fund revenue source (13% of total revenue) is trending higher than the FY 2015-16 Budget, which was conservatively estimated after the sudden loss of a major sales tax producer (Dewitt Petroleum) last year. At this point in time, staff is projecting that sales tax in 2016-2017 will exceed the current year estimate by \$85,292 (0.9%). The most recent quarter reported (October-December 2015) indicated sales tax receipts were 9.5% lower compared to the same quarter one year prior. This overall decline was due to the significant drop in Fuel & Service Stations that included lower gasoline sales taxes and the loss of Dewitt Petroleum in April 2015. Industry groups performing positively within the City include Restaurants & Hotels, Food & Drugs, and General Consumer Goods. Overall trends within the State indicate that 12% of all General Consumer Goods purchases are now made on-line, compared to less than 8% on FY 2011-2012. This impacts point-of-sale tax revenues since much of the associated sales tax collected goes into a countywide pool and is allocated based on the City's share of point-of-sale taxes countywide. This trend is expected to continue, impacting the City's future sales tax revenues.

FY 2014-2015 Actual:	\$ 9,171,517
FY 2015-2016 Budget:	\$ 8,450,000
FY 2015-2016 Estimate:	\$ 9,214,708
FY 2016-2017 Budget:	\$ 9,300,000
FY 2017-2018 Budget:	\$ 9,500,000

Transient Occupancy Tax (TOT): This revenue continues its recent growth patterns, and is expected to generate approximately \$4.5 million in revenue, \$419,100 (10.3%) above the prior year budget and \$200,000 (4.7%) over the prior year estimate. TOT revenue also affects the Capital Improvement Fund since 15% of the total TOT is dedicated to that fund (the CIP amount is not included in the numbers below).

FY 2014-2015 Actual:	\$ 3,955,209
FY 2015-2016 Budget:	\$ 4,080,900
FY 2015-2016 Estimate:	\$ 4,300,000
FY 2016-2017 Budget:	\$ 4,500,000
FY 2017-2018 Budget:	\$ 4,200,000*

When the FY 2017-2018 Budget was approved, City Council directed an additional \$500,000 be provided to the Capital Improvements Fund for the purpose of funding deferred maintenance expenses. To accomplish this within Generally Accepted Accounting Principles (GAAP), TOT revenues in the General Fund will be reduced by \$500,000 and increased by \$500,000 in the Capital Improvements Fund. Until deferred maintenance projects are identified and expenditures appropriated, unspent revenues coming into the Capital Improvements Fund will be preserved in a Deferred Maintenance Reserve.

Business License Tax: Business License Tax is anticipated to outperform budget by \$285,000 (9.0%) in FY 2015-2016. Budget-to-budget, this revenue is projected to increase by

CITY MANAGER'S BUDGET MESSAGE

\$360,000 (11.4%). During the economic crisis this revenue was resilient and stable. The overall improvement in the economy is contributing to modest growth in this tax.

FY 2014-2015 Actual:	\$ 3,376,112
FY 2015-2016 Budget:	\$ 3,165,000
FY 2015-2016 Estimate:	\$ 3,450,000
FY 2016-2017 Budget:	\$ 3,525,000
FY 2017-2018 Budget:	\$ 3,600,000

Building Permits & Plan Check Fees: As the housing market has improved, so too has building activity. Building Permit and Plan Check fees were adjusted in July 2015. At the current fee structure, fees from Building Permits and Plan Check Services are expected to increase by \$232,000 (7.8%) over year-end estimates.

FY 2014-2015 Actual:	\$ 2,606,619
FY 2015-2016 Budget:	\$ 3,309,000
FY 2015-2016 Estimate:	\$ 2,973,000
FY 2016-2017 Budget:	\$ 3,205,000
FY 2017-2018 Budget:	\$ 3,364,400

A complete listing of revenues is located in the Summaries section of this document.

General Fund Expenditure Highlights:

General Fund expenditures equal \$67,406,040 in FY 2016-2017, an increase from the FY 2015-2016 budget of \$3,840,878 (6.0%) and \$818,662 (1.2%) over FY 2015-2016 year-end estimates. The following chart illustrates the specific budget categories and the associated changes from FY 2015-2016:

FY 2016/17 General Fund Budgeted Expenditures by Category

Expenditure Category	Budget 2015-2016	Estimated 2015-2016	Budget 2016-2017	FY16 Budget to Change	FY17 Var Percent	FY16 Estimate to Change	FY17 Var Percent
Salaries & Benefits	\$43,133,053	\$43,454,178	\$45,219,462	\$2,086,409	4.8%	\$1,765,284	4.1%
Materials and Services	11,823,591	14,613,610	12,457,286	633,695	5.4%	(2,156,324)	(14.8%)
Internal Service Charges	7,591,862	7,456,551	8,387,550	795,688	10.5%	930,999	12.5%
Capital Equipment	416,372	461,755	652,121	235,749	56.6%	190,366	41.2%
Debt Service	581,231	582,231	671,614	90,383	15.6%	89,383	15.4%
Interfund Transfers	19,053	19,053	18,007	(1,046)	(5.5%)	(1,046)	(5.5%)
Totals	\$63,565,162	\$66,587,378	\$67,406,040	\$3,840,878	6.0%	\$818,662	1.2%

CITY MANAGER'S BUDGET MESSAGE

With a \$2.1 million increase (4.8%) from the prior year budget, Salaries and Benefits represent the largest portion of the increase, and account for 67% of General Fund expenditures. The increase includes the new positions previously described, as well as salary adjustments negotiated through new labor agreements in FY 2015-2016. CalPERS pension contributions, which are increasing by \$607,488 in the General Fund, are part of this category as well. In addition to ongoing contributions and payments to reduce the City's unfunded liability, the \$500,000 outlay to establish the Irrevocable Pension Trust Fund is included within the Salaries & Benefits category.

The increase in debt service (\$90,383) is due to the financing of equipment purchases for the community camera project.

Materials and Services are up 5.4% from last year's budget by \$633,695. Primary drivers of this increase include election costs (increase of \$99,747 since election was not held in FY 2015-16) and Training which went up by \$78,079 (15.1%). Training has been increased citywide to provide our employees with the skills needed for today's environment. Training focused on customer service and performance evaluations are included in the FY 2016-2017 Budget. City Council Contingency, which is included in this category, remains unchanged at \$100,000.

Internal Service Charges are increasing by \$795,688, or 10.5%. These funds include the Insurance Reserve, Fleet, Information Technology and Building Maintenance funds, and are used to capture and allocate common costs across all departments. The increases are mainly due to the Insurance allocation (up \$895,740), which reflects the high level of Workers Compensation and Liability claims activity recently. Other internal service allocations (Fleet, Information Technology, and Building Maintenance) were collectively down \$99,482 due to lower costs in those operations.

Workers' Compensation continues to be a challenge both in terms of cost control and predictability. For example, there are old cases (20+ years) for which new reserves must be funded from changes in the former employees' health status due to their work-related injuries. These increased costs often raise our liability by tens to hundreds of thousands of dollars (limited only by the self-insured retention in effect at the time of injury). While proactive work place injury prevention programs help with our current employees, we are exposed to escalating costs for many years after separation from employment. In some cases these costs may increase through the former employee's inaction in maintaining his or her own health. The State's Workers' Compensation system continues to be in disrepair, which will challenge us fiscally as we adapt to inconsistent and unpredictable cost patterns.

The FY 2016-2017 budget includes a 4.0% vacancy factor for full-time staffing, which equates to \$1.6 million across all funds, and approximately \$1.4 million in the General Fund. This vacancy factor is in recognition of the fact that there are times throughout the year that positions are vacant through attrition and retirements, and that salary savings are achieved during those vacancies. This practice, which was implemented several years ago, reduces funds allocated for staffing, but may result in insufficient funding if such vacancies do not occur. The prior practice of fully budgeting staff positions would result in year-end savings, which would contribute to fund balance or other uses such as capital improvement projects.

CITY MANAGER'S BUDGET MESSAGE

This current method simply estimates and recognizes vacancies up-front, with the expected savings factored into the budget.

Expenditure projections for FY 2017-2018 reflect a \$2.1 million (3.2%) increase from the FY 2016-2017 Budget. Salary and Benefits are expected to increase \$1,578,121 (3.7%) due to salary adjustments per MOU agreements and increases in PERS and medical insurance costs.

Materials and Services were conservatively estimated based on known contract service agreements when available. Internal Service Charges were calculated in accordance with the expenditures estimated in each Internal Service Fund.

Capital equipment purchases include \$80,000 for replacement radio equipment in the Fire Department and \$750,000 for an enterprise resource planning (ERP) software solution to better integrate Finance and Human Resource functions.

Debt Service includes anticipated principal and interest payments for capital equipment purchases financed to smooth the cost of the purchases over several years. These capital equipment purchases include community cameras, public safety radios, and the ERP software.

FY 2017/18 General Fund Budgeted Expenditures by Category

Expenditure Category	Budget	Budget	Budget	FY17 Budget to FY18 Var		FY16 Budget to FY18 Var	
	2015-2016	2016-2017	2017-2018	Change	Percent	Change	Percent
Salaries & Benefits	\$43,133,053	\$45,219,462	\$46,797,583	\$1,578,121	3.7%	\$3,664,530	8.5%
Materials and Services	11,823,591	12,457,286	12,538,263	80,977	0.7%	714,672	6.0%
Internal Service Charges	7,591,862	8,387,550	8,562,259	174,709	2.3%	970,397	12.8%
Capital Equipment	416,372	652,121	830,000	177,879	42.7%	413,628	99.3%
Debt Service	581,231	671,614	825,347	153,733	26.4%	244,116	42.0%
Interfund Transfers	19,053	18,007	18,007	-	-	(1,046)	(5.5%)
Totals	\$63,565,162	\$67,406,040	\$69,571,459	\$2,165,419	3.4%	\$6,006,297	9.4%

Other Fund Highlights

Capital Improvement Fund

In years past, City Councils have created dedicated revenue sources for the Capital Improvements Fund in order to provide reliable funding for important projects (previously, project funding relied on General Fund surpluses). These revenue sources and the year enacted are as follows:

1998 Transient Occupancy Tax – 15% of the total tax

1998 On-Street Parking Meters - \$0.25 per hour

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2000 On-Street Parking Meters – additional \$0.25 per hour

2000 Parking Citations - \$4 of all citations except expired meter cites

These revenues are projected to generate \$1,568,304 in FY 2016-2017 and \$1,626,804 in FY 2017-2018. Approximately half of the revenue generated within the CIP Fund is dedicated to funding the Police & Fire facility debt service. Other projects will be funded from available fund balance and future General Fund surpluses on a pay-as-you-go basis.

Additionally, City Council dedicated funding from the General Fund to the Capital Improvements Fund for the purpose of deferred maintenance projects. In FY 2016-2017, funds will be transferred from General Fund unreserved balance to a Deferred Maintenance Reserve until specific needs are identified and appropriated. Beginning in FY 2017-2018, \$500,000 of General Fund Transient Occupancy Tax (TOT) revenues will be diverted to the Deferred Maintenance Reserve.

The City's CIP fund accounts for capital improvement projects funded by general use revenue sources. The following projects are approved in FY 2016-2017 and FY 2017-2018:

CIP Fund	FY16-17	FY17-18
Traffic Signal Preemption Devices	\$ 75,000	\$ 75,000
Non-Motorized Transportation Crosswalks, Bike Lanes, Etc.	100,000	100,000
CDBG Access Ramp Construction	100,000	100,000
Sepulveda Blvd Multi-Modal Streetscape Plan	150,000	-
Traffic Signal Battery Back-Up Installation	110,000	-
Veterans Parkway Pedestrian Access Master Plan	80,000	-
Sepulveda/Oak Neighborhood Intrusion Study	50,000	-
Community Development Front Counter & Office Remodel	150,000	-
Engineering Division Space Planning	250,000	-
Facility Improvements	-	1,000,000
Ceramics Studio Renovation	267,000	-
Village Field Replacement Turf	60,000	450,000
Fiber Master Plan	150,000	-
Total	\$ 1,542,000	\$ 1,725,000

With these funded projects, the CIP fund is expected to have an unreserved fund balance of \$1.5 million at the end of FY 2017-2018 for use at the discretion of City Council.

Special Revenue Funds

The **Street Lighting and Landscaping Fund** derives its revenues from assessments to property owners. Those assessments, which have not been changed since 1996, will require a successful Proposition 218 vote in order to do so. As a result, the FY 2016-2017 and FY 2017-2018 assessment basis remains fixed with no increase from prior years. Because expenses for energy and maintenance are not fixed and continue to rise, the General Fund must contribute increased amounts each year in order to fund this service. For FY 2016-2017 that subsidy is

CITY MANAGER'S BUDGET MESSAGE

estimated at \$207,413. In addition to the subsidy, the City contributes \$18,007 to cover the City's portion of the Streetscape zone. This budget presents a fund which has long exhausted its reserves. Until new assessments are in place General Fund transfers will continue, further straining core municipal services.

The **Streets & Highways Fund** (Gas Tax Fund) accounts for gas tax moneys dedicated to roadway and sidewalk projects. This year's budget includes revenues of \$784,911 and capital expenditures of \$1,990,000. Projects include street resurfacing and construction projects, maintenance such as the annual slurry seal program, and annual concrete curb and gutter replacement:

Streets & Highways Fund	FY16-17	FY17-18
Annual Slurry Seal Program	\$ 385,000	\$ 385,000
Street Resurfacing: Blanche, Marine & 27th	300,000	-
Street Resurfacing: MBB (Sepulveda to Aviation)	900,000	-
Triennial Pavement Management System Update	40,000	-
Annual Curb, Gutter and Ramp Replacement	365,000	365,000
Total	\$ 1,990,000	\$ 750,000

The **Asset Forfeiture Fund** includes estimated revenues of \$58,300 consisting of anticipated grant revenue and interest earnings on the fund balance. FY 2016-2017 operational expenditures equal \$186,920, and include \$131,920 for front-line law enforcement equipment and supplies, \$15,000 for computer-related equipment, \$20,000 for Strategic Plan implementation and \$20,000 for training. In FY 2017-2018, the Police Department expects to purchase replacement radios estimated to cost \$900,000.

The **Police Safety Grant Fund** has \$101,400 of grant fund income, and \$105,000 in operating expenditures for law enforcement supplies and equipment.

The **Federal and State Grant Fund** has no anticipated or known grant fund income. However, during the year if such grants are received, the budget will be adjusted accordingly. The fund currently shows a deficit in the amount of \$22,488 due to an expected retention reimbursement for the Rosecrans utility underground project that will be received once the related project documentation has been fully completed.

The majority of **Proposition "A" Fund** revenues are based on a half-cent sales tax in Los Angeles County, which is then distributed on a per capita basis. FY 2016-2017 revenues are estimated at \$680,260 with expenditures of \$871,193. This deficit (\$190,933) is covered through a transfer from Measure "R" funds. Sustaining the current service levels will require the City to utilize Measure "R" funds, or exchange General Fund moneys for Proposition "A" funds with another agency in the county, as was done in previous years. This year's budget includes salary and benefits for the transportation services operators; \$16,845 for support of the Beach Cities Transit replacement service for the MTA line 439 (which runs through Manhattan Beach); \$20,000 for the Ocean Express to support trips bringing visitors from LAX area hotels to Downtown and the Village Mall; \$14,000 for Taxi rides when Dial-A-Ride bus service is not available, and \$56,100 for recreational bus trips for the various programs put on by the Parks & Recreation department.

CITY MANAGER'S BUDGET MESSAGE

The **Proposition "C" Fund**, established for transportation and street improvement programs, reflects estimated revenues of \$673,521 and capital expenditures of \$190,000 in FY 2016-2017. Revenues include \$543,521 in transit sales tax and \$40,000 in interest generated from existing fund balance. Capital projects approved in FY 2016-2017 and FY 2017-18 include Sepulveda Intersection Improvements and Street Resurfacing on Marine Avenue from Sepulveda to Aviation. Design work for both projects is scheduled to begin in FY 2016-2017 with construction anticipated to begin in FY 2017-2018:

Proposition C Fund	FY16-17	FY17-18
Sepulveda Intersection Improvements	\$ 90,000	\$ 810,000
Street Resurfacing: Marine (Sepulveda to Aviation)	100,000	700,000
Total	\$ 190,000	\$ 1,510,000

The **AB 2766 Fund** was established in 1990 and provides per capita funding to cities and counties located in the South Coast District to be used to reduce motor vehicle air pollution. Revenues of \$50,412 and expenditures of \$11,300 support the City's clean air efforts in FY 2015-2016. These funds were most recently used in FY 2014-2015 to purchase a compressed natural gas Dial-A-Ride bus.

During FY 2009-2010, the City began receiving funds from a new sales tax resulting from **Measure "R"** which was approved by the County's voters in November 2008. This half cent sales tax can be used for projects such as pothole repairs, major street resurfacing, left-turn signals, bikeways, pedestrian improvements, streetscapes, traffic signal synchronization and local transit services (including subsidizing Dial-A-Ride services). We anticipate receiving \$421,111 in revenue for FY 2016-2017. Transfers to the Proposition "A" Fund to support on-going Dial-A-Ride services are expected in FY 2016-2017 (\$189,588) and FY 2017-2018 (\$216,613). Capital Improvement projects are approved in FY 2016-2017 and FY 2017-2018 include enhancements to the left-turn lanes at Manhattan Beach Boulevard and Peck Avenue as well as street resurfacing projects:

Measure R Fund	FY16-17	FY17-18
Protected LT Lanes: MBB at Peck Ave	\$ 35,000	\$ 175,000
Street Resurfacing: Liberty Village	800,000	-
Street Resurfacing Project: 1100 Block of 3rd St	350,000	-
Total	\$ 1,185,000	\$ 175,000

Enterprise Funds

FY 2016-2017 revenues in the **Water Fund** are estimated at \$14,897,000 while expenses and capital projects in this fund equal \$14,271,425. The Water Fund has nearly \$30 million of projects planned in the next five years which address the City's aging infrastructure. The budget incorporates capital projects totaling \$3.8 million in FY 2016-2017 and 10.9 million in FY 2017-2018:

CITY MANAGER'S BUDGET MESSAGE

Water Fund	FY16-17	FY17-18
Block 35 Ground Level Reservoir Replacement	\$ -	\$ 300,000
Paint Block 35 Elevated Tank	365,000	-
Peck Ground Level Reservoir Replacement	500,000	7,500,000
Water Meter Upgrade and Automation	2,670,000	2,670,000
Well Collection Line from Well 11A to Block 35	-	200,000
Redrill & Equip Well 15	300,000	250,000
Total	\$ 3,835,000	\$ 10,920,000

Revenues in the **Waste Water Fund** are projected to be \$3,358,500 with expenses and capital estimated at \$1,300,567. Like the Water Fund, the Waste Water Fund has capital projects scheduled over the coming five years of over \$16 million to focus on infrastructure maintenance. Capital projects scheduled in FY 2016-2017 and FY 2017-2018 include lift station upgrades as well as spot repairs and rehabilitation of sewer main lines:

Wastewater Fund	FY16-17	FY17-18
Poinsettia Sewage Lift Station and Force Main Replacement	\$ -	\$ 3,000,000
Pacific Lift Station Upgrade	-	250,000
Spot Repairs and Rehab of Gravity Sewer Mains (Areas 5 & 7)	-	1,400,000
Spot Repairs and Rehab of Gravity Sewer Mains (Areas 5,6 & 7)	100,000	2,600,000
Total	\$ 100,000	\$ 7,250,000

The **Storm Water Fund** includes revenues of \$354,300 and expenditures of \$1,100,267. The deficit of \$745,967 is funded through a General Fund transfer (as predicted when fund reserves were exhausted). The FY 2016-2017 budget allocates \$344,317 for street sweeping (which was transferred from the Refuse Fund in FY 2013-2014 to more closely align the purpose of the service with the benefit received); \$197,930 to mandated National Pollution Discharge Elimination System Permit Compliance Programs; and \$210,000 for catch basin inserts to collect pollutants before entering the water system. There is no fund balance available to meet policy reserves of four months of operating expenses.

Current assessments, last changed in 1996, are not sufficient to sustain the program's current and future capital needs. As a result, continued General Fund transfers or a Proposition 218 vote to increase the assessments will be required to adequately fund this operation. Storm Water runoff is under increased regulatory and environmental pressures, which has resulted in increased costs. The General Fund can no longer afford to subsidize the Storm Water Fund, and the assessments will need to be addressed. The City Council approved a preliminary study of costs and potential fee increases which were reviewed last year, and ultimately directed staff to take the next steps to determine how to correct this situation. That process continues in FY 2016-2017. The five year forecast assumes that Storm Water funding is corrected by the beginning of FY 2017-2018. In the event it is not corrected, further General Fund subsidies will be required and will result in use of reserves.

The **Refuse Fund** includes revenues and expenses for the City's refuse and recycling activities. Revenues for FY 2016-2017 are projected to be \$4,282,562 and expenditures at

CITY MANAGER'S BUDGET MESSAGE

\$4,141,558. Projected year-end balance after FY 2016-2017 is \$670,551 which is held as a reserve in compliance with established City Council policies. While it falls short of the stated reserve goal of 4 months of operating expenses, it is sufficient given the pass-through nature of the refuse fund.

The **Parking Fund** accounts for collections and expenditures for street meters and City-owned lots, debt service on the Metlox parking structure, and maintenance of the Metlox Town Square. For FY 2016-2017 this fund is projected to have \$2,593,000 in revenues and \$3,353,910 in expenses, which includes debt service on the Metlox parking structure (\$713,563) and \$814,500 for parking structure rehabilitation. In FY 2017-2018, a Downtown parking facility capital investment plan is included. Fund revenues and expenditures also include the Downtown Business Improvement District assessments (approximately \$100,000) which the City collects and then remits to the Downtown Business and Professional Association through a contractual agreement. The projected year-end fund balance includes policy reserves of \$260,830, which falls short of the policy by \$347,725, due to capital projects.

Parking Fund	FY16-17	FY17-18
Parking Structure Structural Rehab/Reinvestment	\$ 814,500	\$ -
Downtown Parking Facility Capital Investment Plan	-	100,000
Total	\$ 814,500	\$ 100,000

The **County Parking Lot Fund** accounts for the two county-owned parking lots commonly referred to as El Porto and 26th Street. This fund is projected to have \$798,500 in revenues and \$611,997 in expenditures, which includes \$436,000 for the County Lots operating lease. Excess funds (\$186,503) are transferred to the General Fund after accounting for the County's share of revenue.

The **State Pier and Parking Lot Fund** relates to the operational activity for the State-owned pier parking lots. This fund is projected to have \$609,600 in revenues. Expenditures total \$497,358 and include a capital project to for enhanced safety lighting. The balance of the funds are used to maintain and operate the pier and parking lots, and the pier comfort stations.

State Pier & Parking Lot Fund	FY16-17	FY17-18
Pier Lot Safety Lighting	40,000	175,000
Total	\$ 40,000	\$ 175,000

Internal Service Funds

The City operates four Internal Service funds that provide for the operation, maintenance and replacement of facilities or equipment, or serve to spread the cost of an internal function across the user departments.

The FY 2016-2017 **Insurance Reserve Fund** budget contains revenues (derived from charge-outs) of \$6,869,640 and expenditures of \$6,555,285. The Insurance Reserve allocates charges to other funds based on recent experience. In FY 2016-2017 charge outs to departments for liability and property claims are up by \$990,420 (47.9%), while Workers Compensation charge-outs to departments are lower by \$476,460 (11.4%). Excess liability insurance premiums are increasing \$503,274 (64.2%) due to recent claims experience for the City as well as the risk

CITY MANAGER'S BUDGET MESSAGE

pool in which we participate. This also includes recapitalization of the risk pool, and increased assessments which have been the result of recent claims activity.

Workers compensation excess insurance premiums are increasing by \$80,000 (26.7%) from the prior year, going from \$300,000 to \$380,000. Property Insurance premiums are decreasing from \$404,106 to \$360,000 (10.9%). Overall, budgeted claims paid in FY 2016-2017 are estimated at \$900,000 for liability and \$2.78 million for workers compensation, with a combined decrease of \$509,000 from the prior year budget. Because the City's self-insured retention is \$500,000 for liability, and \$750,000 for Workers Compensation, claims paid will represent the largest and most varied cost from year to year.

In FY 2014-2015, the Insurance Reserve Fund experienced a net loss of \$2.4 million. Liability expenses exceeded revenues by \$1 million and workers compensation expenses exceeded revenues by \$1.4 million. After considering administrative costs, working capital went from \$4.3 million to \$2.2 million, while liabilities for incurred but not reported cases (long term liabilities) went from \$3.8 million to \$4.1 million. Total fund equity went from a positive \$500,000 to a negative \$1.9 million. In FY 2015-2016 City Council adopted a three year plan to transfer \$667,000 per year (\$2 million total) to relieve the deficit position.

Charge outs were significantly increased in FY 2015-2016 along with the expectation that liability and worker's compensation would return to a normal levels. Estimates in early March 2016 project that revenues will exceed expenses by \$1.1 million in FY 2015-2016. In FY 2016-2017, revenues have been increased by \$500,000 to cover increased ICRMA pool premiums and to generate additional working capital. Assuming long term liabilities remain stable at \$4.1 million, the Insurance Fund balance will approximate full funding of all liabilities, both current and long term by FY 2020-2021.

Workers compensation and liability expense are extremely difficult to predict because of the random way extraordinary cases occur and our relatively small population. The result is that there are extreme swings in expense from year to year and it is difficult to extract long term trends.

The **Information Technology Fund** provides for the operation of the City's Information Technology department, including maintenance of the City's computer network, hardware infrastructure, City website and mobile app, as well as the broadcasting of City meetings. The department's budget is charged out to the other departments based on the number of devices (workstations and printers) being utilized. In FY 2016-2017, Information Technology Fund revenues are \$2,293,140 and expenditures are \$2,587,668 (the difference is funded through available fund balance). In FY 2012-2013, City Council approved the Information Systems Master Plan which addresses the City's technology needs over a five-year period. This fund budget includes \$65,818 for replacement workstations, servers and network components (switches and wireless access point hardware); \$273,000 for wide area network expansion, and \$50,000 for data security encryption. In FY 2016-2017, \$600,000 of excess fund balance is being transferred back to the originating funds which paid into the internal service fund.

The **Building Maintenance and Operations Fund** consists of programs from two different departments. The fund provides for Public Work's Building Maintenance program which maintains City facilities and grounds, and the Finance Department's General Services program

CITY MANAGER'S BUDGET MESSAGE

which ensures that office equipment such as photocopiers are maintained. The fund's FY 2016-2017 budget includes revenues of \$1,858,135 and expenditures of \$1,849,132. Expenditures associated with this fund are allocated to departments based on their number of employees and the square feet of building they occupy.

The **Fleet Management Fund** is charged to departments in two separate line items - fleet maintenance and fleet rental. Fleet maintenance accounts for repairs and routine vehicle maintenance based on the average maintenance and repair cost according to the type and number of vehicles a department operates. The fleet rental charge provides for the replacement of City vehicles, and is a straight-line depreciated charge based on the cost and expected life of each vehicle. This fund's 2016-2017 budget includes \$661,906 for the purchase and outfitting of eleven vehicles (including nine public safety vehicles) and \$40,725 for a bobcat utility vehicle needed in Public Works. In FY 2017-2018, 19 vehicles are scheduled for replacement, including a ladder fire truck estimated to cost \$1.2 million. A list of vehicle replacements is included in the Appendix of this document. The Fleet Management Fund is expected to have \$2.2 million remaining after FY 2017-2018 for future vehicle replacements.

CONCLUSION

This document is the result of an extraordinary effort from residents and staff in every City department. We believe that we have produced a first-rate document that is thorough and easy to use. We are proud to point out that last year's budget once again received awards both from the California Society of Municipal Finance Officers and from the Government Finance Officers Association.

In our on-going efforts to provide our citizens with ample opportunities to review and comment on the budget, study sessions were held on May 5th, 23rd and 31st. Additional budget discussions took place during the June 7th regular City Council meeting and a special Adjourned regular City Council meeting on June 9th. Final consideration and budget adoption took place on June 21st.

Copies of the Operating Budget are available for public review at City Hall in the Finance Department and City Clerk's Office. The budget is also available online at the City's website:

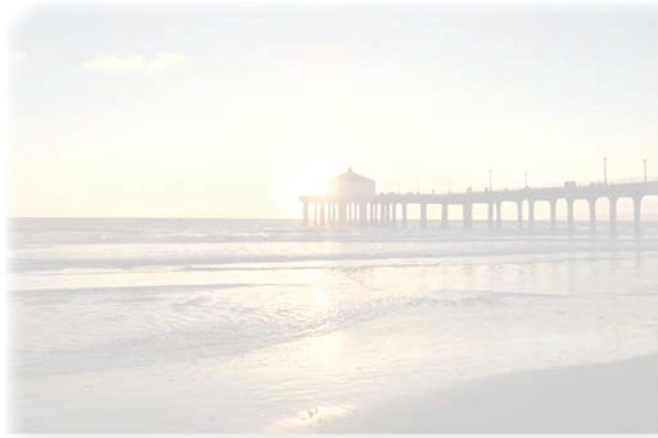
www.citymb.info.

I would like to take this opportunity to thank all the City employees who worked very hard to develop this year's budget. Special thanks to the Finance Department, especially Bruce Moe, Henry Mitzner, Libby Bretthauer and Helga Foushanes. In addition, I'd like to thank Matt Cuevas and Kendra Davis in the City Manager's office for support on performance measurements and facilitating civic engagement throughout the budget process.

Sincerely,



Mark Danaj
City Manager



Budget User's Guide

Prior to July 1st of each year, the Manhattan Beach City Council adopts, by formal resolution, an annual budget.

This document serves as a financial plan, the purpose of which is to identify the projected allocation and application of resources over the budget cycle.

The published Operating Budget is designed to present summary information about the City's financial plans for the year in a user-friendly format. The Operating Budget is organized by department, then by program (operating divisions within the departments). Expenditures are displayed and subtotaled by type: *Salaries & Benefits, Materials & Supplies, and Capital Projects & Equipment*. The *Source of Funds* tables indicate the fund(s) to which a program allocates its expenditures. The Operating Budget also includes the following sections:

Introduction Section - includes the Table of Contents, List of City Officials, City Manager's Budget Message, Budget User's Guide, demographic information, Organization Chart, and Budget Awards.

Summaries Section - includes tables and graphs detailing City-wide revenues, expenditures and fund balances.

Operating Budgets - includes program budgets by department, with narratives explaining the function of the program, staffing levels, and uses and sources of funds.

Five Year Forecast – includes projected revenues and expenditures by fund and resulting fund balances.

Capital Budget Summary – includes schedule of capital projects by fund and type from the City's Capital Improvement plan.

Strategic Plan & Performance Measures – includes description of 2015 Strategic Plan and service level indicators.

Appendix - includes Major Revenue Sources, Schedule of positions, Schedules of Funded Budget Requests, Schedule of Administrative Service Charges, Summary of Debt Service Payments, Resolutions for the Adoption of the Budget and Appropriations Limit, and the City's Financial and Budget Policies.

BUDGET PROCESS

The City's budget process begins in January of each year with the distribution of a budget manual prepared by the Finance Department. The budget manual contains a budget calendar, chart of accounts, forms for requesting new or additional items, and the general policy and instructions for developing the budget for that fiscal year. Line-item budget development is accomplished through the City's financial system, which allows each department to build its budget using computerized worksheets.

The individual departments are directly responsible for developing the Materials & Supplies line items and part-time employees' salaries. The remaining Salary & Benefit information is calculated and entered by the Finance Department. All supplemental budget requests (new personnel, service or equipment) are presented on separate forms and are subject to City Manager review and approval before becoming part of the operating budget. Once all the budget data is compiled, it is printed and distributed to the City Manager and the departments.

In March, the Finance Director provides the City Manager with proposed revenue projections. These revenue estimates are then reviewed with the department budget requests to determine available funding levels for the fiscal year. The City Manager and Finance Director then hold meetings with the departments to review the operating and supplemental budget requests.

Once the budget data has been reviewed and any changes have been made by the Finance Department, a proposed document is prepared. After final review and approval by the City Manager, the proposed budget document is presented to the City Council in May. At least one study session and public hearing are held by the City Council, and then the budget is adopted by resolution prior to June 30.

During the fiscal year, the budget can be amended as necessary to meet the City's needs. The City Council has the legal authority to amend the budget at any time. Department Heads and their designated representatives may only authorize expenditures based on appropriations previously approved by City Council action, and only from accounts under their organizational responsibility. Actual expenditures may exceed budget appropriations by line-item, but may not exceed the department's budget. The City Manager has the authority to approve interdepartmental appropriation transfers as long as they are within the same fund. Interfund transfers require a budget amendment by the City Council.

BASIS OF ACCOUNTING

Manhattan Beach's accounting system is maintained on a fund basis, in accordance with governmental accounting standards. Each of the City's twenty-five funds is considered a separate accounting entity with a self-balancing set of accounts that records assets, liabilities, fund equity, revenues and expenditures. Funds are established and segregated for the purpose of recording specific programs or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Funds are classified into one of three categories: *governmental* (general, special revenue, debt service, and capital projects), *proprietary* (enterprise and internal service), and *fiduciary* (trust and agency). Governmental funds account for activities usually associated with a typical state or local government's operation. Proprietary funds are financed and operated in a manner similar to private business enterprises, where the intent is to recover the costs of providing goods and services from user charges.

Fiduciary funds are utilized in situations where the government is acting in a fiduciary capacity as a trustee or an agent.

All governmental funds are budgeted and accounted for using the modified accrual basis of accounting, which recognizes revenues when they become susceptible to accrual, i.e. measurable and available. Available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Examples of such revenues include property tax, sales tax, and interest earnings. Expenditures are recognized when the fund liability is incurred.

Proprietary fund revenues and expenses are budgeted and accounted for on an accrual basis. Revenues are recognized in the period when earned, and expenses are recognized when incurred. The following Classification of Funds describes, in detail, the various types of funds and their purpose as established by the City of Manhattan Beach.

CLASSIFICATION OF FUNDS

GOVERNMENTAL FUND TYPES:

General Fund

The General Fund is used to account for resources traditionally associated with general government which are not required to be accounted for in a separate fund including: sales tax, property tax, transient occupancy tax, licenses and permits, fines and forfeitures. This fund is used to finance most of the basic municipal functions, such as general administration, public safety, parks and recreation, and community development.

Special Revenue Funds

The Street Lighting & Landscape Fund provides for the power, maintenance, and capital improvements for the lighting system within the City of Manhattan Beach. Money is received from a special assessment placed on each tax bill in the City, the amount of which is determined by the benefit received by the owner of each property. Assessments from Zone 10 of the street lighting district also provide for the maintenance of the street beautification area in downtown Manhattan Beach.

The Gas Tax Fund is used to account for the City's share of State and County gasoline tax collection in accordance with the provisions of the State of California Streets and Highway Code. Revenues are disbursed by the State based on population and must be used towards the maintenance and repair of City streets that serve as State and County thoroughfares.

The Asset Forfeiture Fund is used to account for funds received through Federal and State agencies for drug seizures in which the City participated. These funds must be used to supplement, not supplant, the Police Department's normal operating budget. The amount of revenue will vary from year to year based on activity levels.

The Public Safety Grants Fund is used to account for any Federal, State, or local grants received for law enforcement purposes.

The Federal & State Grants Fund is used to account for any Federal, State, or local grants received, such as Block Grant or Park Bond funds.

The Proposition A and C Funds and Measure R Fund are used to account for proceeds from the half-cent sales taxes generated by the approval of Propositions A and C by Los Angeles County voters. These funds, which are administered by the Los Angeles County Metropolitan Transportation Authority (MTA), are distributed based on population and must be used for transportation-related projects.

The AB 2766 Fund is used to account for proceeds received from the additional vehicle registration fee imposed by the State and regulated by the Air Quality Management District (AQMD). These funds are distributed based on population and must be used for programs designed to reduce air pollution from motor vehicles.

Capital Projects Funds

The Capital Improvement Fund is used to account for capital projects not eligible for funding from other specific funding sources. Funding sources are derived from various sources such as grant funds or transfers from the General Fund. In 1998-1999, City council acted to designate specific revenue sources for this fund consisting of the 15% of the City's transient occupancy tax and the 25 cents incremental increase of parking meter rates. Additionally, in FY 2000-2001, City Council added to this dedicated revenue stream by increasing street meter rates by an additional 25 cents per hour and most parking citation rates \$ 4. Specific projects and their funding sources are described in detail in the City's Capital Improvement Plan.

The *Undergrounding Assessment Fund* is used to account specifically for the construction of utility undergrounding in established districts. The fund serves as a pass through of the assessments collected to pay the debt service for the improvements.

Debt Service Funds

The Special Assessment Redemption Fund is used to account for principal and interest payments on the Underground Utility Bonds issued in 1989. Proceeds of these bonds were used to relocate utility lines underground in certain portions of the City. The bonds are being repaid with proceeds from special assessments levied on the property owners who benefited from the project.

PROPRIETARY FUND TYPES:

Enterprise Funds

The Water Fund is used to account for the operation of the City's water utility system. Revenues are generated from user fees, which are adjusted periodically to meet the costs of administration, operation, maintenance, and capital improvements to the system.

The Stormwater Fund is used to account for the maintenance of, and improvements to, the City's storm drains. Revenues are derived from a storm drain assessment to property owners, which is based on size and use of the parcel, and collected through the property tax rolls.

The Wastewater Fund is used to account for the maintenance of, and improvements to, the City's sewer system. Revenues are derived from a user charge placed on the water bills.

The Refuse Fund is used to account for the provision of refuse collection and recycling services in the City. The City bills both residential and commercial properties.

The Parking Fund is used to account for the general operations and maintenance of City parking lots and spaces. The Parking Fund also accounts for the revenue generated by City parking lots and spaces. The Parking Fund contains reserves for the Business Improvement Districts (BIDs) to be used for their approved activities.

The County Parking Lots Fund is used to account for the operation and maintenance of parking lots that are owned by Los Angeles County and leased to the City. Proceeds from the meters and parking permits are divided 55 percent to the County, with an annual guaranteed minimum of \$130,000, and 45 percent to the City.

The State Pier & Parking Lot Fund is used to account for the operation and maintenance of the Manhattan Beach Pier, comfort station, and four adjacent parking lots. These properties are owned by the State, but controlled by the City through an operating agreement.

Internal Service Funds

The Insurance Reserve Fund is used to account for the City's self-insured workers' compensation and general liability programs. The fund collects premiums from departments based on claims history.

The Information Systems Fund is used to account for the operation, maintenance and replacement of the City's Information Systems including the City-wide network and related hardware and software. Revenues are generated from charges to departments based on the number of devices in use.

The Fleet Management Fund is used to account for the operation, maintenance and replacement of City vehicles. Revenues are generated from vehicle rental charges to departments based upon the number, type, and age of vehicles operated.

The Building Maintenance and Operation Fund is used to account for the operation and maintenance of certain City facilities. Revenues are generated by charges to user departments based on their number of employees and square feet of building they occupy.

FIDUCIARY FUND TYPES:

Trust & Agency Funds

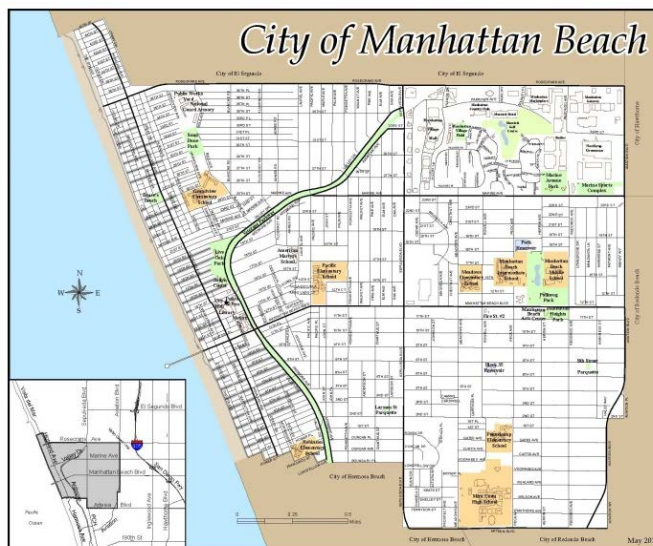
The Pension Trust Fund is used to account for the supplemental retirement and single highest year programs previously provided by the City. Although the City has replaced these programs, this fund accounts for the former employees still receiving these benefits.

City of Manhattan Beach Facts and Figures

Incorporated on December 2, 1912, Manhattan Beach encompasses 3.89 square miles, with 2.1 miles of beachfront and 40 acres of total recreational beach area. This community of “Sun, Sand and Sea” is located in the South Bay area of Los Angeles County, 19 miles from downtown Los Angeles, and is one of Southern California’s most desirable communities in which to work and live. Manhattan Beach is home to approximately 35,000 residents.

The City offers residents a pleasant, peaceful, coastal living environment with easy access to all Los Angeles area amenities. Manhattan Beach is truly cosmopolitan, but maintains the warmth of a quaint small town, far removed from the stress of typical urban life. In addition to its popular coastline, the community is home to large numbers of tourist and family-oriented events, such as Manhattan Open volleyball, the Races, and Holiday Fireworks to name a few.

Manhattan Beach is a full-service General Law city operating under a council-manager form of government. The City Council consists of five members elected at large, each serving a 9 1/2 month mayoral rotation during their four year term. The City Council meets on the first and third Tuesdays of the month at 6:00 PM. The City operates with nine well-run departments, 294 full-time and approximately 180 part-time employees. The City prides itself in offering the highest level of services to its residents and maintains a AAA/Aaa bond rating.



Mission Statement

The City of Manhattan Beach is recognized for providing exemplary municipal services and contributing to the exceptional quality of life afforded to residents, businesses and visitors who enjoy living in and visiting California’s safest beach community.

Date of Incorporation: December 2, 1912 as a General Law City

Form of Government: City Council - City Manager

Full-Time Municipal Employees Authorized: 294 (Cap of 295 Adopted in June 2016)

Public Safety: Two fire stations with 30 authorized sworn personnel; One police station with 65 sworn personnel

Parks & Public Facilities

- 2.1 miles of beach front
- 40 acres of recreational beach
- 928 foot long pier
- 54 acres of developed parks
- 21 acre parkway
- Nine hole golf course
- Two community centers

City of Manhattan Beach Facts and Figures

Libraries: One Los Angeles County branch library (Reconstruction completed in May 2015)

Location: 19 miles southwest of downtown Los Angeles on the southerly end of Santa Monica Bay; 3 miles south of Los Angeles International Airport

Elevation: 120 feet above sea level

Population & Area: 35,818 (2015 US Census Bureau Estimate from 2010 base of 35,135); 3.88 square miles

Climate: August is on average warmest month (Ave. High: 75°F; Ave. Low: 64°F); January is on average coolest month (Ave. High: 65°F, Average Low: 49°F); Average annual rainfall: 12.0 inches

Median Home Sale Price: \$2,200,000 (as of April 2016 – LA County CoreLogic Property Data)

Median Household Income (in 2014 dollars): \$142,071 (U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Profiles)

Assessed Valuation: \$14.2 billion (Office of the Assessor, Los Angeles County, 2014-15 Report)

Housing Units (U.S. Census Bureau, 2009-2013 American Community Survey Estimates)

1-Unit Detached	10,954	70%
1-Unit Attached	1,297	8%
2-4 Units	2,612	16%
5+ Units	916	6%
Other	14	<1%
Total Housing Units	15,793	100%

Business Mix (as of April 2016)

Services	919	18%
Contractors	2,626	50%
Home Occupation	487	9%
Retail	377	7%
Professionals	314	6%
Apartment Houses	276	5%
Commercial Property	144	3%
Miscellaneous	93	2%
Total	5,236	100.0%

Department / Fund Matrix	Management Services	Finance	Human Resources	Parks and Recreation	Police	Fire	Community Development	Public Works	Information Technology
General Fund	✓	✓	✓	✓	✓	✓	✓	✓	✓
Street Lighting & Landscape Fund								✓	
Streets & Highways Fund								✓	
Asset Forfeiture Fund					✓				
Police Grants Fund					✓				
Federal & State Grants Fund					✓			✓	
Prop A Fund				✓					
Prop C Fund								✓	
AB 2766 Fund								✓	
Measure R Fund								✓	
Capital Improvement Fund	✓	✓		✓	✓	✓		✓	
Water Fund								✓	
Stormwater Fund								✓	
Wastewater Fund								✓	
Refuse Fund								✓	
Parking Fund								✓	
County Parking Lot Fund								✓	
State Pier & Parking Lot Fund								✓	
Insurance Reserve Fund			✓						
Information Technology Fund									✓
Fleet Management Fund								✓	
Building Maintenance & Ops Fund		✓						✓	
Special Assessment Redemption Fund		✓							
Pension Trust Fund		✓							

CITIZENS OF MANHATTAN BEACH

City Council

City Treasurer

Parking & Public
Improvements
Commission

Board of Building
Appeals

Planning
Commission

Historic
Preservation
Commission

Parks & Recreation
Commission

Cultural Arts
Commission

Library
Commission

City Attorney

City Manager

**Assistant City
Manager**

Finance

**Community
Development**

Police

Fire

**Public
Works**

City Clerk

**Human
Resources**

**Parks &
Recreation**

**Information
Technology**

Administration
~
Accounting
~
Revenue
Services
~
General
Services

Administration
~
Planning
~
Building
~
Code
Enforcement
~
Traffic
Engineering

Administration
~
Patrol
~
Investigations
~
Technical
Support
~
Community
Affairs
~
Traffic
Safety
~
Jail
Operations
~
Parking
Enforcement
~
Animal
Control
~
Asset
Forfeiture

Administration
~
Prevention
~
Fire
Operations
~
Emergency
Medical
Services
~
Support
Services

Administration
~
Civil
Engineering
~
Street
Maintenance
~
Building &
Grounds
Maintenance
~
Transportation
~
Street Lighting
&
Landscaping
~
Streetscape
Maintenance
~
Water
Programs
~
Storm Drain
Maintenance
~
Sewer
Maintenance
~
Environmental
& Refuse
Management
~
Parking
Facilities
~
Fleet Services

Administration
~
Records
Management
~
Elections
~
Conflict of
Interest/
Campaign
Filing
~
Open
Government

Administration
~
Risk
Management

Administration
~
Recreation
Services
~
Cultural Arts
~
Sports &
Aquatics
~
Community
Programs

Information
Technology
~
Geographic
Information
Systems



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Manhattan Beach
California**

For the Fiscal Year Beginning

July 1, 2015

Jeffrey R. Egan

Executive Director

California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award Fiscal Year 2015-2016

Presented to the

City of Manhattan Beach

For meeting the criteria established to achieve the Operating Budget Excellence Award.

February 23, 2016



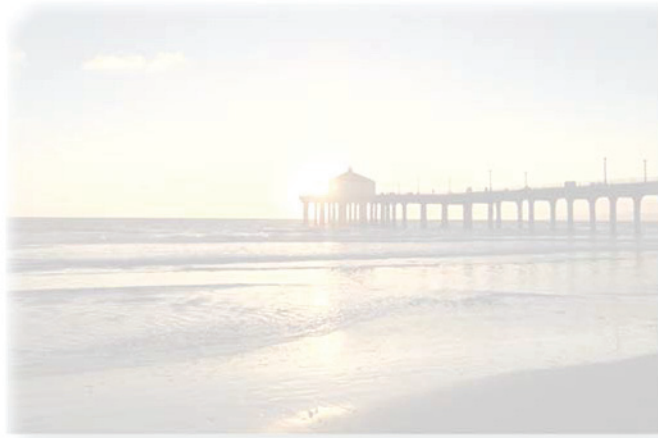
Jesse Takahashi

***Jesse Takahashi
CSMFO President***

Michael Gomez

***Michael Gomez, Chair
Professional Standards and
Recognition Committee***

Dedicated Excellence in Municipal Financial Reporting



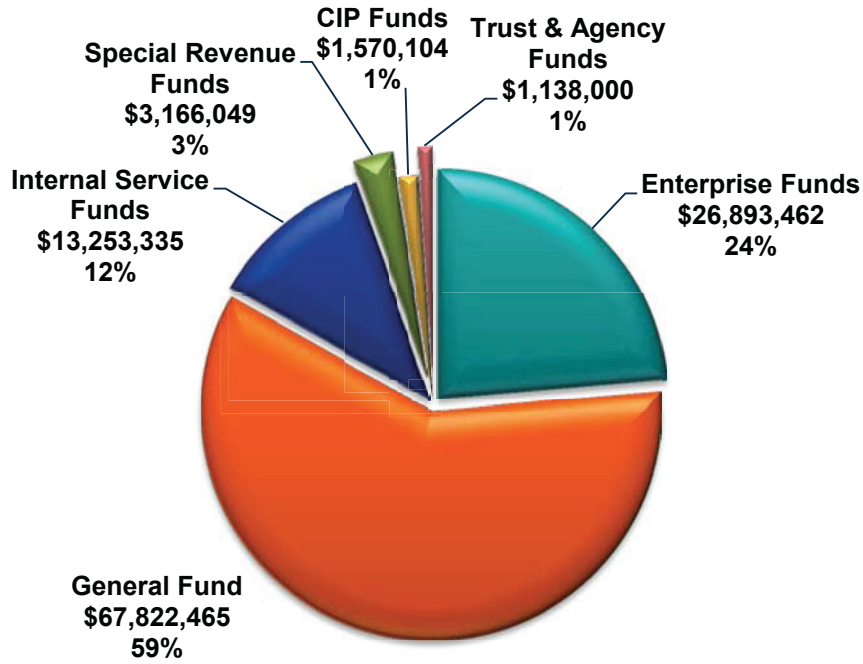
Summaries



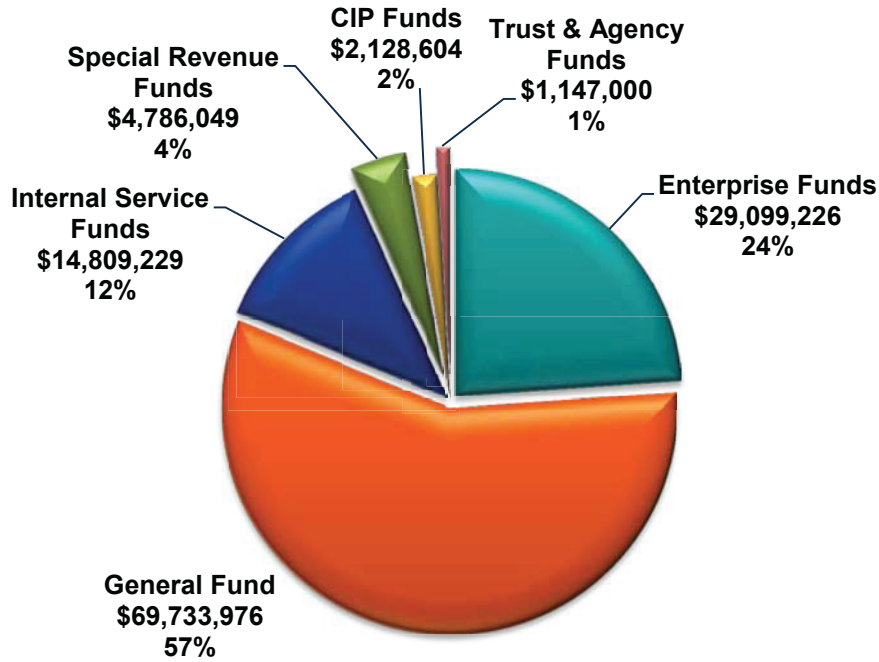


SOURCE OF FUNDS BY FUND TYPE

FY 2016/17 Source of Funds - City-Wide = \$113,843,415

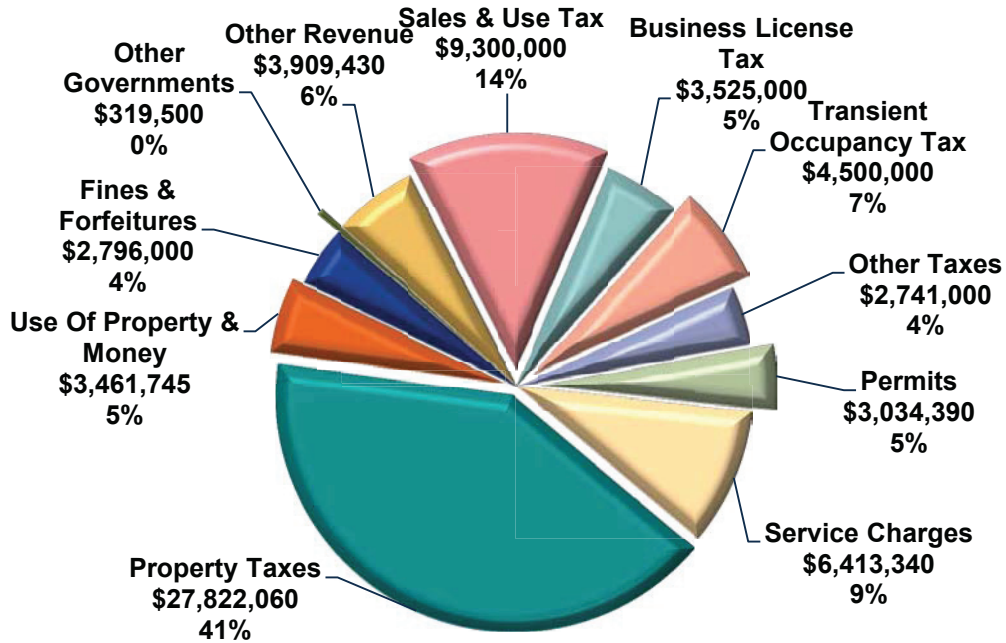


FY 2017/18 Source of Funds - City-Wide = \$121,704,084

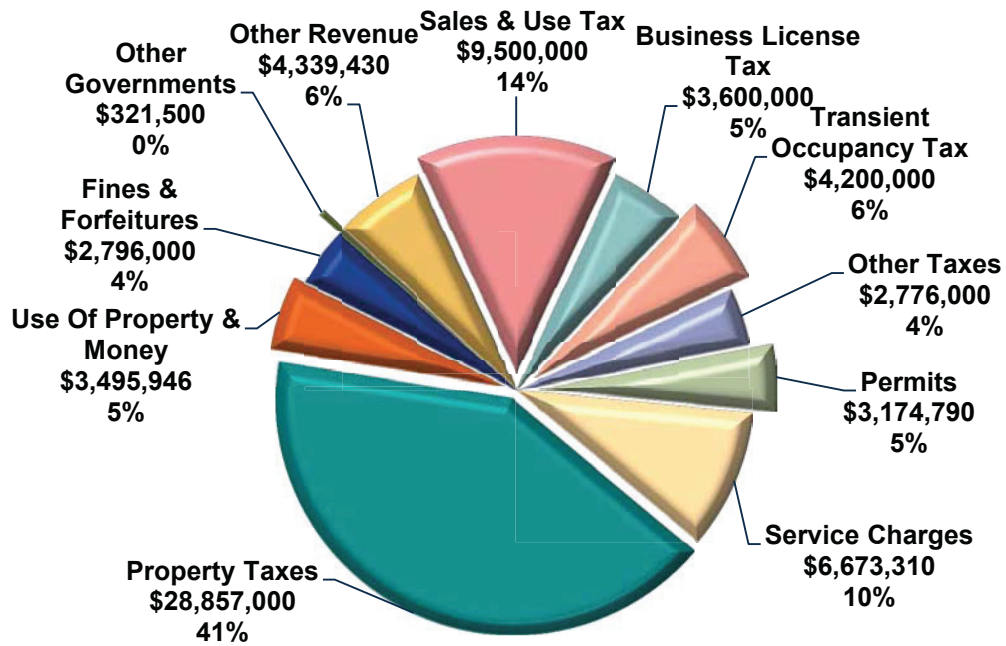


SOURCE OF FUNDS - GENERAL FUND

FY 2016/17 Source of Funds - General Fund = \$67,822,465



FY 2017/18 Source of Funds - General Fund = \$69,733,976



SCHEDULE OF REVENUES BY FUND & CATEGORY

	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
General Fund					
Revenue from Property Taxes	\$24,435,185	\$25,948,000	\$26,266,432	\$27,822,060	\$28,857,000
Revenue from Sales & Use Tax	9,171,517	8,450,000	9,214,708	9,300,000	9,500,000
Revenue from Transient Occupancy Tax	3,955,209	4,080,900	4,300,000	4,500,000	4,200,000
Revenue from Business License Tax	3,376,112	3,165,000	3,450,000	3,525,000	3,600,000
Revenue from Other Taxes	2,790,055	2,616,000	2,622,590	2,741,000	2,776,000
Revenue from Permits	2,174,968	2,637,030	2,806,160	3,034,390	3,174,790
Revenue from Fines & Forfeitures	2,506,873	2,926,000	2,700,000	2,796,000	2,796,000
Revenue from Use of Property & Money	3,141,167	3,164,136	3,403,801	3,461,745	3,495,946
Revenue from Vehicle License Fee	15,099	15,630	14,400	15,000	15,000
Revenue from Other Governments	996,980	250,207	460,065	304,500	306,500
Revenue from Service Charges	6,712,074	6,721,367	6,222,079	6,413,340	6,673,310
Miscellaneous Revenues	3,720,116	3,678,230	3,491,665	3,909,430	4,339,430
Total General Fund	\$62,995,355	\$63,652,500	\$64,951,900	\$67,822,465	\$69,733,976
Special Revenue Funds					
Street Lighting & Landscaping	\$403,029	\$397,180	\$397,180	\$396,134	\$396,134
Gas Tax	1,255,505	830,485	1,213,874	784,911	784,911
Asset Forfeiture	75,907	7,300	42,652	58,300	958,300
Police Safety Grants	107,861	101,200	101,400	101,400	101,400
Federal & State Grants	-	-	-	-	-
Proposition A	650,764	670,395	673,010	680,260	680,260
Proposition C	757,449	563,514	1,229,836	673,521	1,393,521
AB 2766	57,361	51,712	45,188	50,412	50,412
Measure R	402,980	407,740	417,267	421,111	421,111
Total Special Revenue Funds	\$3,710,856	\$3,029,526	\$4,120,407	\$3,166,049	\$4,786,049
Capital Project Funds					
Capital Improvement	\$1,638,116	\$1,599,523	\$1,593,533	\$1,568,304	\$2,126,804
Total Capital Projects Funds	\$1,638,116	\$1,599,523	\$1,593,533	\$1,568,304	\$2,126,804
Underground Utility Construction Fund					
Underground Utility Construction	\$1,868	\$1,200	\$1,800	\$1,800	\$1,800
Total Underground Utility Construction Fund	\$1,868	\$1,200	\$1,800	\$1,800	\$1,800
Enterprise Funds					
Water	\$16,298,725	\$16,063,977	\$14,928,000	\$14,897,000	\$14,994,500
Stormwater	360,025	353,406	356,262	354,300	2,409,300
Wastewater	3,613,357	3,543,910	3,375,500	3,358,500	3,378,300
Refuse	4,077,437	4,190,074	4,219,786	4,282,562	4,313,026
Parking	2,586,147	2,503,797	2,590,797	2,593,000	2,597,000
County Parking Lots	784,145	809,000	798,500	798,500	798,500
State Pier & Parking Lot	614,462	617,274	608,500	609,600	608,600
Total Enterprise Funds	\$28,334,298	\$28,081,438	\$26,877,345	\$26,893,462	\$29,099,226
Internal Service Funds					
Insurance Reserve	\$4,931,469	\$6,280,680	\$6,376,180	\$6,869,640	\$7,147,960
Information Technology	2,272,020	2,283,351	2,283,351	2,293,140	2,333,880
Fleet Management	2,364,236	2,447,895	2,405,898	2,232,420	3,433,420
Building Maintenance & Operations	1,729,492	1,781,814	1,713,545	1,858,135	1,893,969
Total Internal Service Funds	\$11,297,217	\$12,793,740	\$12,778,974	\$13,253,335	\$14,809,229
Trust & Agency Funds					
Special Assessment Redemption Fund	\$972,141	\$965,000	\$965,000	\$965,000	\$965,000
Pension Trust	162,939	171,900	167,000	173,000	182,000
Total Trust & Agency Funds	\$1,135,080	\$1,136,900	\$1,132,000	\$1,138,000	\$1,147,000
Grand Total	\$109,112,790	\$110,294,827	\$111,455,959	\$113,843,415	\$121,704,084

SCHEDULE OF REVENUE DETAIL BY FUND

		2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
General Fund						
3101	CYr Secured Property Tax	\$19,437,552	\$20,750,000	\$21,082,346	\$22,420,000	\$23,296,000
3102	CYr Unsecured Property Tax	833,749	810,000	889,107	900,000	910,000
3103	PYr Secured Property Tax	179,102	230,000	137,240	125,000	120,000
3104	PYr Unsecured Property Tax	23,592	23,000	23,000	23,000	23,000
3105	Supplemental Property Tax	554,644	475,000	475,000	475,000	475,000
3106	Property Tax Collection Administration	(279,546)	(290,000)	(296,889)	(300,000)	(310,000)
3107	Interest & Penalties	97,498	120,000	75,932	76,000	76,000
3108	Property Tax in Lieu of VLF	3,588,594	3,830,000	3,880,696	4,103,060	4,267,000
Revenue from Property Tax		\$24,435,185	\$25,948,000	\$26,266,432	\$27,822,060	\$28,857,000
3201	Sales & Use Tax	\$6,901,223	\$6,250,000	\$7,425,438	\$9,300,000	\$9,500,000
3202	Franchise Tax	1,539,452	1,425,000	1,475,000	1,525,000	1,550,000
3203	Transient Occupancy Tax	3,955,209	4,080,900	4,300,000	4,500,000	4,200,000
3204	Business License Tax	3,376,112	3,165,000	3,450,000	3,525,000	3,600,000
3205	Property Tax In Lieu of Sales Tax	2,270,294	2,200,000	1,789,270	-	-
3206	Real Estate Transfer Tax	720,826	775,000	806,313	850,000	860,000
3207	PSAF Sales Tax	370,553	365,000	275,643	365,000	365,000
3215	Vacation Rental TOT	156,234	50,000	65,000	-	-
3216	SB 1186 Disability Access & Education	2,990	1,000	634	1,000	1,000
Revenue from Other Taxes		\$19,292,893	\$18,311,900	\$19,587,298	\$20,066,000	\$20,076,000
3301	Building Permits	\$1,196,590	\$1,680,000	\$1,800,000	\$1,938,000	\$2,034,900
3302	Other Construction Permits	404,808	420,000	433,000	465,000	488,300
3303	Home Occupation Permits	4,550	4,100	4,100	4,200	4,300
3304	Fire Code Permits - Annual	120,156	130,000	135,000	140,000	145,000
3305	Fire Permits - One Time	35,475	33,000	36,000	40,000	43,500
3306	Outdoor Facilities Permits	300	480	-	2,330	2,330
3307	Film Permits	108,730	80,000	90,000	90,000	90,000
3309	Building Permits Surcharge	118,959	129,000	140,000	193,800	203,400
3310	Police Alarm Permits	80,070	60,000	65,000	65,000	65,000
3311	Fire Construction Inspections	53,510	45,000	47,000	40,000	42,000
3350	Other Permits	2,310	3,450	4,060	4,060	4,060
3361	Animal License Fees	49,510	52,000	52,000	52,000	52,000
Revenue from Permits		\$2,174,968	\$2,637,030	\$2,806,160	\$3,034,390	\$3,174,790
3401	Vehicle Code Fines	\$153,270	\$195,000	\$160,000	\$165,000	\$165,000
3402	Parking Citations	2,286,628	2,706,000	2,500,000	2,586,000	2,586,000
3421	Municipal Code Fines	24,813	25,000	40,000	45,000	45,000
3451	Other Fines	42,162	-	-	-	-
Revenue from Fines & Forfeitures		\$2,506,873	\$2,926,000	\$2,700,000	\$2,796,000	\$2,796,000
3501	Interest Earnings	\$443,721	\$516,350	\$489,669	\$490,000	\$500,000
3506	Unrealized Investment Gain/Loss	9,854	-	-	-	-
3509	Other Interest Income	12,249	11,877	19,360	30,590	29,631
3510	Loan Principal	50,871	51,244	78,239	116,155	117,115
3511	Misc. Rents & Concessions	33,376	37,000	31,000	32,000	32,000
3512	Golf Course Rent	9,506	10,000	10,000	10,000	10,000
3513	Tennis Club Rent	269,286	269,200	269,000	273,000	274,000
3514	Tennis Club Percent Rent	129,313	120,000	120,000	120,000	120,000
3515	Marriott Hotel Rent	1,114,675	995,000	1,200,000	1,200,000	1,200,000
3516	Minimum Hotel Rent Payments	399,996	400,000	400,000	400,000	400,000
3517	Wireless Communication Income	145,081	145,000	150,000	152,000	154,000
3518	1334 Building Lease	42,270	42,000	42,000	42,000	43,000
3519	Metlox Lease Payments	398,645	425,000	490,000	490,000	490,000
3520	Investment Amortization	(126,820)	(66,300)	(102,467)	(102,000)	(85,000)
3531	Tennis Club Parking Lot Lease	31,980	31,900	32,000	32,000	32,000
3532	Mall Parking Lot Lease	128,096	126,800	126,000	126,800	130,000
3533	Post Office Lease	42,801	42,800	42,800	43,000	43,000
3534	Library Parking Lot Lease	6,267	6,265	6,200	6,200	6,200
Revenue from Use of Property & Money		\$3,141,167	\$3,164,136	\$3,403,801	\$3,461,745	\$3,495,946
3601	Vehicle in Lieu	\$15,099	\$15,630	\$14,400	\$15,000	\$15,000
3602	Homeowners Property Tax Relief	148,193	150,000	150,000	150,000	150,000
3604	State Mandated Cost Reimbursement	615,650	13,000	154,570	13,000	13,000
3605	BCHD Grant	29,359	29,000	29,000	29,000	29,000

SCHEDULE OF REVENUE DETAIL BY FUND

	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
3607 STC Reimbursement	2,408	2,500	2,500	2,500	2,500
3608 POST Reimbursement	25,508	40,000	35,000	40,000	42,000
3613 Miscellaneous Revenue	-	15,707	15,707	-	-
3618 Federal Grant Programs	104,331	-	4,176	-	-
3622 Proposition A Project Specific	71,531	-	69,112	70,000	70,000
Revenue from Other Governments	\$1,012,079	\$265,837	\$474,465	\$319,500	\$321,500
3701 New Residential Unit Fee	\$5,730	4,200	\$2,800	\$3,500	\$3,500
3702 Building Record Report Fees	62,532	\$58,000	150,000	162,000	170,000
3703 Building Plan Check Fees	1,410,029	1,824,000	1,173,000	1,267,000	1,330,400
3704 Planning Filing Fees	171,697	192,000	215,000	219,000	223,000
3705 Microfilm Fees	111,071	112,000	120,000	129,600	136,100
3706 Reproduction Fees	9,705	10,000	20,000	10,000	10,000
3707 Police False Alarm Fees	119,945	110,000	97,000	95,000	95,000
3708 Police Service Fees	228,028	160,000	185,000	50,000	50,000
3709 Special Event OT Reimbursement	120,523	60,000	60,000	70,000	72,000
3710 DUI Cost Recovery	17,230	10,000	25,000	20,000	20,500
3711 Booking Fees	27,978	15,000	25,000	26,000	26,000
3712 Book Removal	6,600	7,000	7,000	7,000	7,000
3713 Vehicle Release Fee	85,760	65,000	75,000	75,000	80,000
3714 Animal Impound Fees	1,645	3,000	500	1,800	1,800
3715 Fire Services Fees	202,920	200,000	210,000	200,000	220,000
3716 Ambulance Fees	742,210	790,000	600,000	640,000	675,000
3717 Fire Plan Check	88,477	75,000	81,000	80,000	86,000
3718 Fire Inspection Fees	901	1,200	748	1,200	1,200
3719 Public Works Misc Fees	52,714	57,000	25,000	30,000	30,000
3725 Traffic Engineering Services	-	-	-	700	1,000
3726 Appeal Fees	-	-	-	1,000	1,000
3734 Right of Way Permits	336,355	285,000	305,000	329,400	345,900
3735 Inter-City Median Maintenance	7,173	7,000	7,000	7,000	7,000
3736 Sepulveda Sweeping Reimbursement	1,334	2,300	2,300	2,300	2,300
3771 Facility & Parks Reservations	493,318	420,000	450,000	455,000	455,000
3772 Special Activities Classes	465,764	322,877	400,658	411,175	422,425
3773 Special Events	180,485	152,750	147,000	177,300	183,640
3774 Tennis Operations	150,410	178,440	162,000	181,545	181,545
3776 Arts/Education Classes	254,553	196,000	278,000	269,500	328,500
3777 Arts Festival	50	-	-	-	-
3778 Sports Leagues & Tournaments	260,192	319,000	323,000	367,420	365,000
3779 Sports Classes	540,096	512,000	546,000	518,400	535,000
3780 Swimming Classes	472,667	466,000	433,192	490,000	492,000
3784 Concerts in the Park	21,501	40,000	27,271	40,000	40,000
3786 Older Adults Activities	61,981	66,000	68,000	75,000	75,000
3791 Returned Check Fees	500	600	610	500	500
Revenue from Service Charges	\$6,712,074	\$6,721,367	\$6,222,079	\$6,413,340	\$6,673,310
3896 Operating Service Transfers	\$2,913,324	\$2,996,530	\$2,996,530	\$2,996,530	\$2,996,530
Revenue from Interfund Charges & Transfers	\$2,913,324	\$2,996,530	\$2,996,530	\$2,996,530	\$2,996,530
3902 Sale of Property	\$1,050	\$1,200	\$1,292	\$1,500	\$1,500
3904 AP Discounts Taken	27	-	-	-	-
3905 Cash Over/Short	5	-	(10)	-	-
3907 Resubmittal of Returned Checks	871	-	-	-	-
3909 Bad Debt Recovery	20,230	-	19,000	20,000	20,000
3913 Workers Comp Salary Continuation	729,321	619,100	360,000	400,000	400,000
3930 Lease Purchase Proceeds	-	-	-	400,000	830,000
3941 Employee Phone Charge Reimbursement	60	200	-	200	200
3943 Reimb-Phone Charges SBRPCA	5,752	6,200	-	6,200	6,200
3946 Public Works Reimbursement	2,437	-	4,333	-	-
3994 P-Card Incentive	22,471	15,000	36,583	40,000	40,000
3995 Miscellaneous Revenues	24,568	40,000	73,937	45,000	45,000
3996 City Funds Exchange	-	-	-	-	-
Miscellaneous Revenue	\$806,792	\$681,700	\$495,135	\$912,900	\$1,342,900
Total General Fund	\$62,995,355	\$63,652,500	\$64,951,900	\$67,822,465	\$69,733,976

SCHEDULE OF REVENUE DETAIL BY FUND

	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Street Lighting & Landscaping Fund					
3211 C.Yr Assessments	\$267,055	\$267,721	\$267,721	\$267,721	\$267,721
3212 PYr Assessments	1,228	2,900	2,900	2,900	2,900
3213 C.Yr Streetscape Assessments	106,662	107,006	107,006	107,006	107,006
3214 PYr Streetscape Assessments	2,046	500	500	500	500
3899 Transfers In	21,388	19,053	19,053	18,007	18,007
3995 Miscellaneous Revenues	4,650	-	-	-	-
Total Street Lighting & Landscaping Fund	\$403,029	\$397,180	\$397,180	\$396,134	\$396,134
Streets & Highways Fund					
3211 C.Yr Assessments	\$261,201	-	\$0	-	-
3501 Interest Earnings	25,582	23,300	26,300	23,900	23,900
3506 Unrealized Investment Gain/Loss	758	-	-	-	-
3609 State Gas Tax 2105	199,565	210,493	216,654	223,364	223,364
3610 State Gas Tax 2106	122,405	113,321	110,423	113,826	113,826
3611 State Gas Tax 2107	261,405	293,782	306,515	316,176	316,176
3613 Miscellaneous Grants	482	-	-	-	-
3614 SB 821 TDA	-	22,706	22,706	23,294	23,294
3637 State Gas Tax 2103	341,063	166,883	166,776	84,351	84,351
3638 Measure R Regional	43,044	-	364,500	-	-
Total Streets & Highways Fund	\$1,255,505	\$830,485	\$1,213,874	\$784,911	\$784,911
Asset Forfeiture Fund					
3501 Interest Earnings	\$7,544	\$7,300	\$8,300	\$8,300	\$8,300
3506 Unrealized Investment Gain/Loss	223	-	-	-	-
3615 Fed Forfeitures - DOJ Local	41,844	-	19,352	50,000	50,000
3627 State Forfeitures - Regional	20,031	-	15,000	-	-
3629 Fed Forfeitures - Treas Regional	6,265	-	-	-	-
3930 Lease Purchase Proceeds	-	-	-	-	900,000
Total Asset Forfeiture Fund	\$75,907	\$7,300	\$42,652	\$58,300	\$958,300
Police Safety Grants Fund					
3501 Interest Earnings	\$1,562	\$1,200	\$1,400	\$1,400	\$1,400
3506 Unrealized Investment Gain/Loss	70	-	-	-	-
3617 State SLES Program	106,229	100,000	100,000	100,000	100,000
Total Federal Law Enforcement Services Fund	\$107,861	\$101,200	\$101,400	\$101,400	\$101,400
Proposition A Fund					
3221 Transit Sales Tax	\$626,467	\$643,195	\$648,510	\$655,260	\$655,260
3501 Interest Earnings	-	400	-	-	-
3506 Unrealized Investment Gain/Loss	(162)	-	-	-	-
3760 Dial-A-Ride Fares	5,005	4,800	5,700	5,800	5,800
3761 Bus Pass Subsidies	1,927	2,000	1,300	1,700	1,700
3995 Miscellaneous Revenues	17,527	20,000	17,500	17,500	17,500
Total Proposition A Fund	\$650,764	\$670,395	\$673,010	\$680,260	\$680,260
Proposition C Fund					
3221 Transit Sales Tax	\$520,589	\$533,514	\$538,866	\$543,521	\$543,521
3501 Interest Earnings	37,776	30,000	41,000	40,000	40,000
3506 Unrealized Investment Gain/Loss	1,923	-	-	-	-
3639 MTA Call For Grants	-	-	-	-	-
3640 Safetee-Lu Earmark	197,161	-	649,970	-	-
3641 Measure R SB Highway	-	-	-	90,000	810,000
Total Proposition C Fund	\$757,449	\$563,514	\$1,229,836	\$673,521	\$1,393,521
AB 2766 Fund					
3501 Interest Earnings	\$1,662	\$3,100	\$1,700	\$1,800	\$1,800
3506 Unrealized Investment Gain/Loss	95	-	-	-	-
3621 AB 2766 Air Quality	55,604	48,612	43,488	48,612	48,612
Total AB 2766 Fund	\$57,361	\$51,712	\$45,188	\$50,412	\$50,412

SCHEDULE OF REVENUE DETAIL BY FUND

	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Measure R					
3224 Proposition R Sales Tax	\$389,815	\$400,140	\$403,767	\$407,611	\$407,611
3501 Interest Earnings	12,344	7,600	13,500	13,500	13,500
3506 Unrealized Investment Gain/Loss	821	-	-	-	-
Total Measure R Fund	\$402,980	\$407,740	\$417,267	\$421,111	\$421,111
Capital Improvement Fund					
3203 Transient Occupancy Tax	\$697,978	\$720,000	700,000	\$731,500	\$1,260,000
3308 Park Development/Quimby	10,902	34,523	21,804	21,804	21,804
3402 Parking Citations	130,668	133,000	115,000	115,000	133,000
3505 Installment Fund Earnings	3	-	-	-	-
3509 Other Interest Income	1,968	-	607	-	-
3510 Loan Principal	-	-	30,781	-	-
3617 State Grant Programs	88,031	-	-	-	-
3618 Federal Grant Programs	-	-	25,341	-	-
3751 Parking Meters	708,566	712,000	700,000	700,000	712,000
Total Capital Improvement Fund	\$1,638,116	\$1,599,523	\$1,593,533	\$1,568,304	\$2,126,804
Underground Utility Construction Fund					
3501 Interest Earnings	\$1,796	1,200	1,800	\$1,800	\$1,800
3506 Unrealized Investment Gain/Loss	72	-	-	-	-
Total Underground Utility Construction Fund	\$1,868	1,200	1,800	\$1,800	\$1,800
Water Fund					
3501 Interest Earnings	\$201,768	\$150,000	\$202,000	\$205,000	\$205,000
3506 Unrealized Investment Gain/Loss	16,721	-	-	-	-
3520 Investment Amortization	(35,598)	(26,023)	(30,000)	(30,000)	(30,000)
3737 Utility Service Charge	15,890,125	15,700,000	14,500,000	14,500,000	14,500,000
3738 Utility Connection Fees	106,418	105,000	125,000	110,000	158,800
3740 Meter Installation	54,128	54,000	60,000	50,000	73,700
3746 Penalties	48,540	50,000	44,000	44,000	50,000
3902 Sale of Property	15,989	20,000	10,000	10,000	20,000
3909 Bad Debt Recovery	8,027	7,000	5,000	5,000	7,000
3916 Bad Debt Wrieoff	(21,557)	(2,000)	(7,000)	(7,000)	-
3995 Miscellaneous Revenues	14,164	6,000	19,000	10,000	10,000
Total Water Fund	\$16,298,725	\$16,063,977	\$14,928,000	\$14,897,000	\$14,994,500
Stormwater Fund					
3501 Interest Earnings	\$7,761	\$9,500	\$7,900	\$9,300	\$9,300
3506 Unrealized Investment Gain/Loss	6	-	-	-	-
3520 Investment Amortization	(1,359)	(1,094)	-	-	-
3737 Utility Service Charge	345,944	345,000	345,000	345,000	2,400,000
3748 Street Sweeping	7,673	-	3,362	-	-
Total Stormwater Fund	\$360,025	\$353,406	\$356,262	\$354,300	\$2,409,300
Wastewater Fund					
3351 Fats, Oil, Grease Permit	15,661	\$15,000	\$15,000	\$15,000	\$15,000
3501 Interest Earnings	48,374	40,000	52,000	54,000	54,000
3506 Unrealized Investment Gain/Loss	4,159	-	-	-	-
3520 Investment Amortization	(8,541)	(6,090)	9,500	(9,500)	(9,500)
3737 Utility Service Charges	3,471,310	3,415,000	3,200,000	3,200,000	3,200,000
3738 Utility Connection Fees	72,711	67,000	90,000	90,000	107,800
3746 Penalties	12,598	13,000	11,000	11,000	13,000
3916 Bad Debt Writeoff	(5,690)	-	(2,000)	(2,000)	(2,000)
3995 Miscellaneous Revenues	2,775	-	-	-	-
Total Wastewater Fund	\$3,613,357	\$3,543,910	\$3,375,500	\$3,358,500	\$3,378,300

SCHEDULE OF REVENUE DETAIL BY FUND

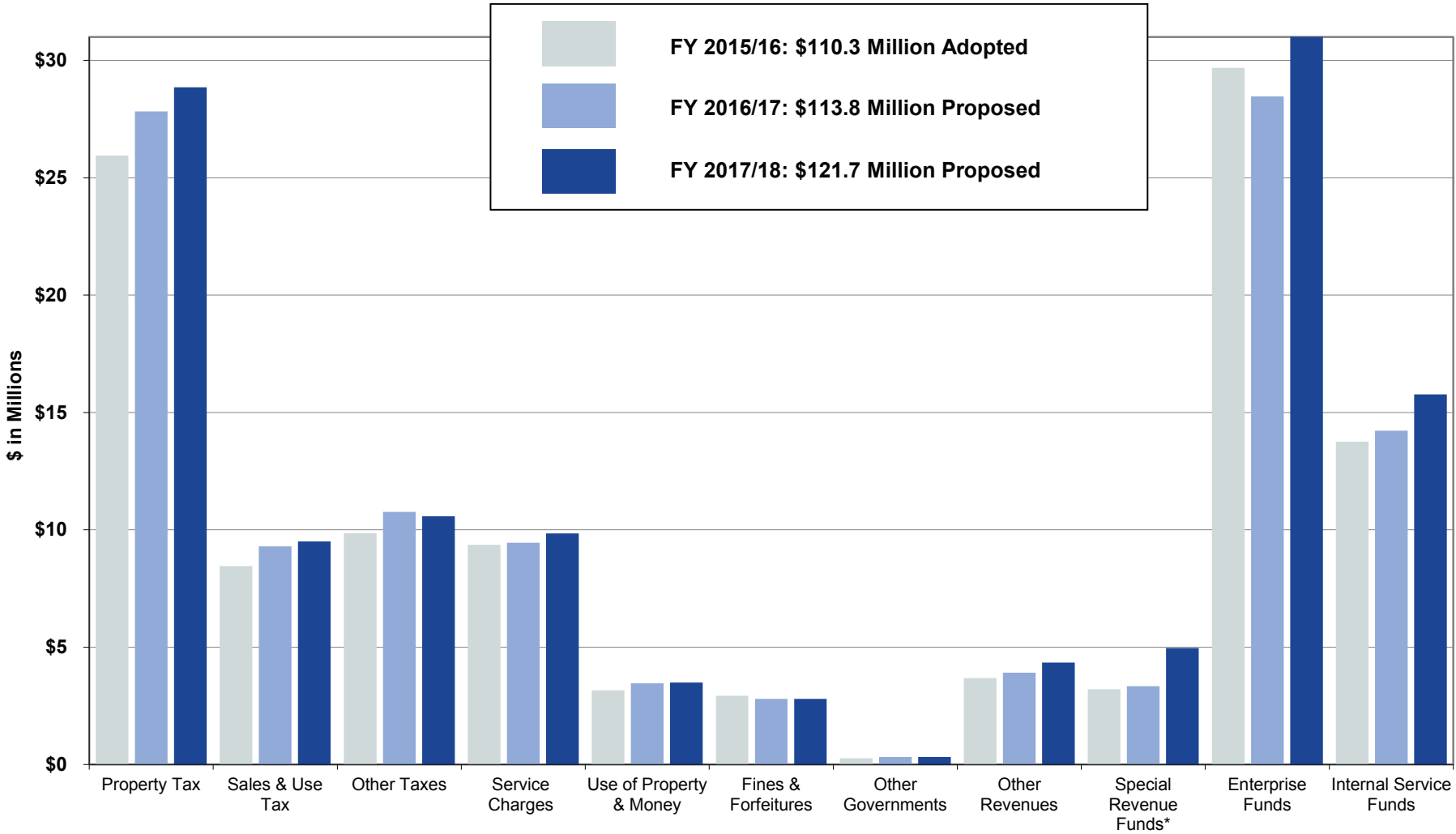
	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Refuse Fund					
3501 Interest Earnings	\$4,637	\$7,300	\$5,100	\$5,300	\$5,300
3506 Unrealized Investment Gain/Loss	(290)	-	-	-	-
3520 Investment Amortization	(814)	(646)	(950)	(950)	(950)
3613 Miscellaneous Grants	10,020	10,000	9,636	10,000	10,000
3732 Residential City Cost Recovery	324,404	284,200	324,000	325,000	325,000
3733 Commercial City Cost Recovery	225,985	197,500	195,000	195,000	195,000
3742 Residential Refuse Fee	2,011,883	2,120,420	2,105,000	2,145,000	2,170,740
3743 Commercial Refuse Fee	1,400,283	1,479,000	1,476,000	1,493,712	1,511,636
3746 Penalties	9,669	8,000	10,000	9,000	8,000
3747 Recycling	31,000	31,000	33,000	33,000	31,000
3750 Waste Management Plan	66,079	60,000	65,000	70,000	60,000
3916 Bad Debt Writeoff	(5,677)	(7,000)	(3,000)	(3,000)	(3,000)
3995 Miscellaneous Revenues	258	300	1,000	500	300
Total Refuse Fund	\$4,077,437	\$4,190,074	\$4,219,786	\$4,282,562	\$4,313,026
Parking Fund					
3209 BID - A License Surcharge	\$107,021	\$108,000	\$108,000	\$108,000	\$108,000
3210 BID - B License Surcharge	30,424	29,000	29,000	29,000	29,000
3501 Interest Earnings	23,281	24,000	24,000	25,000	25,000
3505 Installment Fund Earnings	12	-	-	-	-
3506 Unrealized Investment Gain/Loss	639	-	-	-	-
3520 Investment Amortization	(4,187)	(3,203)	(3,203)	(3,000)	(3,000)
3751 Parking Meters	2,158,892	2,100,000	2,170,000	2,170,000	2,170,000
3752 Parking Lot Spaces	217,953	220,000	225,000	225,000	225,000
3758 Cash Key Parking Program	(2,852)	-	(1,000)	-	-
3759 Permit Parking Program	7,225	6,000	3,000	3,000	3,000
3910 Contribution From Private Parties	25,845	-	15,000	15,000	15,000
3995 Miscellaneous Revenues	21,894	20,000	21,000	21,000	25,000
Total Parking Meter Fund	\$2,586,147	\$2,503,797	\$2,590,797	\$2,593,000	\$2,597,000
County Parking Lots Fund					
3753 Parking Lot B Meters	\$166,170	\$174,000	\$165,000	\$165,000	\$165,000
3754 Parking Lot C Meters	603,895	621,000	620,000	620,000	620,000
3755 Parking Lot B Spaces	2,550	2,000	2,500	2,500	2,500
3756 Parking Lot C Spaces	11,530	12,000	11,000	11,000	11,000
Total County Parking Lots Fund	\$784,145	\$809,000	\$798,500	\$798,500	\$798,500
State Pier & Parking Lot Fund					
3501 Interest Earnings	\$20,059	\$20,000	\$21,000	\$22,000	\$22,000
3506 Unrealized Investment Gain/Loss	883	-	-	-	-
3511 Misc. Rents & Concessions	9,094	-	-	-	-
3520 Investment Amortization	(3,560)	(2,726)	(3,500)	(3,400)	(3,400)
3751 Parking Meters	587,843	600,000	590,000	590,000	590,000
3995 Miscellaneous Revenues	143	-	1,000	1,000	-
Total State Pier & Parking Lot Fund	\$614,462	\$617,274	\$608,500	\$609,600	\$608,600
Insurance Reserve Fund					
3850 Workers Comp Billing	\$3,004,140	\$4,176,240	\$4,176,240	\$3,699,780	\$3,858,940
3851 Unemployment Billings	50,112	34,920	34,920	34,920	34,920
3852 Liability Insurance Billings	1,557,420	2,069,520	2,069,520	3,059,940	3,179,100
3906 Insurance Recoveries	86,657	-	25,000	25,000	25,000
3911 Cobra Payments	111	-	500	-	-
3914 Excess of SIR Recoveries	233,029	-	70,000	50,000	50,000
Total Insurance Reserve fund	\$4,931,469	\$6,280,680	\$6,376,180	\$6,869,640	\$7,147,960
Information Technology Fund					
3860 Information Technology Charge	\$2,272,020	\$2,283,351	\$2,283,351	\$2,293,140	\$2,333,880
Total Information Technology Fund	\$2,272,020	\$2,283,351	\$2,283,351	\$2,293,140	\$2,333,880

SCHEDULE OF REVENUE DETAIL BY FUND

	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Fleet Management Fund					
3853 Fleet Rental Charge	1,223,700	\$1,215,640	1,215,640	\$1,038,420	\$1,038,420
3854 Fleet Maintenance Charge	1,016,103	1,208,255	1,120,527	1,170,000	1,170,000
3902 Sale of Property	99,493	-	44,705	-	-
3930 Lease Purchase Proceeds	-	-	-	-	1,200,000
3942 Reimbursement Gas Charges MBUSD	24,940	24,000	25,000	24,000	25,000
3995 Miscellaneous Revenues	-	-	26	-	-
Total Fleet Management Fund	\$2,364,236	\$2,447,895	\$2,405,898	\$2,232,420	\$3,433,420
Building Maintenance & Operations Fund					
3861 Building Maintenance	\$1,610,993	\$1,665,929	\$1,597,181	\$1,739,280	\$1,772,640
3862 Warehouse Sales	79,905	90,885	91,364	93,855	96,329
3863 Garage Sales	35,644	25,000	25,000	25,000	25,000
3995 Miscellaneous Revenues	2,950	-	-	-	-
Total Building Maintenance & Operation Fund	\$1,729,492	\$1,781,814	\$1,713,545	\$1,858,135	\$1,893,969
Special Assessment Redemption Fund					
3211 CYr Assessments	\$965,727	\$965,000	\$965,000	\$965,000	\$965,000
3936 Bond Redemption	6,414	-	-	-	-
Total Special Assessment Redemption Fund	\$972,141	\$965,000	\$965,000	\$965,000	\$965,000
Pension Trust Fund					
3501 Interest Earnings	\$13,465	\$15,900	\$14,000	\$14,000	\$14,000
3506 Unrealized Investment Gain/Loss	(10)	-	-	-	-
3945 Reimbursement Ca Emplr Ret Ben Trust	149,484	156,000	153,000	159,000	168,000
Total Pension Trust Fund	\$162,939	\$171,900	\$167,000	\$173,000	\$182,000
Grand Total	\$109,112,790	\$110,294,827	\$111,455,959	\$113,843,415	\$121,704,084

COMPARISON OF BUDGETED REVENUES

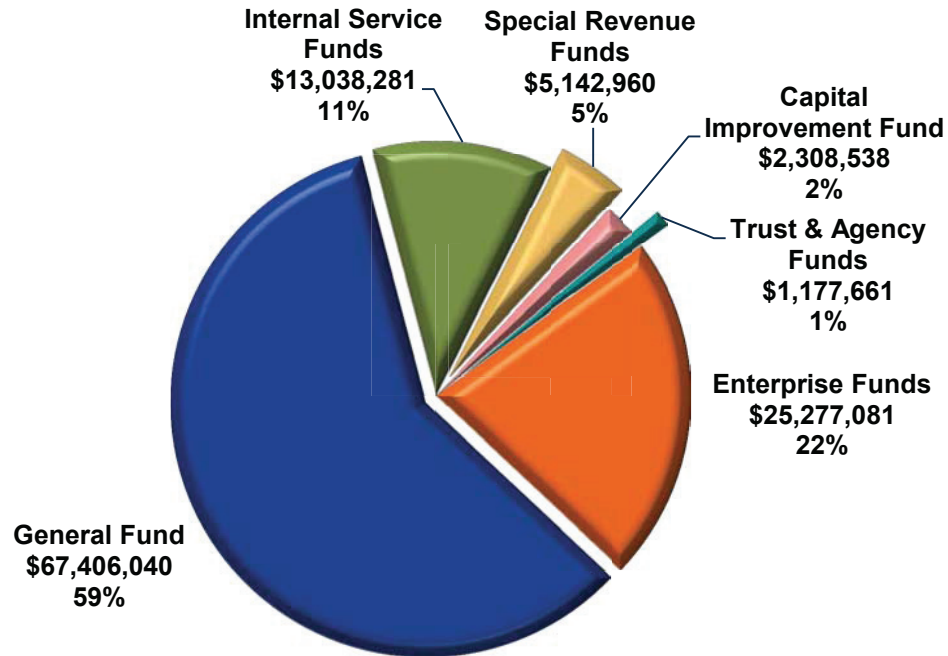
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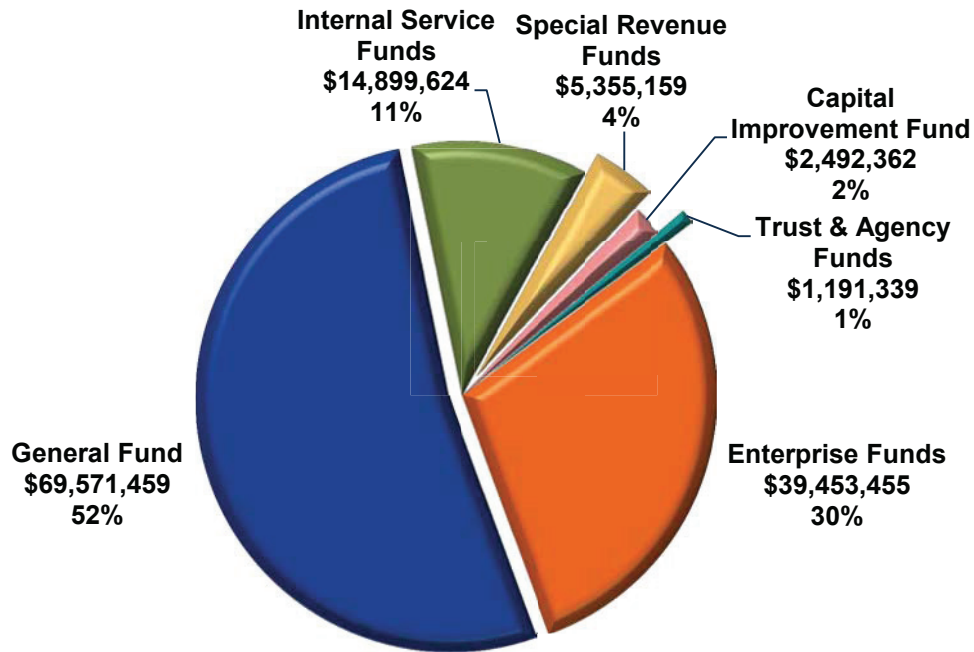
* Includes Trust Funds

USE OF FUNDS BY FUND TYPE

FY 2016/17 Use of Funds - City-Wide = \$114,350,560



FY 2017/18 Use of Funds - City-Wide = \$132,963,397



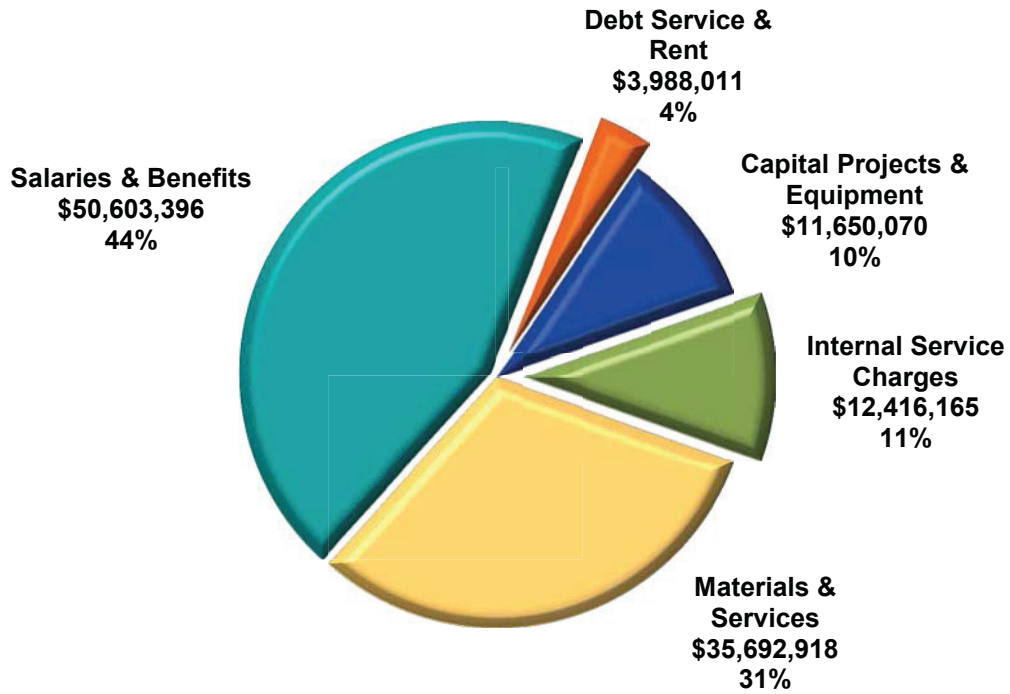
SCHEDULE OF EXPENDITURES BY FUND

	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
General Fund	\$61,097,367	\$63,565,162	\$66,587,378	\$67,406,040	\$69,571,459
Street Lighting & Landscaping Fund	\$634,053	\$614,829	\$605,490	\$603,547	\$619,794
Gas Tax Fund	1,585,013	2,752,541	479,372	1,990,000	750,000
Asset Forfeiture Fund	114,421	215,950	241,765	186,920	1,284,162
Police Safety Grants Fund	153,453	105,000	108,500	105,000	105,000
Federal & State Grants Fund	-	-	-	-	-
Proposition A Fund	703,890	859,540	1,002,028	871,193	899,903
Proposition C Fund	822,888	2,468,399	1,079,951	190,000	1,510,000
AB 2766 Fund	9,948	11,100	62,571	11,300	11,300
Measure R Fund	-	335,000	88,000	1,185,000	175,000
Total Special Revenue Funds	\$4,023,667	\$7,362,359	\$3,667,677	\$5,142,960	\$5,355,159
Capital Improvement Fund	\$1,159,218	\$8,110,434	\$2,265,536	\$2,308,538	\$2,492,362
Total Capital Improvement Fund	\$1,159,218	\$8,110,434	\$2,265,536	\$2,308,538	\$2,492,362
Water Fund	\$10,445,301	\$13,545,860	\$11,679,271	\$14,271,425	\$21,758,570
Stormwater Fund	667,623	1,722,344	1,156,891	1,100,267	1,086,718
Wastewater Fund	1,623,815	2,462,565	1,484,312	1,300,567	8,462,328
Refuse Fund	4,009,445	4,267,893	3,992,177	4,141,558	4,220,332
Parking Fund	2,233,511	3,597,542	2,914,210	3,353,910	2,652,919
County Parking Lots Fund	533,822	634,698	636,051	611,997	619,727
State Pier & Parking Lot Fund	549,410	1,989,051	975,207	497,358	652,859
Total Enterprise Funds	\$20,062,927	\$28,219,953	\$22,838,119	\$25,277,081	\$39,453,455
Insurance Reserve Fund	\$6,989,374	\$6,244,606	\$5,267,071	\$6,555,285	\$7,052,669
Information Technology Fund	1,682,655	2,532,368	2,137,240	2,587,668	2,271,147
Fleet Management Fund	1,966,328	1,869,019	2,315,665	2,046,195	3,675,071
Building Maintenance & Operations Fund	1,725,278	1,799,899	1,710,081	1,849,132	1,900,736
Total Internal Service Funds	\$12,363,636	\$12,445,892	\$11,430,057	\$13,038,281	\$14,899,624
Special Assessment Redemption Fund	\$953,793	\$950,038	\$950,038	\$944,261	\$947,439
Pension Trust Fund	220,875	235,565	226,000	233,400	243,900
Total Trust & Agency Funds	\$1,174,668	\$1,185,603	\$1,176,038	\$1,177,661	\$1,191,339
Grand Total	\$99,881,482	\$120,889,403	\$107,964,805	\$114,350,560	\$132,963,397
Total Operating Expenses	\$95,409,825	\$99,602,598	\$101,733,134	\$104,444,060	\$110,148,397
Total Capital Projects*	\$4,471,657	\$21,286,805	\$6,231,671	\$9,906,500	\$22,815,000

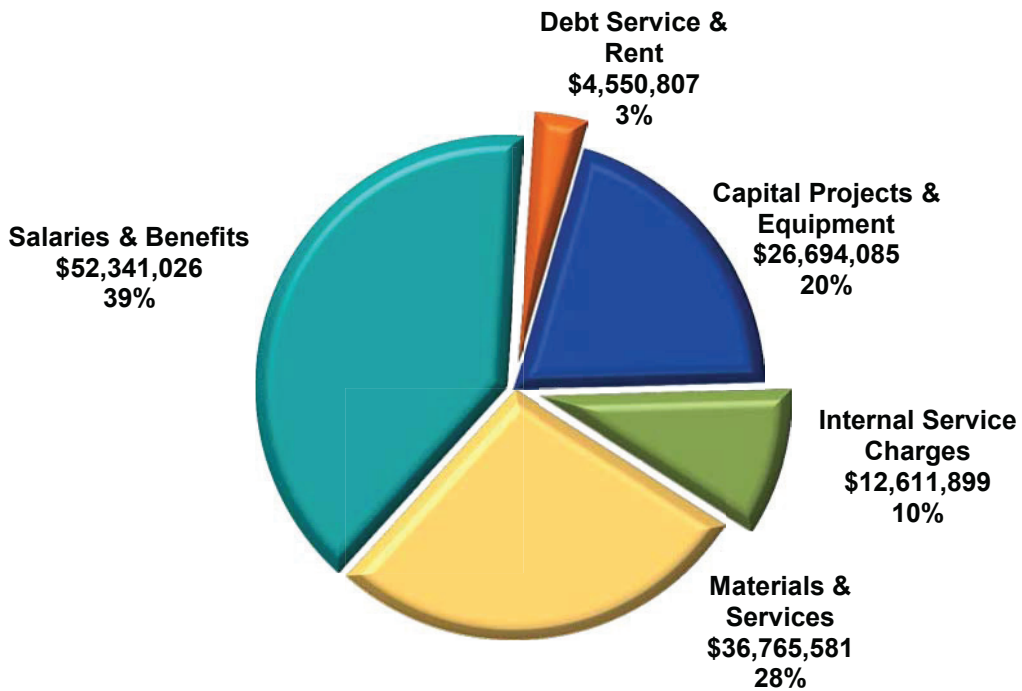
*FY2015/16 estimate includes carryover projects from the prior year.

USE OF FUNDS BY CATEGORY

FY 2016/17 Use of Funds - City-Wide = \$114,350,560



FY 2017/18 Use of Funds - City-Wide = \$132,963,397



2016/17 SCHEDULE OF EXPENDITURES BY FUND & CATEGORY

	Salaries & Benefits	Materials & Services	Capital Projects & Equipment	Debt Service & Rent	Internal Service Charge	Total	Percent of Total
General Fund	\$45,219,462	\$12,475,293	\$652,121	\$671,614	\$8,387,550	\$67,406,040	58.95%
Street Lighting & Landscaping Fund	-	545,108	-	-	58,439	603,547	0.53%
Gas Tax Fund	-	-	1,990,000	-	-	1,990,000	1.74%
Asset Forfeiture Fund	33,120	153,800	-	-	-	186,920	0.16%
Police Safety Grants Fund	-	105,000	-	-	-	105,000	0.09%
Federal & State Grants Fund	-	-	-	-	-	-	-
Proposition A Fund	582,769	152,204	-	-	136,220	871,193	0.76%
Proposition C Fund	-	-	190,000	-	-	190,000	0.17%
AB 2766 Fund	9,200	-	-	-	2,100	11,300	0.01%
Measure R Fund	-	-	1,185,000	-	-	1,185,000	1.04%
Capital Improvement Fund	-	-	1,542,000	766,538	-	2,308,538	2.02%
Water Fund	1,219,706	7,001,032	3,835,000	173,040	2,042,647	14,271,425	12.48%
Stormwater Fund	95,335	622,666	210,000	-	172,266	1,100,267	0.96%
Wastewater Fund	415,134	146,671	100,000	85,136	553,626	1,300,567	1.14%
Refuse Fund	132,703	3,777,253	-	-	231,602	4,141,558	3.62%
Parking Fund	200,540	1,203,006	814,500	713,563	422,301	3,353,910	2.93%
County Parking Lot Fund	33,475	107,971	-	436,000	34,551	611,997	0.54%
State Pier & Parking Lot Fund	36,606	325,389	40,000	-	95,363	497,358	0.43%
Insurance Reserve Fund	448,581	6,062,124	-	-	44,580	6,555,285	5.73%
Information Technology Fund	1,117,870	1,029,200	388,818	-	51,780	2,587,668	2.26%
Fleet Management Fund	383,725	698,800	702,631	197,859	63,180	2,046,195	1.79%
Building Maintenance Fund	441,771	1,287,401	-	-	119,960	1,849,132	1.62%
Special Assessment Redemption Bond	-	-	-	944,261	-	944,261	0.83%
Pension Trust Fund	233,400	-	-	-	-	233,400	0.20%
Grand Total FY 2016/17	\$50,603,396	\$35,692,918	\$11,650,070	\$3,988,011	\$12,416,165	\$114,350,560	100.00%
Grand Total 2015/16 Adopted	\$48,366,055	\$34,208,737	\$22,837,624	\$3,921,577	\$11,555,410	\$120,889,403	
Dollar Change	\$2,237,341	\$1,484,181	(\$11,187,554)	\$66,434	\$860,755	(\$6,538,843)	
Percent Change	4.63%	4.34%	(48.99%)	1.69%	7.45%	(5.41%)	

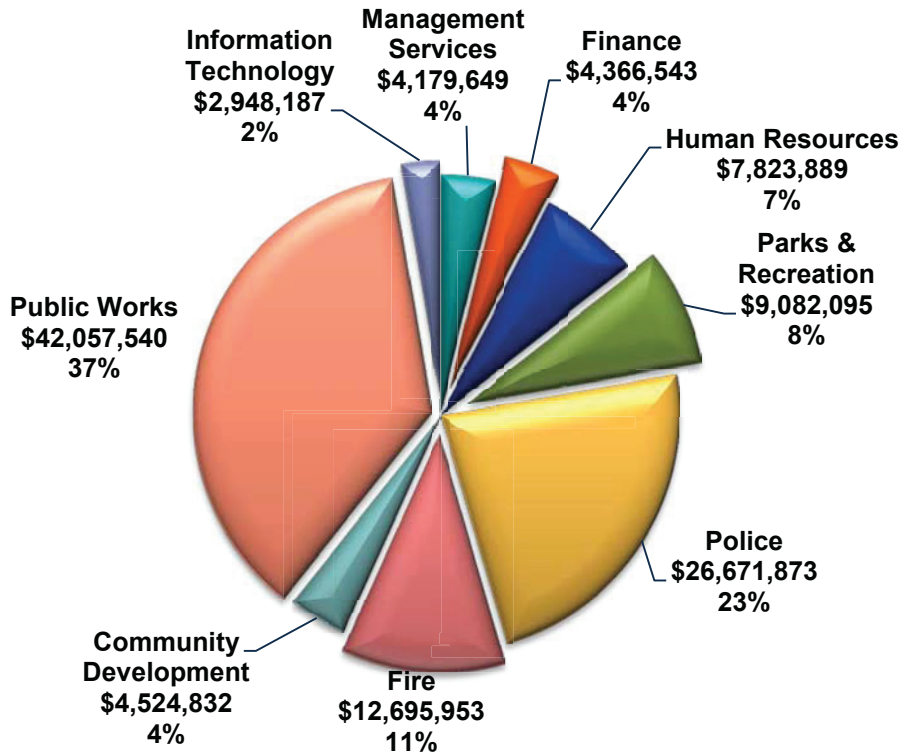
2017/18 SCHEDULE OF EXPENDITURES BY FUND & CATEGORY

	Salaries & Benefits	Materials & Services	Capital Projects & Equipment	Debt Service & Rent	Internal Service Charge	Total	Percent of Total
General Fund	\$46,797,583	\$12,556,270	\$830,000	\$825,347	\$8,562,259	\$69,571,459	52.32%
Street Lighting & Landscaping Fund	-	561,355	-	-	58,439	619,794	0.47%
Gas Tax Fund	-	-	750,000	-	-	750,000	0.56%
Asset Forfeiture Fund	33,840	156,600	900,000	193,722	-	1,284,162	0.97%
Police Safety Grants Fund	-	105,000	-	-	-	105,000	0.08%
Federal & State Grants Fund	-	-	-	-	-	-	-
Proposition A Fund	604,952	156,021	-	-	138,930	899,903	0.68%
Proposition C Fund	-	-	1,510,000	-	-	1,510,000	1.14%
AB 2766 Fund	9,200	-	-	-	2,100	11,300	0.01%
Measure R Fund	-	-	175,000	-	-	175,000	0.13%
Capital Improvement Fund	-	-	1,725,000	767,362	-	2,492,362	1.87%
Water Fund	1,262,709	7,353,288	10,920,000	172,001	2,050,572	21,758,570	16.36%
Stormwater Fund	98,849	605,353	210,000	-	172,516	1,086,718	0.82%
Wastewater Fund	429,741	142,726	7,250,000	84,625	555,236	8,462,328	6.36%
Refuse Fund	137,433	3,850,277	-	-	232,622	4,220,332	3.17%
Parking Fund	207,357	1,205,638	100,000	717,413	422,511	2,652,919	2.00%
County Parking Lot Fund	34,453	114,723	-	436,000	34,551	619,727	0.47%
State Pier & Parking Lot Fund	37,631	342,865	175,000	-	97,363	652,859	0.49%
Insurance Reserve Fund	466,965	6,540,404	-	-	45,300	7,052,669	5.30%
Information Technology Fund	1,122,784	1,030,714	63,709	-	53,940	2,271,147	1.71%
Fleet Management Fund	397,517	720,420	2,085,376	406,898	64,860	3,675,071	2.76%
Building Maintenance Fund	456,109	1,323,927	-	-	120,700	1,900,736	1.43%
Special Assessment Redemption Bond	-	-	-	947,439	-	947,439	0.71%
Pension Trust Fund	243,900	-	-	-	-	243,900	0.18%
Grand Total FY 2017/18	\$52,341,026	\$36,765,581	\$26,694,085	\$4,550,807	\$12,611,899	\$132,963,397	100.00%
Grand Total 2016/17 Proposed	\$50,603,396	\$35,692,918	\$11,650,070	\$3,988,011	\$12,416,165	\$114,350,560	
Dollar Change	\$1,737,630	\$1,072,663	\$15,044,015	\$562,796	\$195,734	\$18,612,837	
Percent Change	3.43%	3.01%	129.13%	14.11%	1.58%	16.28%	

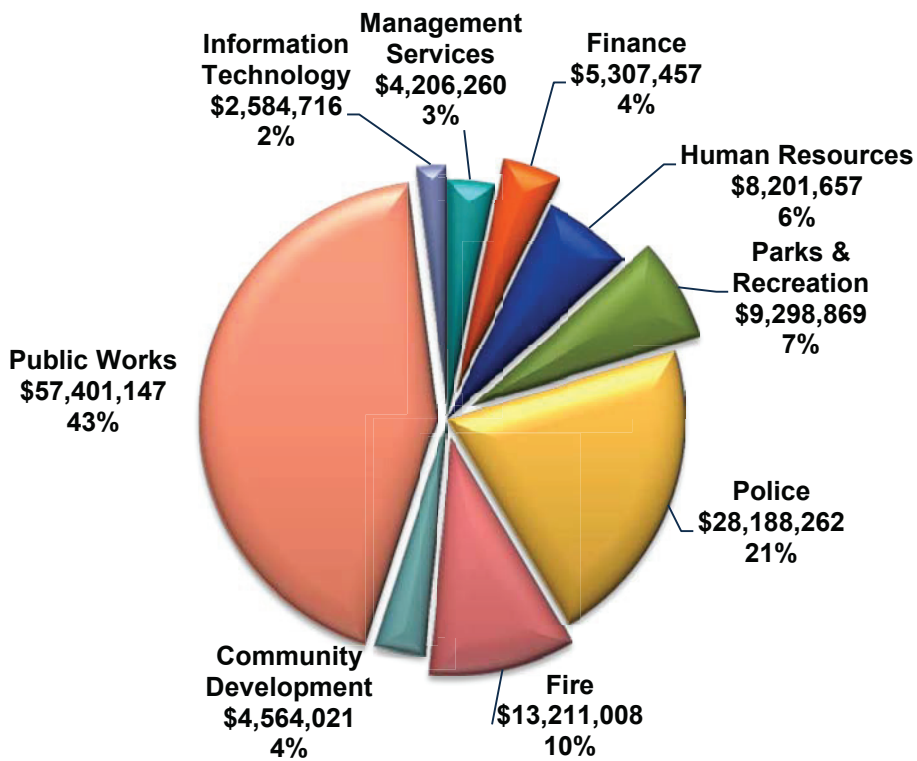


USE OF FUNDS BY DEPARTMENT

FY 2016/17 Use of Funds - City-Wide = \$114,350,560



FY 2017/18 Use of Funds - City-Wide = \$132,963,397



EXPENDITURES BY DEPARTMENT PROGRAM

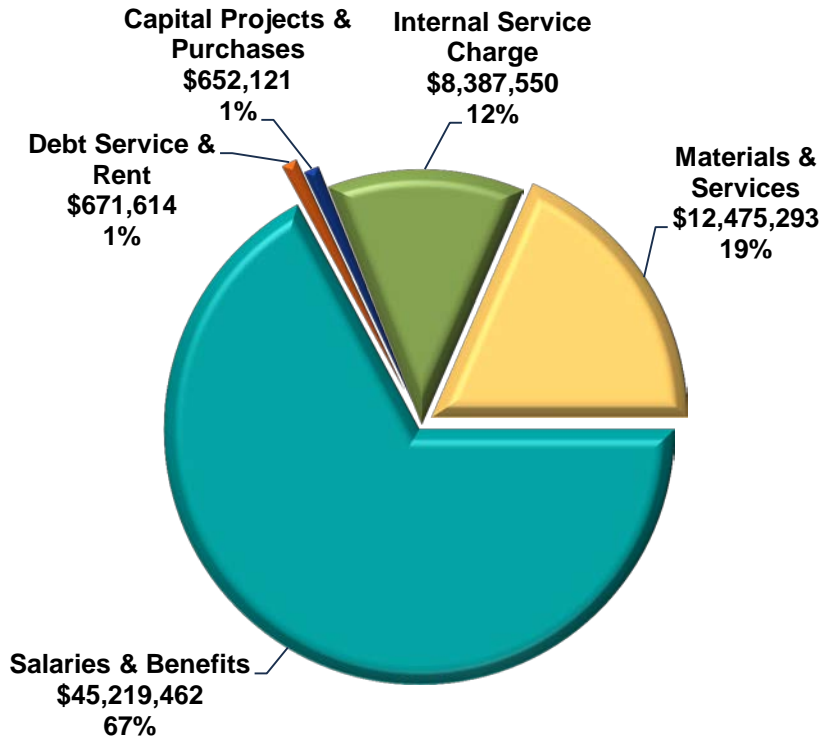
	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Management Services					
City Council	\$363,039	\$536,704	\$440,109	\$514,291	\$536,792
City Manager	974,682	2,350,164	4,324,592	2,215,176	2,287,129
City Treasurer	32,318	40,306	35,910	41,860	44,111
City Clerk	664,045	665,750	759,541	761,180	685,760
City Attorney	838,483	600,768	691,073	647,142	652,468
Total Management Services	\$2,872,568	\$4,193,692	\$6,251,225	\$4,179,649	\$4,206,260
Finance					
Administration	\$1,278,402	\$1,545,900	\$1,412,971	\$1,947,491	\$2,793,319
Accounting	713,479	677,230	626,287	656,710	712,491
Revenue Services	1,129,098	1,081,529	1,068,410	1,075,847	1,101,135
General Services	626,969	641,147	664,400	686,495	700,512
Total Finance	\$3,747,947	\$3,945,806	\$3,772,068	\$4,366,543	\$5,307,457
Human Resources					
Administration	\$1,046,328	\$1,296,275	\$1,103,253	\$1,268,604	\$1,148,988
Risk Management	6,989,374	6,244,606	5,267,071	6,555,285	7,052,669
Total Human Resources	\$8,035,703	\$7,540,881	\$6,370,324	\$7,823,889	\$8,201,657
Parks & Recreation					
Administration	\$2,561,193	\$3,038,346	\$2,998,737	\$2,910,896	\$2,964,993
Recreation Services	2,224,757	2,184,528	2,191,788	2,389,082	2,456,951
Cultural Arts	699,916	694,422	756,951	816,889	843,413
Sports & Aquatics	1,336,383	1,518,131	1,354,897	1,511,531	1,530,748
Volunteers	151,549	150,404	156,116	152,439	157,598
Older Adults	367,931	348,445	374,382	430,066	445,263
Transportation	703,890	859,540	1,002,028	871,193	899,903
Total Parks & Recreation	\$8,045,618	\$8,793,816	\$8,834,899	\$9,082,095	\$9,298,869
Police					
Administration	\$5,438,946	\$5,553,177	\$5,683,619	\$6,394,305	\$6,585,085
Patrol	8,827,158	8,375,743	8,913,154	8,609,371	8,899,821
Investigations	2,809,657	2,636,988	2,821,882	2,981,721	3,090,920
Technical Support Services	2,520,238	2,563,527	2,607,183	3,112,955	2,790,784
Crime Prevention	304,933	304,453	303,470	519,547	537,211
Traffic Safety	1,477,108	1,937,009	1,621,900	2,041,635	2,094,368
Jail Operations	644,672	616,109	676,185	648,444	667,792
Parking Enforcement	1,637,757	1,654,166	1,677,274	1,780,427	1,832,684
Animal Control	327,400	319,599	341,568	291,547	300,435
Asset Forfeiture	114,421	215,950	241,765	186,920	1,284,162
Law Enforcement Grants	153,453	105,000	108,500	105,000	105,000
Total Police	\$24,255,744	\$24,281,721	\$24,996,500	\$26,671,873	\$28,188,262
Fire					
Administration	\$2,600,063	\$3,263,947	\$3,098,336	\$2,820,780	\$3,008,611
Prevention	743,011	761,735	809,269	796,298	822,423
Fire Operations	6,605,885	6,372,845	6,463,873	6,472,729	6,692,135
Emergency Medical Services	1,686,543	1,778,149	1,889,491	1,987,923	2,050,103
Support Services	547,530	626,359	616,099	618,222	637,737
Total Fire	\$12,183,033	\$12,803,035	\$12,877,068	\$12,695,953	\$13,211,008

EXPENDITURES BY DEPARTMENT PROGRAM

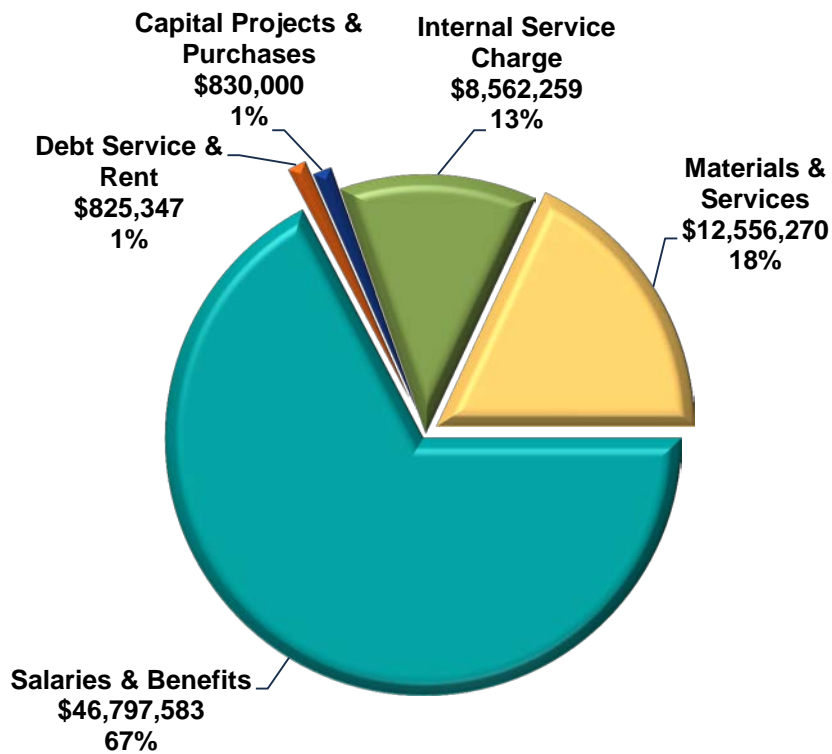
	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Community Development					
Administration	\$858,645	\$1,121,220	\$1,164,877	\$728,494	\$739,878
Planning	1,079,349	915,621	1,243,464	1,133,819	1,052,082
Building	1,846,195	1,909,885	1,782,355	1,977,712	2,073,806
Code Enforcement	238,248	371,101	295,803	369,688	378,180
Traffic Engineering	316,969	312,896	326,320	315,118	320,075
Total Community Development	\$4,339,406	\$4,630,723	\$4,812,819	\$4,524,832	\$4,564,021
Public Works					
Administration	\$1,638,445	\$1,598,874	\$1,431,240	\$1,270,302	\$1,306,195
Civil Engineering	3,102,859	8,965,501	3,644,992	3,331,662	5,277,055
Street Maintenance	4,051,773	7,578,761	3,872,582	6,215,938	3,652,050
Building & Grounds	2,952,516	2,965,220	2,854,995	3,068,125	3,166,115
Transportation	9,948	11,100	62,571	11,300	11,300
Street Lighting & Landscaping	420,176	424,304	419,626	423,477	432,217
Streetscape Maintenance	213,876	190,525	185,864	180,070	187,577
Water Administration	3,275,574	5,399,467	3,637,364	5,519,337	12,656,678
Water Source of Supply	4,313,850	5,019,157	5,018,828	5,504,534	5,714,490
Water Pumping/Treatment	1,588,379	1,593,623	1,445,588	1,688,085	1,778,877
Water Maintenance	1,267,498	1,533,613	1,577,491	1,559,469	1,608,525
Storm Drain Maintenance	667,623	1,722,344	1,156,891	1,100,267	1,086,718
Sewer Maintenance	1,623,815	2,462,565	1,484,312	1,300,567	8,462,328
Environmental & Refuse Management	4,009,445	4,267,893	3,992,177	4,374,947	4,460,444
Parking Facilities	3,316,743	6,221,291	4,525,468	4,463,264	3,925,506
Fleet Maintenance	1,966,328	1,869,019	2,315,665	2,046,195	3,675,071
Total Public Works	\$34,418,849	\$51,823,257	\$37,625,654	\$42,057,540	\$57,401,147
Information Technology					
Information Technology	\$1,982,616	\$2,876,472	\$2,424,247	\$2,948,187	\$2,584,716
Total Information Technology	\$1,982,616	\$2,876,472	\$2,424,247	\$2,948,187	\$2,584,716
Grand Total	\$99,881,482	\$120,889,403	\$107,964,805	\$114,350,560	\$132,963,397

USE OF FUNDS BY CATEGORY - GENERAL FUND

FY 2016/17 Use of Funds - General Fund = \$67,406,040

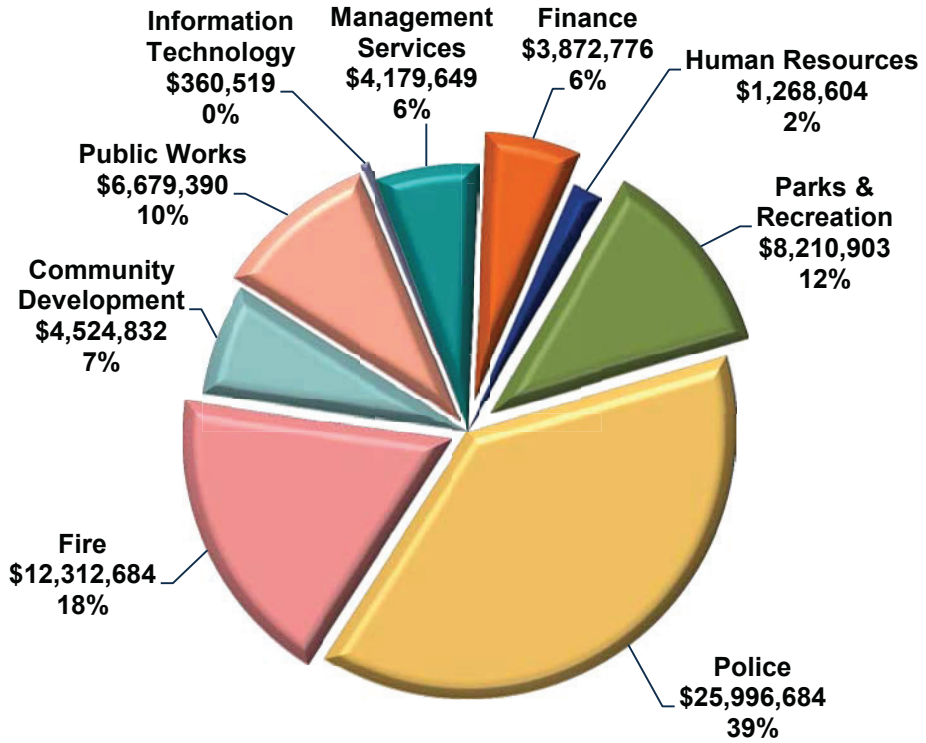


FY 2017/18 Use of Funds - General Fund = \$69,571,459

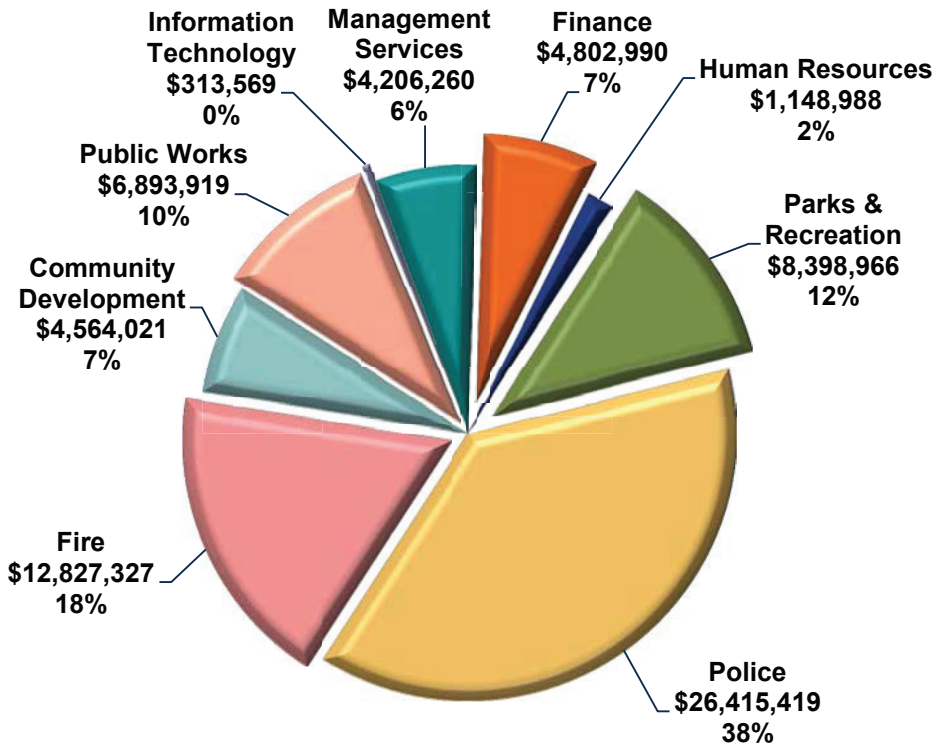


USE OF FUNDS BY DEPT - GENERAL FUND

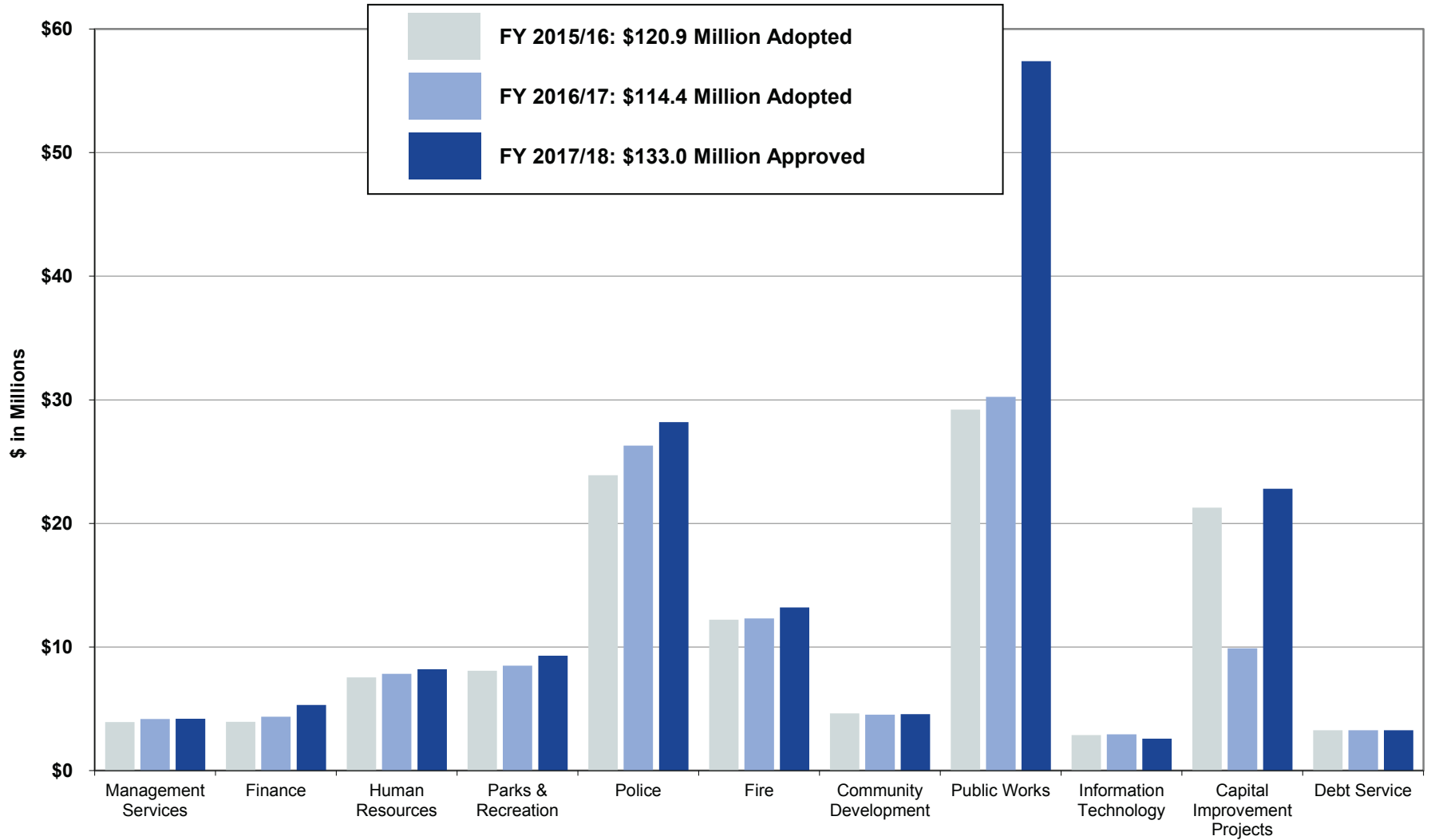
FY 2016/17 Use of Funds - General Fund = \$67,406,040



FY 2017/18 Use of Funds - General Fund = \$69,571,459



COMPARISON OF BUDGETED EXPENDITURES





FIVE YEAR FORECAST

FY 2016-2017 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2016 Opening Balance ¹	2016-2017 Estimated Revenues	2016-2017 Operating Expenditures	2016-2017 Capital Equip & Projects ²	2016-2017 Debt Service Payments ²	2016-2017 Total Expenditures	2016-2017 Fund Balance Before Xfers	2016-2017 Fund Transfers	06/30/2017 Total Fund Balance	06/30/2017 Reserves & Designations	06/30/2017 Unreserved Balance
General Fund Undesignated	\$3,087,377	\$67,822,465	(\$66,082,305)	(\$652,121)	(\$671,614)	(\$67,406,040)	\$3,503,802	(\$833,334)	\$1,298,276		\$1,298,276
<i>Transfer from County Lots Parking Fund</i>								186,503			
<i>Transfer from Information Technology Fund</i>								561,684			
<i>Transfer to Street Lighting Fund</i>								(207,413)			
<i>Transfer to Stormwater Fund</i>								(745,967)			
<i>Transfer to Insurance Reserve Fund</i>								(667,000)			
<i>Transfer to Capital Improvements Fund</i>								(500,000)			
<i>Financial Policy Designation</i>	12,713,032						12,713,032	768,176	13,481,208	13,481,208	
<i>Reserve for Economic Uncertainty</i>	1,799,010						1,799,010	65,158	1,864,168	1,864,168	
<i>Debt Service Reserve</i>	-						-	-	-	-	
Total General Fund Balance	\$17,599,419	\$67,822,465	(\$66,082,305)	(\$652,121)	(\$671,614)	(\$67,406,040)	\$18,015,844	(\$1,372,193)	\$16,643,652	\$15,345,376	\$1,298,276
Special Revenue Funds											
Street Lighting & Landscape	-	\$396,134	(\$603,547)	-	-	(\$603,547)	(\$207,413)	\$207,413	-		-
Gas Tax	1,217,156	784,911	-	(1,990,000)	-	(1,990,000)	12,067		\$12,067		\$12,067
Asset Forfeiture & Safety Grants	651,637	58,300	(186,920)	-	-	(186,920)	523,017		523,017		523,017
Police Safety Grants	142,584	101,400	(105,000)	-	-	(105,000)	138,984		138,984		138,984
Federal & State Grants	(22,488)	-	-	-	-	-	(22,488)		(22,488)		(22,488)
Prop A	-	680,260	(871,193)	-	-	(871,193)	(190,933)	190,933	-		-
Prop C	652,737	673,521	-	(190,000)	-	(190,000)	1,136,258		1,136,258		1,136,258
AB 2766	200,007	50,412	(11,300)	-	-	(11,300)	239,119		239,119		239,119
Measure R	1,107,394	421,111	-	(1,185,000)	-	(1,185,000)	343,505	(190,933)	152,572		152,572
Total Special Revenue Funds Balance	\$3,949,027	\$3,166,049	(\$1,777,960)	(\$3,365,000)	-	(\$5,142,960)	\$1,972,116	\$207,413	\$2,179,529	-	\$2,179,529
Capital Project Funds											
Capital Improvement Fund	\$3,151,271	\$1,568,304	-	(\$1,542,000)	(\$766,538)	(\$2,308,538)	\$2,411,037	\$500,000	\$2,911,037	\$500,000	\$2,411,037
Underground Utility Construction Fund	592,049	1,800	-	-	-	-	593,849		593,849		593,849
Total Capital Project Funds Balance	\$3,743,320	\$1,570,104	-	(\$1,542,000)	(\$766,538)	(\$2,308,538)	\$3,004,886	\$500,000	\$3,504,886	\$500,000	\$3,004,886
Enterprise Funds											
Water	\$23,758,817	\$14,897,000	(\$10,263,385)	(\$3,835,000)	(\$173,040)	(\$14,271,425)	\$24,384,391	\$15,317	\$24,399,708	\$3,478,808	\$20,920,900
Stormwater*	-	354,300	(890,267)	(210,000)	-	(1,100,267)	(745,967)	745,967	-	-	-
Wastewater	5,544,307	3,358,500	(1,115,431)	(100,000)	(85,136)	(1,300,567)	7,602,240	-	7,602,240	400,189	7,202,051
Refuse*	529,547	4,282,562	(4,141,558)	-	-	(4,141,558)	670,551	-	670,551	670,551	-
Parking*	1,019,179	2,593,000	(1,825,847)	(814,500)	(713,563)	(3,353,910)	258,269	2,561	260,830	260,830	-
County Parking Lots	-	798,500	(175,997)	-	(436,000)	(611,997)	186,503	(186,503)	-	-	-
State Pier & Parking	916,332	609,600	(457,358)	(40,000)	-	(497,358)	1,028,574	-	1,028,574	152,453	876,121
Enterprise Fund Reserves:											
North Manhattan Beach BID Reserve	518,896						518,896	-	518,896	518,896	
Total Enterprise Funds Balance	\$32,287,078	\$26,893,462	(\$18,869,842)	(\$4,999,500)	(\$1,407,739)	(\$25,277,081)	\$33,903,459	\$577,342	\$34,480,801	\$5,481,728	\$28,999,073

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FIVE YEAR FORECAST

FY 2016-2017 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2016 Opening Balance ¹	2016-2017 Estimated Revenues	2016-2017 Operating Expenditures	2016-2017 Capital Equip & Projects ²	2016-2017 Debt Service Payments ²	2016-2017 Total Expenditures	2016-2017 Fund Balance Before Xfers	2016-2017 Fund Transfers	06/30/2017 Total Fund Balance	06/30/2017 Reserves & Designations	06/30/2017 Unreserved Balance
Internal Service Funds											
Insurance Reserve ³	\$4,040,091	\$6,869,640	(\$6,555,285)	-	-	(\$6,555,285)	\$4,354,446	\$672,106	\$5,026,552	\$2,000,000	\$3,026,552
Information Technology ⁴	1,153,569	2,293,140	(2,198,850)	(388,818)	-	(2,587,668)	859,041	(600,000)	259,041		259,041
Fleet Management	2,226,392	2,232,420	(1,145,705)	(702,631)	(197,859)	(2,046,195)	2,412,617	7,666	2,420,283		2,420,283
Building Maintenance & Operations	3,464	1,858,135	(1,849,132)	-	-	(1,849,132)	12,467	7,666	20,133		20,133
Total Insurance Service Funds Balance	\$7,423,516	\$13,253,335	(\$11,748,973)	(\$1,091,449)	(\$197,859)	(\$13,038,281)	\$7,638,571	\$87,438	\$7,726,009	\$2,000,000	\$5,726,009
Trust & Agency Funds											
Underground Assessment Fund	\$1,848,423	\$965,000		-	(\$944,261)	(\$944,261)	\$1,869,162		\$1,869,162	\$1,869,162	
Pension Trust	263,936	173,000	(233,400)	-	-	(233,400)	203,536		203,536	203,536	
Total Trust Agency Funds Balance	\$2,112,359	\$1,138,000	(\$233,400)	-	(\$944,261)	(\$1,177,661)	\$2,072,698	-	\$2,072,698	\$2,072,698	-
Grand Total	\$67,114,719	\$113,843,415	(\$98,712,479)	(\$11,650,070)	(\$3,988,011)	(\$114,350,560)	\$66,607,574	-	\$66,607,574	\$25,399,802	\$41,207,772

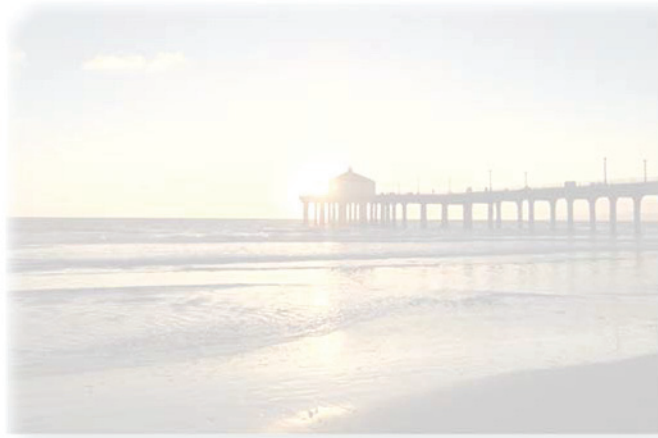
* Not meeting current Financial Reserve Policy.

¹ 07/01/2016 Opening Balances include 2015-2016 Full-Year Estimates and Committed Capital Projects/Grants.

² For detail, see Capital Budget Summary section and Appendix Schedule of Debt Service & Lease Payments.

³ Insurance Reserve Unreserved Balance is utilized to cover long-term liabilities, which totaled approximately \$4.15 million on June 30, 2015. As a result, transfers from the General Fund were scheduled over a three year period (FY2016, FY2017 & FY2018) to provide sufficient capital.

⁴ Funds receiving transfer of excess fund balance from Information Technology Fund: General Fund, Insurance Reserve, Water, Parking, Fleet Maintenance and Building & Operations.

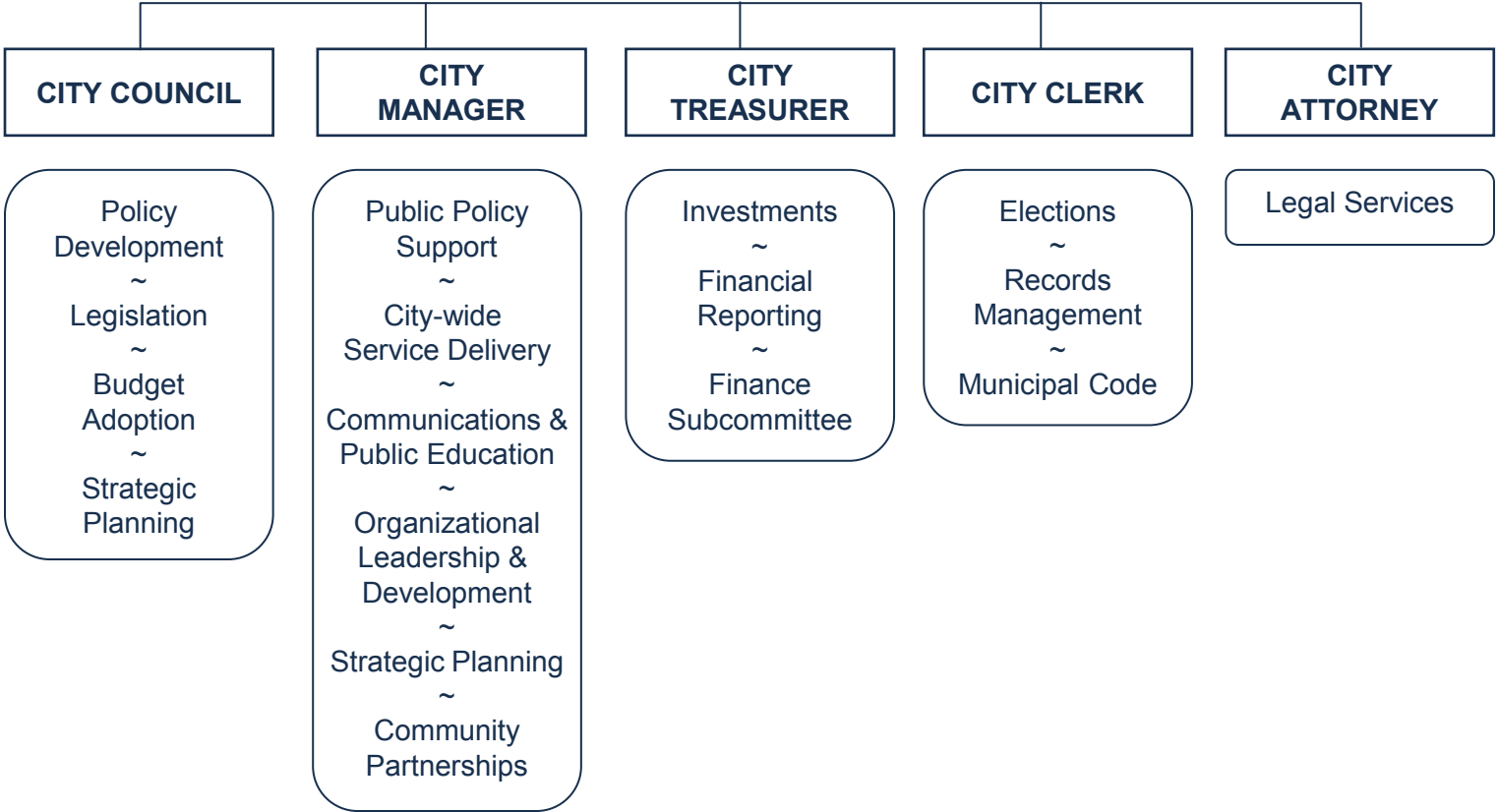


Management Services



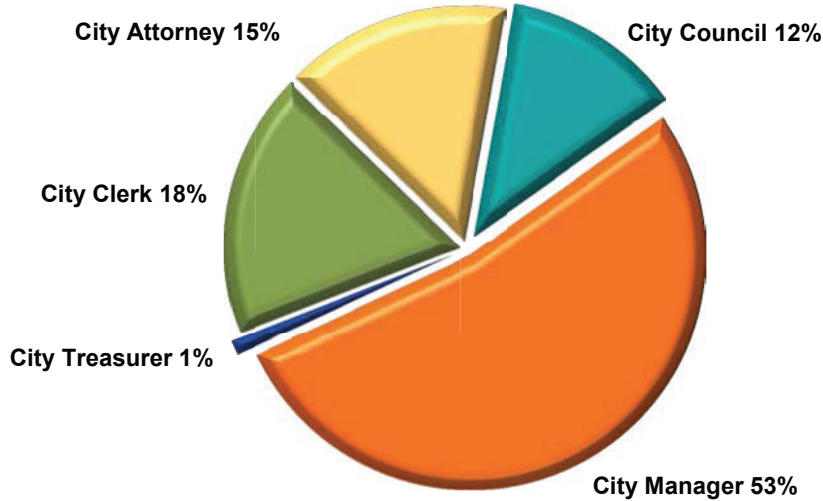


City of Manhattan Beach Management Services

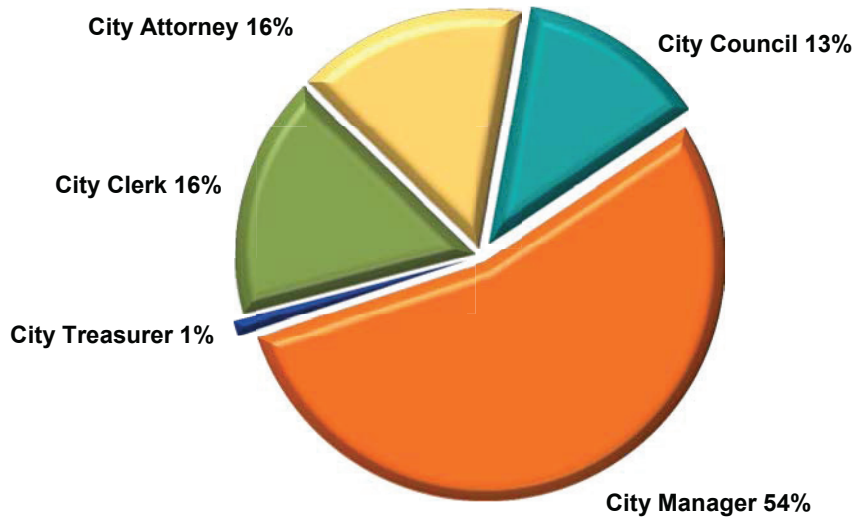


Management Services

**FY 2016/17
Department Expenditure by Program**



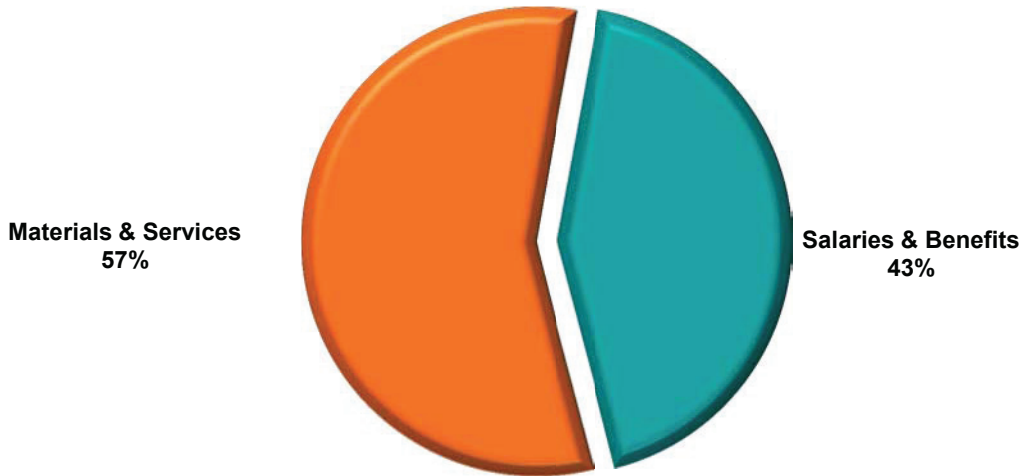
**FY 2017/18
Department Expenditure by Program**



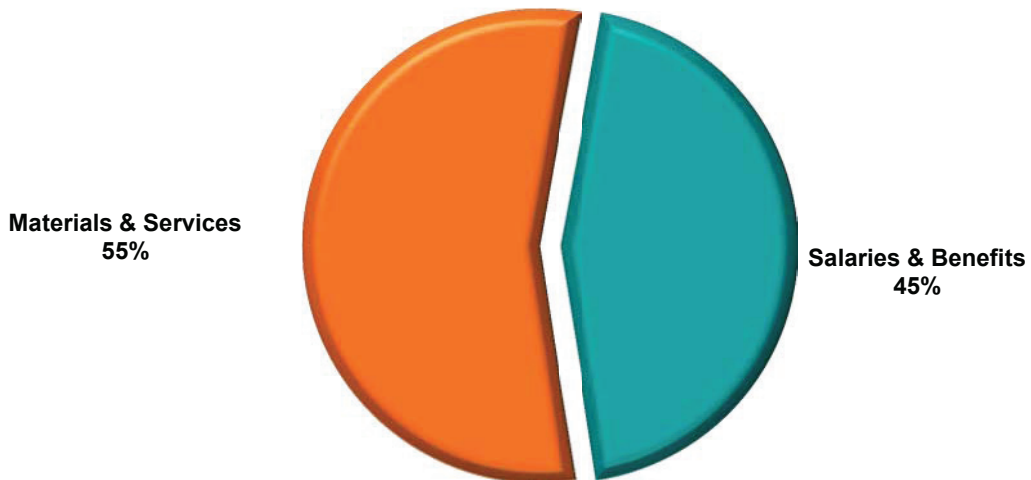
Program Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
City Council	\$363,039	\$536,704	\$440,109	\$514,291	\$536,792
City Manager	974,682	2,350,164	4,324,592	2,215,176	2,287,129
City Treasurer	32,318	40,306	35,910	41,860	44,111
City Clerk	664,045	665,750	759,541	761,180	685,760
City Attorney	838,483	600,768	691,073	647,142	652,468
Total	\$2,872,568	\$4,193,692	\$6,251,225	\$4,179,649	\$4,206,260
Full-Time Positions	13	17	17	17	17

Management Services

FY 2016/17
Department Expenditure by Category



FY 2017/18
Department Expenditure by Category



Category Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Salaries & Benefits	\$1,389,998	\$1,913,992	\$1,809,424	\$1,809,277	\$1,884,277
Materials & Services	1,435,878	2,017,762	4,149,008	2,370,372	2,321,983
Capital Outlay	46,692	261,938	292,793	-	-
Total	\$2,872,568	\$4,193,692	\$6,251,225	\$4,179,649	\$4,206,260



Mission

The City of Manhattan Beach is recognized for providing exemplary municipal services and contributing to the exceptional quality of life afforded to residents, businesses and visitors who enjoy living in and visiting California's safest beach community.

Department Overview

Management Services consists of five divisions responsible for the general administration and operation of the City. The City Council serves as the legislative body, represents the community and residents, and provides policy direction for City operations. The City Manager serves as the Chief Administrative Officer of the City and the staff of the City Manager's office supports the City Council in its policy making and legislative role; the City Manager also manages the City through ten operating departments. The City's chief legal advisor is the City Attorney, whose office is responsible for developing ordinances and resolutions, providing legal advice to the City Council and staff, and defending the City in any legal actions. The City Clerk is responsible for the posting of meeting agendas, preparing meeting minutes, records management including responding to Public Records Act requests, and to conduct the municipal election every other year. An elected City Treasurer oversees the investment of City funds.

Accomplishment Highlights FY 2015/16

City Council

- Conducted a comprehensive city-wide Strategic Planning process which established a new vision for the City based on six Pillars of Success:
 - Strong Governance that Values Meaningful Resident Engagement
 - Excellent Municipal Services Provided by an Aligned and Committed Workforce
 - Financial Sustainability
 - Environmental Stewardship
 - Effective Physical Asset Management - Infrastructure, Facilities, Amenities
 - Economic Vitality
- Established a location for the construction of a City skate park funded by grant money provided by Los Angeles County.
- Approved a Historic Preservation Ordinance and implementation of the Mills Act Pilot Program to protect and enhance the City's architectural, cultural, social, historical, and political heritage.
- Implemented a city-wide Sunshine Policy and Civility Policy to further strengthen the City's commitment to open and transparent government, and increase public participation.
- Continued commitment to environmental stewardship and protecting public health by approving an ordinance to regulate smoking in multi-unit housing and a Tobacco Retail Licensing Program in the City.

City Manager

- Continuing and expanding community civic engagement efforts, which include, but are not limited to:
 - City-wide Strategic Planning community meetings
 - Community Budget Priority Meetings to solicit priorities for the upcoming budget process
-

Management Services

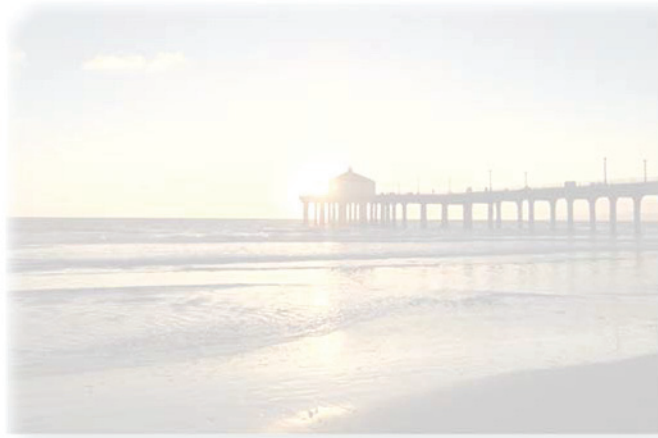
- Ongoing use of Open City Hall as a tool to increase resident participation in policy development and decision-making
- New online tools to increase community awareness and communication
- Launched new Public Records Request software, GovQA, that will increase efficiency and response to public requests, while improving governmental transparency.
- Held community workshop focused on training for online citizen engagement tools.
- Conducted in-depth Strategic Planning process that involved City Council, community groups and individuals to determine a long-term vision for the City.
- Increased the online capacity of the City's social media presence and build its ability to interact with the public through social media, as well as support other City departments in their use of social media as an engagement tool.
- Improved media relations and external communications.
- Facilitated four City Council retreats in Fall 2015 that focused on topics such as improved governance; the expectations of the City Manager and City Council; long-term, strategic planning; and City-wide goals and priorities.
- Filled key Executive and Management positions to provide more internal effectiveness and improved service delivery to the community.
- Successfully negotiated 3-year labor contracts for all labor groups in the City.
- Instituted regular performance evaluations for Executive Staff members in order to assess and maintain exceptional level of service delivery for each department.
- Conducted comprehensive employee survey to further evaluate and address organizational development opportunities, which resulted in the creation of three Employee Work Groups focused on proposing innovative strategies in the areas of:
 - Communication and Recognition
 - Innovation, Technology and Social Media
 - Talent Development and Training
- Organized regular city-wide All-Hands Meetings to increase communication and recognition throughout the organization.
- Held City-wide trainings on key municipal services, such as excellent customer service and comprehensive staff work, in order to facilitate organizational development and provide better services to the community.
- Continued improvement of City Council reports through new template that includes additional information on public outreach, policy alternatives and alignment with City-wide priorities to better assist City Council with policy-making decisions.
- Developed and implemented Sunshine Ordinance for the City to increase transparency in City Council decision-making and processes, as well as meeting management protocols that allow for more intentional and accessible community participation.

City Clerk

- Implemented an electronic, internet based public records request system - Gov Q/A.
- Initiated the first stage of the City-wide Document Imaging project by integrating existing records into the new database - OnBase.
- Updated the City's Boards and Commissions Handbook and revised the appointment and selection process.
- Implemented new City-wide Records Retention Schedule.

City Attorney

- Drafted ordinances to reflect recent developments in case law and statutory law, and updated and modernized the Municipal Code.
- Drafted Sunshine Policy based on the work of the Ad Hoc Open Government Subcommittee that served as a supplement to both the “Brown Act” and California Public Records Act.
- Refined current templates for public contract agreements, professional service agreements, requests for proposals, ordinances and resolutions.
- Advised and assisted City Clerk in implementation of new software for managing and responding to requests made under the Public Records Act.
- Reviewed and updated the City’s code enforcement and prosecutorial approach and activities.
- Provided periodic updates on recent developments in the law and pending litigation.
- Provided quarterly reports regarding pending litigation and claims.
- Assisted successful negotiations with all labor groups.
- Provided legal advice on Federal and State law including the Brown Act, Public Records Act, Political Reform Act, Public Contracting Law, Coastal Act, NPDES, the Clean Water Act and CEQA.
- Worked with City Manager’s Office and the Human Resources Department to evaluate the City’s Risk Management Program





Program Overview

The City of Manhattan Beach is a general law City and operates under the Council-Manager form of government. The five-member City Council is elected at-large to serve four-year terms. The Mayor's office is rotated among all Councilmembers which provides approximately nine and one-half months of service as Mayor during each Councilmember's four-year term of office. As elected officials, the City Councilmembers represent the citizens of Manhattan Beach in the governing process and act on their behalf with regard to regional and local, as well as State and Federal issues.

The City Council is the legislative authority and sets the policies under which the City operates. Responsibilities of the City Council include enacting legislation such as local laws and ordinances; approving City programs; adopting the City's capital improvement plan and operating budget; and appropriating the funds necessary to provide services to the City's residents, businesses and visitors.

The City Council provides leadership through policy development regarding the current practices and future direction of the City. The City Council convenes regular meetings on the first and third Tuesday of each month and holds occasional special meetings. The City Council appoints the City Manager and City Attorney, as well as the members of the City's six advisory boards and commissions.

Objectives FY 2016/17 & FY 2017/18

In FY 2016-2017, the City Council will continue to focus on initiatives established through the city-wide Strategic Planning and budgeting processes; address the City's long-term infrastructure and capital facility needs; continue to foster economic development efforts through the Downtown Specific Plan process and develop a Specific Plan for the Sepulveda business corridor; continue to safeguard and bolster the City's finances, further enhance and strengthen the City's public safety capabilities.

Major Service Delivery Changes

The City will be implementing new business hours for City Hall beginning in April 2016. With the City's previous 9/80 work schedule, the City was fully staffed for only 3 full days a week which resulted in 48 fully staffed work hours in an two week period. The City will now be fully staffed for a full 80 hours over a two week period with the new 9/80 schedule. City Hall will have extended service hours Monday through Thursday opening earlier and closing later, with City Hall closing on alternating Fridays. These new business hours will provide consistency in the delivery of City services across all departments, and ensure that City Hall is fully staffed during regular business hours. Online services including class registration, account management and electronic bill pay will still be accessible at any time through the City's website. Additionally, police and fire emergency services will continue to be provided 24 hours a day, seven days a week.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
City Councilmembers	5	5	5	5

Part-time hours proposed total 200 hours in FY 2016/17 and 250 hours in FY 2017/18.

Management Services | City Council

City Council Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$66,446	\$64,676	\$67,048	\$61,978	\$61,978
4103 Part-time Salaries	1,264	1,800	1,200	2,600	2,600
4201 Group Medical Insurance	34,484	39,212	42,596	60,930	65,739
4202 Medicare Contributions	953	525	924	502	502
4211 PERS Regular Contribution	5,097	5,033	5,582	6,261	6,638
Total Salaries & Benefits	\$108,243	\$111,246	\$117,350	\$132,271	\$137,457
5101 Contract Services	\$36,177	\$74,133	\$103,000	\$20,800	\$31,000
5201 Office Supplies	86	-	-	-	-
5202 Membership & Dues	38,791	46,580	38,000	45,480	46,480
5203 Reference Materials	150	100	-	100	200
5204 Conferences & Meetings	16,496	30,025	20,000	-	-
5205 Training, Conferences & Meetings	20,509	21,900	10,000	37,175	40,350
5207 Advertising	3,284	4,150	6,200	7,900	8,330
5208 Postage	228	215	201	225	225
5210 Computer Supplies & Software	550	-	-	-	-
5217 Departmental Supplies	17,140	23,500	24,000	26,900	26,900
5225 Printing	481	600	500	600	600
5240 Assessments & Taxes	2,452	2,500	3,575	3,575	3,575
5260 Council Contingencies	-	100,000	-	100,000	100,000
5262 Public Relations	26,547	27,875	26,000	44,625	44,875
5501 Telephone	67	70	66	70	70
Total Materials & Services	\$162,959	\$331,648	\$231,542	\$287,450	\$302,605
5611 Warehouse Services	-	\$250	\$150	\$250	\$250
5621 Information Technology Allocation	29,124	29,194	29,194	29,280	29,820
5631 Insurance Allocation	4,800	3,960	3,960	2,340	3,060
5651 Building & Operations Allocation	57,913	60,406	57,913	62,700	63,600
Total Internal Services	\$91,837	\$93,810	\$91,217	\$94,570	\$96,730
Total Operating Expenditures	\$363,039	\$536,704	\$440,109	\$514,291	\$536,792
Operating Expenditures % Change from 2015/16 Adopted Budget				-4.2%	0.0%
Source of Funds					
General Fund	\$363,039	\$536,704	\$440,109	\$514,291	\$536,792
Total Sources	\$363,039	\$536,704	\$440,109	\$514,291	\$536,792



Program Overview

The City Manager is appointed by the City Council to carry out its policies and to ensure that the community is served in a responsive manner. The City Manager's office is responsible for providing support and advice to the City Council, offering leadership and legislative policy support for all departments, fostering community partnerships and interagency collaboration, and championing efforts to increase civic engagement efforts and organizational development and resiliency.

Major services include:

Public Policy Support

Provide professional expertise and support to the City Council in the formulation, interpretation, and application of public policy and legislative advocacy.

Citywide Service Delivery

Manage and coordinate citywide service delivery efforts by providing strategic direction and oversight.

Communications and Public Education

Lead efforts to promote communication among the City's departments, media, and the public.

Organizational Leadership and Development

Provide leadership to departments and City activities, assure accountability of departments and staff on core activities, and champion efforts to increase leadership and management training.

Economic Vitality

Assess and expand the City's retail and business capacity through retention of current businesses, recruitment of new investment and implementation of innovative economic development strategies.

Objectives FY 2016/17 & FY 2017/18

- Continue working with staff and stakeholder groups towards finalization and implementation of Manhattan Beach Downtown Specific Plan.
- Continue to grow and develop civic engagement opportunities, both new and existing.
- Facilitate City Council creation of a city-wide work plan based on the goals and priorities established in the recently adopted City-wide Strategic Plan.
- Continue improving process of staff reports by adding additional information and providing adequate training.
- Work collaboratively with City departments in implementing new recommendations made by the Employee Work Groups.



Management Services | City Manager

- Continue efforts to increase efficiencies and improve internal and external communication by pursuing organizational development opportunities.
- Research and support continued study of potential hotel development sites in Manhattan Beach, as well as future potential of the city-owned property on Parkview Avenue.
- Support the Economic Vitality Manager position as it seeks to encourage innovative economic development through business attraction and retention, creative outreach and more.
- Evaluate feasibility of City Council Capital Improvement Program (CIP) priorities.

Major Service Delivery Changes

Management Analyst

The City Manager's Office will establish a Management Analyst position that builds on the previously created Management Fellow position and supports the efforts and objectives of this office and the division as a whole. This evolved position will act in coordination with the office of the City Clerk and the City Attorney to support the team in executing the services of this department. It will offer additional administrative and research assistance to achieve City Council goals and objectives, as well as support in public policy considerations and community engagement activities. This role will also support online civic engagement efforts and assist in the creation of new opportunities for interaction between the public and the City. The position will help facilitate local and regional media relations, as well as internal communications. It will provide analytical and logistical support for special projects or initiatives.

City Hall Welcome Center

The City Manager's office is dedicated to creating an accessible and welcoming space at City Hall for residents, business-owners and other citizens looking for information from the City of Manhattan Beach. In an effort to achieve this objective and increase the ease with which information and resources are obtained through City Hall, this office has created a Welcome Center to greet those entering City Hall and to help them access what they need.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
City Manager	1	1	1	1
Assistant City Manager	-	1	1	1
Economic Vitality Manager	-	1	1	1
Assistant to the City Manager	1	-	-	-
Management Analyst ¹	-	0.5	0.5	0.5
Management Analyst			1	1
Temporary Management Fellow	-	1	-	-
Administrative Assistant to the City Manager	1	1	1	1
Receptionist Clerk ²	-	1	1	1
Total	3	6.5	6.5	6.5

¹ Position split with City Clerk's Office in FY 2015-2016.

² Position transferred from Parks and Recreation Department in FY 2015-2016.

Management Services | City Manager

City Manager Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$529,031	\$826,977	\$750,929	\$836,933	\$860,342
4103 Part-time Salaries	27,514	-	8,200	-	-
4111 Overtime Regular Employees	1,551	6,000	3,500	3,000	3,000
4201 Group Medical Insurance	57,665	108,849	82,868	100,691	107,037
4202 Medicare Contributions	7,929	12,305	10,554	13,680	14,019
4203 Unemployment	684	480	480	480	480
4204 401A Plan City Contributions	27,847	38,244	33,706	38,937	40,090
4205 Worker's Compensation	6,240	119,820	119,820	1,860	1,920
4206 Medical Retirement Contributions	4,260	4,260	4,260	4,260	4,260
4211 PERS Regular Contribution	59,027	104,066	92,050	114,374	127,956
Total Salaries & Benefits	\$721,749	\$1,221,001	\$1,106,367	\$1,114,215	\$1,159,104
5101 Contract Services	\$68,009	\$81,060	\$75,000	\$179,380	\$172,920
5104 Computer Contract Services	99	150	150	150	8,150
5201 Office Supplies	9,457	8,000	7,500	8,000	8,500
5202 Membership & Dues	4,825	6,025	5,000	9,725	9,625
5203 Reference Materials	507	400	400	896	400
5204 Conferences & Meetings	12,261	34,750	33,000	-	-
5205 Training, Conferences & Meetings	10,903	33,480	28,000	65,250	62,400
5208 Postage	122	120	112	120	120
5210 Computer Supplies & Software	-	4,800	3,200	-	-
5217 Departmental Supplies	18,588	17,600	17,800	17,800	19,500
5225 Printing	1,203	500	500	500	500
5270 City Manager Home Loan	-	-	2,200,990	-	-
5501 Telephone	2,056	2,100	1,991	2,000	2,010
Total Materials & Services	\$128,031	\$188,985	\$2,373,643	\$283,821	\$284,125
5611 Warehouse Services	\$60	-	\$44	-	-
5621 Information Technology Allocation	\$29,124	\$48,657	\$48,657	\$48,780	\$49,680
5631 Insurance Allocation	18,780	593,340	593,340	730,740	756,060
5651 Building & Operations Allocation	34,747	36,243	34,748	37,620	38,160
Total Internal Services	\$82,711	\$678,240	\$676,789	\$817,140	\$843,900
Total Operating Expenditures	\$932,490	\$2,088,226	\$4,156,799	\$2,215,176	\$2,287,129
6212 CIP Bldg & Facilities - CYr	\$42,192	\$261,938	\$167,793	-	-
Total Capital Projects & Equipment	\$42,192	\$261,938	\$167,793	-	-
Total Expenditures	\$974,682	\$2,350,164	\$4,324,592	\$2,215,176	\$2,287,129
Operating Expenditures % Change from 2015/16 Adopted Budget				6.1%	9.5%
Source of Funds					
General Fund	\$932,490	\$2,088,226	\$4,156,799	\$2,215,176	\$2,287,129
Capital Improvement Fund	42,192	261,938	167,793	-	-
Total Sources	\$974,682	\$2,350,164	\$4,324,592	\$2,215,176	\$2,287,129

Program Overview

The City Clerk's Office is dedicated to collaborating with City officials and the public to ensure that open and effective government standards are in place to secure the public trust, and provide a system of transparency, public participation and accountability. City Clerk serves as the greatest resource for information for the public, the City Council, City staff and other governmental agencies; manages legal requirements for public notices and the filing of referendums and initiatives; and keeps complete and accurate records of City Council proceedings. The City Clerk's Office continues to work diligently with the City's Information Technology Department to provide broadcasting of City Council and Planning Commission meetings on Manhattan Beach Local Community Cable, Time Warner Channel 8 and Verizon Channel 35, and City Website Live Streaming Video, ensuring public information and access to the local government process.

As the custodian of the City's official records, the office is devoted to maintaining all official City document archives and legislative history, and ensuring the preservation, protection and integrity of the public records. The City Clerk is the City's Election Officer, and as such, conducts and certifies the City's municipal elections for six elected offices (5 City Council and 1 City Treasurer). In addition, the City Clerk's Office administers oaths and affirmations, files annual Statements of Economic Interest, and performs other duties as may be required by law.

Objectives FY 2016/17 & FY 2017/18

- Conduct an impartial, open and transparent 2017 Municipal Election.
- Continue the City-wide Document Imaging project by initiating stage two including the scanning, imaging and indexing of new records into the database - OnBase.
- Continue to support the City Council's open and transparent government and meeting management initiatives including social media, closed captioning and e-government.

Major Service Delivery Changes

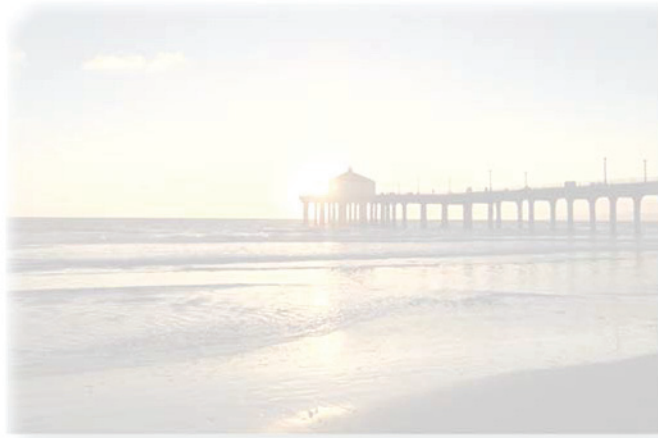
To further enhance the City's commitment to open, transparent and accessible local government, the City Clerk's Office has instituted an internet based public records request platform and an improved document imaging system. The public records request system (Gov Q/A) provides multiple benefits to the public by allowing them to submit public records request at any time online, allow for the creation of an individual account to submit and track requests, and allow for pertinent records to be retrieved electronically. Once the new document imaging system (OnBase) is fully operational, members of the public will have the capability to search City ordinances, resolutions, minutes, agenda, agenda packets, contracts and other archive records dating back to the City's incorporation in 1912. These two major service delivery changes continue to support City's Council's open government initiatives and fulfill the mission of the City Clerk's Office to ensure the accessibility, preservation, protection and integrity of public records.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
City Clerk	1	1	1	1
Senior Deputy City Clerk	1	1	1	1
Management Analyst ¹	1	0.5	0.5	0.5
Administrative Clerk I/II	-	1	1	1
Total	3	3.5	3.5	3.5

¹ Position split with City Manager's Office in FY 2015-2016.

Part-time hours proposed total 1,248 hours in FY 2016/17 and 1,404 hours in FY 2017/18.

City Clerk Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$306,440	\$301,869	\$315,879	\$289,375	\$297,176
4103 Part-time Salaries	27,514	25,060	23,000	25,060	25,060
4111 Overtime Regular Employees	8,062	15,112	14,000	11,700	15,112
4201 Group Medical Insurance	38,247	52,120	36,448	43,405	45,896
4202 Medicare Contributions	4,904	4,747	4,713	5,741	5,854
4204 401A Plan City Contributions	8,844	10,460	9,258	8,690	8,950
4206 Medical Retirement Contributions	2,796	2,796	2,796	2,796	2,796
4211 PERS Regular Contribution	36,808	41,545	39,139	39,916	44,535
Total Salaries & Benefits	\$433,617	\$453,709	\$445,233	\$426,683	\$445,379
5101 Contract Services	\$22,952	\$24,800	\$22,800	\$28,300	\$29,020
5104 Computer Contract Services	30,538	74,875	55,000	75,300	78,300
5105 Elections	84,575	2,180	2,500	101,927	2,220
5202 Membership & Dues	805	1,002	1,000	2,320	2,330
5204 Conferences & Meetings	3,147	4,340	7,750	-	-
5205 Training, Conferences & Meetings	2,080	21,900	15,200	42,665	42,665
5207 Advertising	7,097	6,000	6,000	6,000	6,500
5208 Postage	355	350	326	350	350
5210 Computer Supplies & Software	-	-	3,441	-	-
5212 Office Equip Maintenance	30	250	-	250	250
5217 Departmental Supplies	2,197	3,050	3,000	3,050	3,150
5225 Printing	316	350	350	350	350
5501 Telephone	121	125	119	125	126
Total Materials & Services	\$154,212	\$139,222	\$117,486	\$260,637	\$165,261
5621 Information Technology Allocation	\$48,552	\$48,657	\$48,657	\$48,780	\$49,680
5651 Building & Operations Allocation	23,164	24,162	23,165	25,080	25,440
Total Internal Services	\$71,716	\$72,819	\$71,822	\$73,860	\$75,120
Total Operating Expenditures	\$659,545	\$665,750	\$634,541	\$761,180	\$685,760
6141 Computer Equipment & Software	\$4,500	-	\$125,000	-	-
Total Capital Projects & Equipment	\$4,500	-	\$125,000	-	-
Total Expenditures	\$664,045	\$665,750	\$759,541	\$761,180	\$685,760
Operating Expenditures % Change from 2015/16 Adopted Budget				14.3%	3.0%
Source of Funds					
General Fund	\$664,045	\$665,750	\$759,541	\$761,180	\$685,760
Total Sources	\$664,045	\$665,750	\$759,541	\$761,180	\$685,760



Management Services | Treasurer

Program Overview

The City Treasurer is elected at-large and serves a four-year term. Along with Finance staff, the Treasurer administrates all City funds and provides accountability to the citizens of Manhattan Beach. The Treasurer's responsibilities include investment of idle funds; reporting such activities to the City Council; and serving as Chair of the Finance Subcommittee.



The Treasurer oversees the City's \$80 to \$90 million investment portfolio. The investment portfolio contains instruments such as Federal Agencies, high-grade corporate bonds and Treasury notes. The State's Local Agency Investment Fund is also used to ensure proper cash flow and liquidity. While investment yields have dropped to some of the lowest levels in history, the City's investment strategy continues to place emphasis on safety and liquidity.

Accomplishment Highlights FY 2015/16

- Safely invested the City's idle funds.

Objectives FY 2016/17 & FY 2017/18

- Protect the City's assets and invest funds safely.
- Maintain sufficient liquidity.
- Update the annual investment policy and provide monthly reporting.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
City Treasurer	1	1	1	1

City Treasurer Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$7,714	\$12,225	\$8,157	\$12,038	\$12,038
4201 Group Medical Insurance	18,751	18,354	19,042	18,900	20,455
4202 Medicare Contributions	112	94	114	95	95
4211 PERS Regular Contribution	1,190	1,188	1,294	1,252	1,328
Total Salaries & Benefits	\$27,767	\$31,861	\$28,607	\$32,285	\$33,916
5104 Computer Contract Services	\$3,189	\$3,285	\$3,348	\$3,520	\$3,700
5202 Membership & Dues	40	300	300	300	340
5204 Conferences & Meetings	1,322	3,060	1,355	-	-
5205 Training, Conferences & Meetings	-	1,800	2,300	5,755	6,155
Total Materials & Services	\$4,551	\$6,645	\$5,003	\$3,820	\$4,040
Total Operating Expenditures	\$32,318	\$40,306	\$35,910	\$41,860	\$44,111
Operating Expenditures % Change from 2015/16 Adopted Budget				3.9%	9.4%
Source of Funds					
General Fund	\$32,318	\$40,306	\$35,910	\$41,860	\$44,111
Total Sources	\$32,318	\$40,306	\$35,910	\$41,860	\$44,111

Program Overview

The City Attorney's Office consists of a contracted City Attorney who provides legal services on a flat retainer basis and who is admitted to practice law by the California Bar Association and experienced in the practice of Municipal Law, and a legal secretary employed by the City. City Prosecution services is provided on an as-needed hourly basis by a part-time contract deputy prosecutor. Through the services of the City Prosecutor, the office prosecutes violations of the City Municipal Code in the form of criminal misdemeanors or through an administrative process.

The City Attorney's Office drafts ordinances, resolutions and agreements as well as provides general legal services and advice, oral and written, to all City Councilmembers and City departments on a daily and routine basis. Attorneys specializing in areas of land use, real estate, finance, California Environmental Quality Act, California Coastal Act, public works, labor and other specialties are all available to the City Manager, City departments and the City Council at any time. The City Attorney also oversees outside counsel.

The City Attorney serves as advisor by providing legal representation at City Council meetings, and on an as-needed basis to other boards, committees and commissions. The City Attorney also attends weekly City Manager Department Head meetings and other meetings as requested, and provides support to Risk Management in processing claims as well as other departments as needed for legal services. The City Attorney assists the City Clerk's office with the processing and management of Public Records Act requests.

Objectives FY 2016/17 & 2017/18

Litigation Status

- Provide regular reporting on all litigation, lawsuits and claims including the status of existing and potential litigation, and significant litigation.

Risk Management

- Assist the Human Resources Department to continue evaluating the City's Risk Management Program.

Public Records

- Work with City Clerk's Office to continue increasing efficiencies in responding to requests made under the Public Records Act through the City's new Public Records system.

Legal Opinions

- Continue to provide legal advice on Federal and State law including: the Brown Act, Public Records Act, Political Reform Act, Public Contracting Law, Coastal Act, NPDES, the Clean Water Act and CEQA.

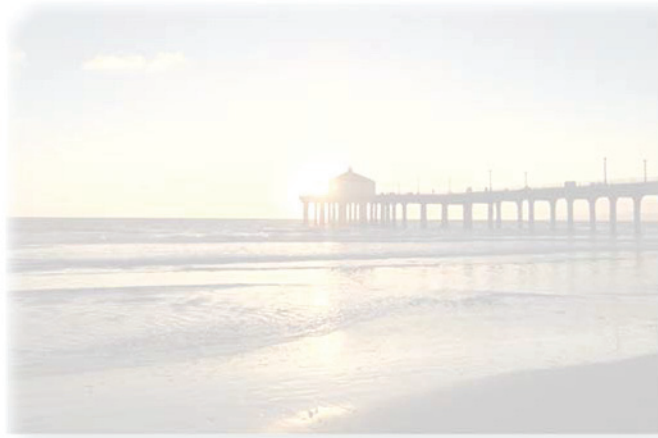
Municipal Code

- Continue to draft ordinances to reflect recent developments in case law and statutory law.
- Draft ordinances to update, streamline and modernize the Municipal Code.
- Assist in improving the City's Municipal Code, policies and practices to make them more user-friendly and efficient.

Management Services | City Attorney

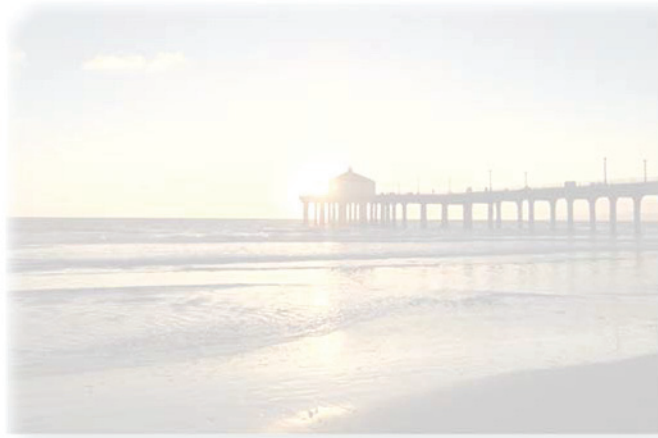
Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Legal Secretary	1	1	1	1
Total	1	1	1	1

City Attorney Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$73,753	\$69,806	\$83,850	\$73,837	\$75,995
4201 Group Medical Insurance	11,064	11,757	12,575	13,941	15,036
4202 Medicare Contributions	1,044	1,012	1,148	1,070	1,102
4204 401A Plan City Contributions	3,083	3,054	3,194	3,234	3,331
4206 Medical Retirement Contributions	1,680	1,680	1,680	1,680	1,680
4211 PERS Regular Contribution	7,998	8,866	9,420	10,060	11,278
Total Salaries & Benefits	\$98,622	\$96,175	\$111,867	\$103,823	\$108,421
5101 Contract Services	\$181,698	\$104,128	\$161,732	\$105,904	\$105,904
5108 Legal Services	513,927	354,000	371,899	390,000	390,000
5203 Reference Materials	-	1,000	-	1,000	1,000
5205 Training, Conferences & Meetings	-	100	-	100	100
5208 Postage	142	140	131	135	135
5210 Computer Supplies & Software	-	-	1,394	-	-
5217 Departmental Supplies	84	100	-	100	100
5501 Telephone	1,430	1,500	1,422	1,500	1,508
Total Materials & Services	\$697,280	\$460,968	\$536,578	\$498,739	\$498,747
5621 Information Technology Allocation	19,416	19,463	19,463	19,500	19,860
5651 Building & Operations Allocation	23,164	24,162	23,165	25,080	25,440
Total Internal Services	\$42,580	\$43,625	\$42,628	\$44,580	\$45,300
Total Operating Expenditures	\$838,483	\$600,768	\$691,073	\$647,142	\$652,468
Operating Expenditures % Change from 2015/16 Adopted Budget				7.7%	8.6%
Source of Funds					
General Fund	\$838,483	\$600,768	\$691,073	\$647,142	\$652,468
Total Sources	\$838,483	\$600,768	\$691,073	\$647,142	\$652,468

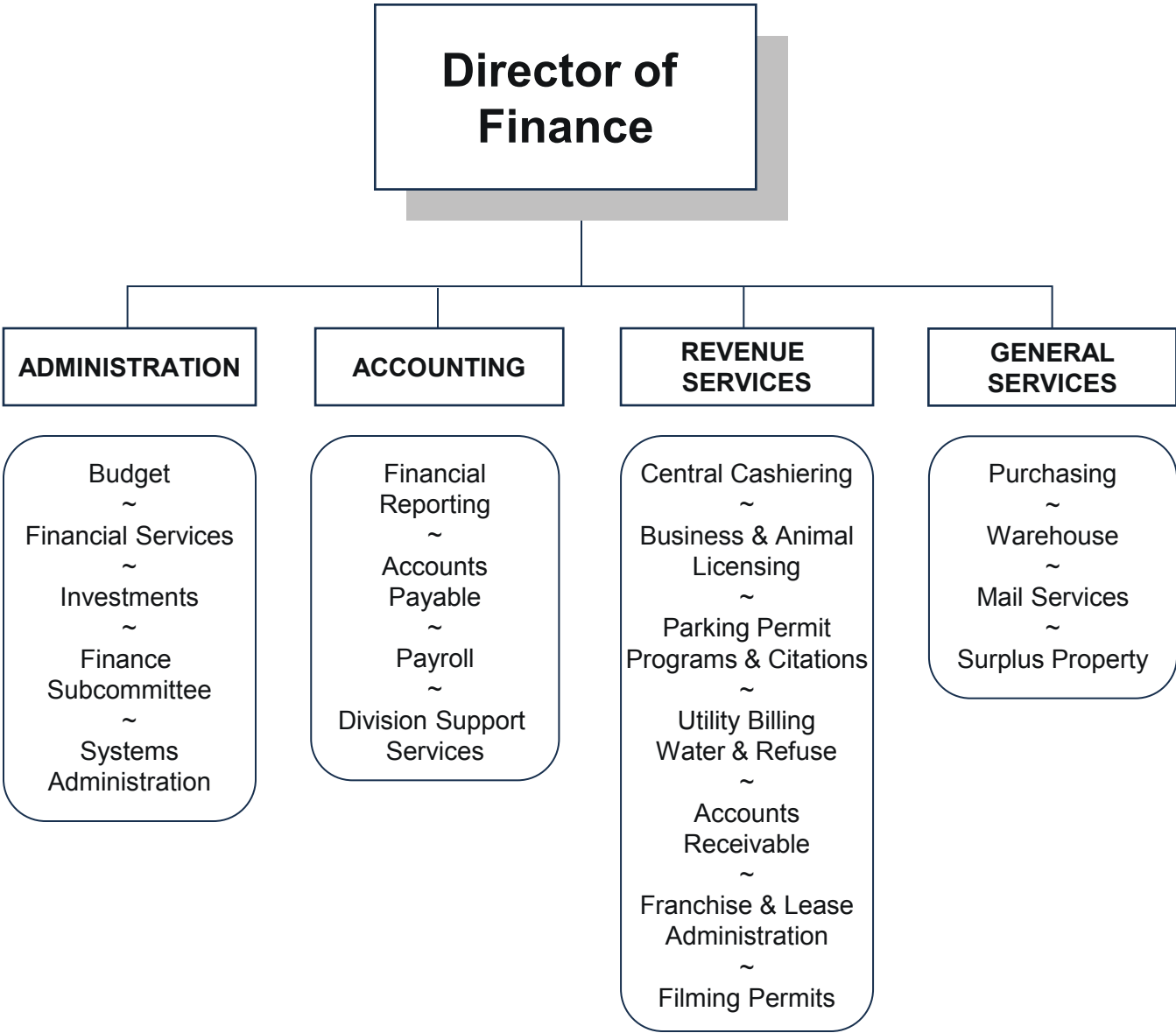


Finance



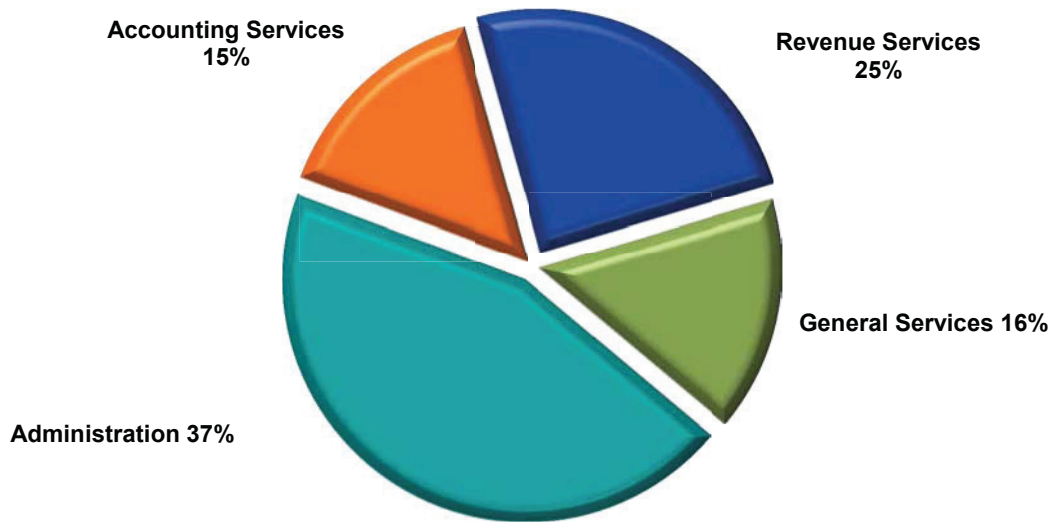


City of Manhattan Beach Finance Department

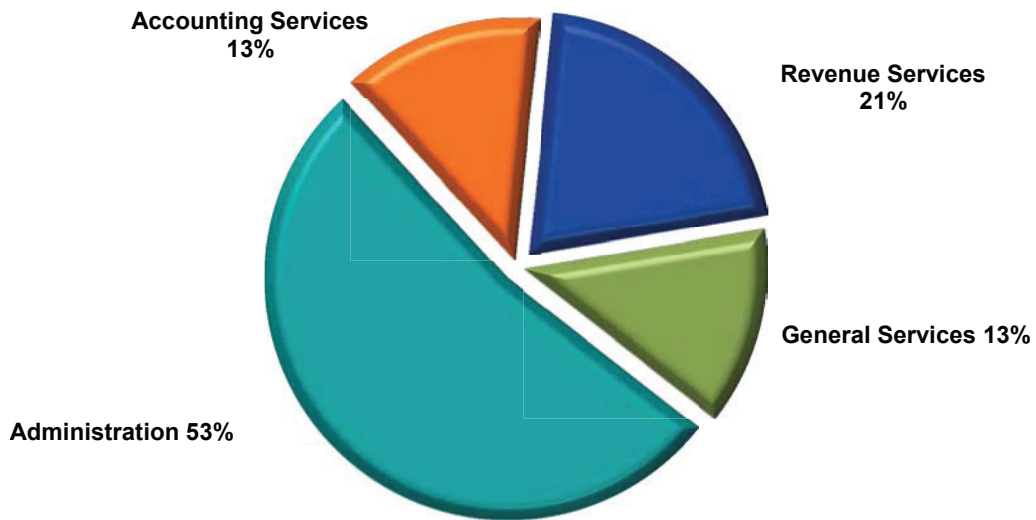


Finance Department

**FY 2016/17
Department Expenditure by Program**



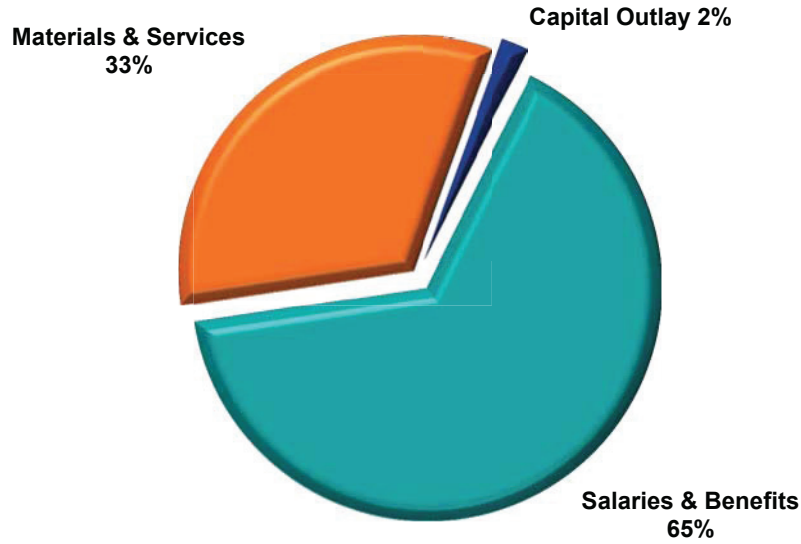
**FY 2017/18
Department Expenditure by Program**



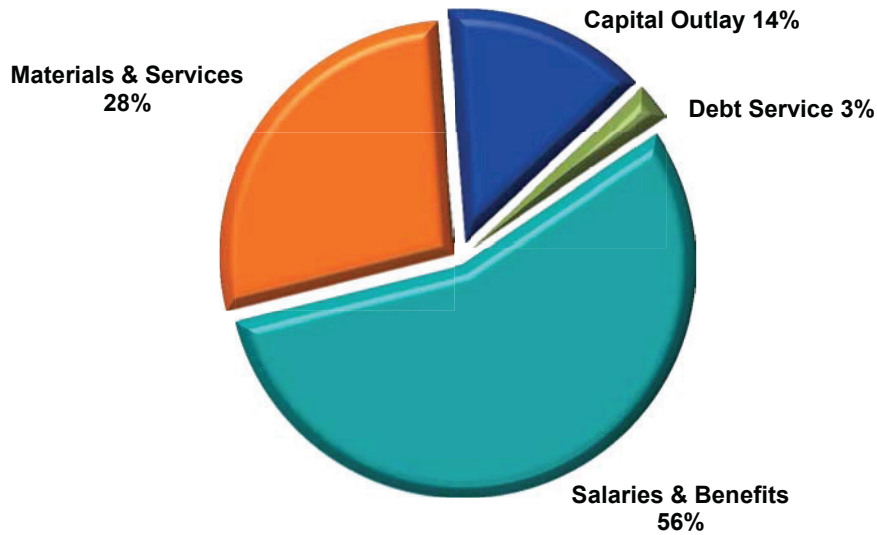
	2014/15	2015/16	2015/16	2016/17	2017/18
Program Expenditures	Actual	Adopted	Estimate	Adopted	Approved
Administration	\$1,278,402	\$1,545,900	\$1,412,971	\$1,947,491	\$2,793,319
Accounting Services	713,479	677,230	626,287	656,710	712,491
Revenue Services	1,129,098	1,081,529	1,068,410	1,075,847	1,101,135
General Services	626,969	641,147	664,400	686,495	700,512
Total	\$3,747,947	\$3,945,806	\$3,772,068	\$4,366,543	\$5,307,457
Full-Time Positions	17	17	17	17	17

Finance Department

**FY 2016/17
Department Expenditure by Category**



**FY 2017/18
Department Expenditure by Category**



Category Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Salaries & Benefits	\$2,300,514	\$2,338,702	\$2,277,964	\$2,855,311	\$2,947,065
Materials & Services	1,389,077	1,467,104	1,427,689	1,430,647	1,473,520
Capital Outlay	58,355	140,000	66,415	80,585	750,000
Total	\$3,747,947	\$3,945,806	\$3,772,068	\$4,366,543	\$5,307,457

Finance Department

Mission

To ensure the integrity of the City's financial systems in accordance with City policies while providing responsive and superior customer service

Department Overview

The Finance Department's responsibilities include accounting, payroll, investments, and procurement, as well as business licensing, animal licensing and utility billing. These services are provided through the following department functions:

- Budget and Accounting
- Business and Animal Licensing
- Water and Refuse Billing
- Parking Services
- Filming Permits
- Purchasing

The City has maintained its Aaa/AAA rating from Moody's and Standard and Poor's. This rating is a testament to the City's continued strong financial position, its tradition of prudent fiscal decisions and a resilient economic base. All departments contribute to this achievement through high levels of service and proactive financial management.

The Finance Department is staffed by a dedicated, hard-working team of seventeen full-time professionals.

Accomplishment Highlights FY 2015/16

Administration

- Implemented new two-year budget format
- Revised Budget Policies to provide clear guidance for budget development
- Continued enhanced budget outreach efforts to obtain community input earlier in the budget process
- Assisted in successful completion of labor negotiations, and provided support during the process by costing salary and benefit options
- Received GFOA's Distinguished Budget Presentation Award for the City's FY 2015-16 Budget document
- Received the Award for Budget Excellence issued by the California Society of Municipal Finance Officers (CSMFO)

Accounting

- Implemented Government Accounting Standards Board (GASB) Statement No. 68 *Accounting and Financial Reporting for Pensions*.
- Received the Certificate of Achievement for Excellence in Financial Reporting issued by the Government Finance Officers Association (GFOA).

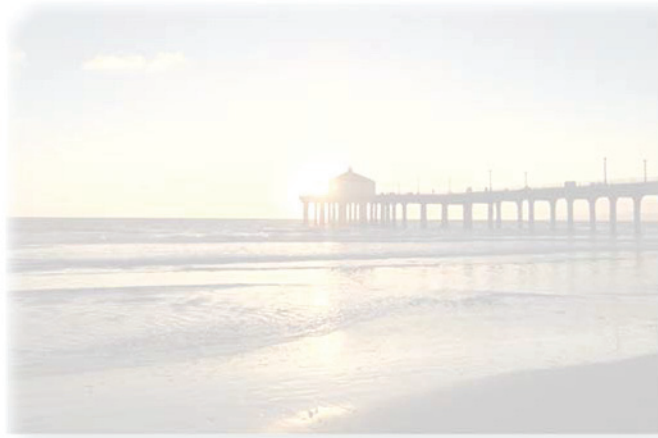
Revenue Services

- Completed a Transient Occupancy Tax and Land Lease Audit, resulting in recovery of previously unreported funds
- Successfully implemented a new enterprise cashiering solution that provides full integration with the City's general ledger as well as enhanced reporting. In October 2015, the City received a Light House Award for excellent technology enhancement from the California Municipal Revenue and Tax Association for this project.
- Reduced costs for processing parking citations by 10% through a new agreement with contractor
- Partnered with the Fire Department to assist in the launch of electronic patient care reporting for ambulance transports and billing, providing electronic paperless data collection of all transports



General Services

- Deployed the Universal Fleet Fuel card, providing cost effective fueling outside City boundaries
- Obtained Council approval to increase the formal bid limit to \$50,000, thereby increasing efficiency on lower valued purchases
- Increased potential pool of suppliers and competition by implementing a vendor outreach program utilizing BidSync, a cloud-based sourcing solution that automatically notifies suppliers of solicitations



Program Overview

The Administration Division of Finance is responsible for creating, monitoring and periodic reporting of the annual budget; investment of City funds in conjunction with the elected City Treasurer; debt issuance and management; and creation of the annual financial report in concert with the Accounting Division. Administration also oversees and supports the other divisions in the Finance department.



Objectives FY 2016/17 & FY 2017/18

- Support the City Council, Treasurer and City Manager in the development of long-term sustainable financial plans, including capital financing
- Complete all financial plans, including budget and quarterly updates, in a timely manner
- Ensure safety of the City’s investment of idle cash
- Formally document all desk procedures and established internal controls
- Complete a formal review
- Maintain high standards of excellence through the continuance of the City’s AAA/Aaa bond rating, unmodified audit opinions, and various budgeting and financial reporting awards
- Mitigate Storm Water fund General Fund subsidies
- Review ERP Systems and determine final platform in coordination with I.T. Department
- Internally review Finance Department structure and staffing
- Establish Pension Stabilization Trust Fund

Major Service Delivery Changes

FY 2017/18 includes annual debt service payments of \$136,872 for a new Enterprise Resource Planning (ERP) system, estimated to cost \$750,000. The debt service is for seven years, and will pay for the new Finance and Human Resources system.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Director	1	1	1	1
Financial Analyst	1	1	1	1
Executive Secretary	1	1	1	1
Total	3	3	3	3

Part-time hours totaling 1,300 are proposed for FY 2016/17 and FY 2017/18.

Finance Department | Administration

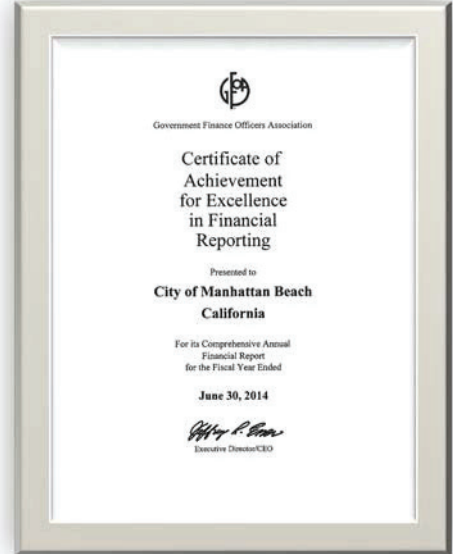
Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$339,194	\$356,354	\$391,090	\$360,396	\$369,984
4103 Part-time Salaries	22,313	51,788	17,000	53,924	53,924
4111 Overtime Regular Employees	-	500	500	500	500
4120 Supplemental Pension Plan	20,519	20,849	21,000	21,400	21,900
4121 Single Highest Year Plan	50,872	51,716	52,000	53,000	54,000
4124 Fire Retiree's Health Plan	22,764	24,000	23,000	26,000	28,000
4125 Police Retiree's Health Plan	81,327	83,000	83,000	84,000	87,000
4126 Miscellaneous Retiree's Health Plan	45,394	56,000	47,000	49,000	53,000
4201 Group Medical Insurance	33,025	37,278	35,534	39,994	42,690
4202 Medicare Contributions	5,173	5,647	5,408	5,225	5,364
4203 Unemployment	684	480	480	480	480
4204 401A Plan City Contributions	10,171	10,943	11,185	11,039	11,370
4205 Worker's Compensation	37,800	42,960	42,960	50,280	52,500
4206 Medical Retirement Contributions	4,056	4,056	4,056	4,056	4,056
4211 PERS Regular Contribution	39,583	48,390	45,790	48,788	54,564
4217 Retirement Trust Contribution	-	-	-	500,000	500,000
Total Salaries & Benefits	\$712,874	\$793,961	\$780,003	\$808,083	\$839,333
5101 Contract Services	\$66,060	\$15,861	\$16,000	\$28,877	\$26,888
5103 Audit Services	-	43,200	20,000	20,000	20,000
5104 Computer Contract Services	33,177	50,365	42,100	57,802	60,157
5201 Office Supplies	8,561	5,500	12,600	13,000	13,400
5202 Membership & Dues	515	1,130	1,130	1,250	1,370
5203 Reference Materials	-	-	500	-	-
5204 Conferences & Meetings	1,135	8,306	6,000	-	-
5205 Training, Conferences & Meetings	580	900	980	9,874	12,100
5207 Advertising	1,485	300	1,300	1,300	1,300
5210 Computer Supplies & Software	1,381	-	-	-	-
5214 Employee Awards & Events	496	450	600	600	600
5217 Departmental Supplies	2,314	1,300	1,500	1,500	1,500
5225 Printing	3,574	8,000	4,000	8,000	8,000
5231 Bank Service Charge	155,483	144,000	144,000	155,000	155,000
5265 Contributions to Service Agencies	37,315	37,315	37,315	-	-
5267 UAD Loan Program	3,612	2,400	-	-	-
5501 Telephone	3,754	4,000	3,792	3,800	3,819
Total Materials & Services	\$319,443	\$323,027	\$291,817	\$301,003	\$304,134
5611 Warehouse Services	\$1,280	\$2,200	\$1,500	\$1,500	\$1,500
5621 Information Technology Allocation	29,124	29,194	29,194	29,280	29,820
5631 Insurance Allocation	18,780	52,140	52,140	13,860	15,480
5651 Building & Operations Allocation	196,901	205,378	196,902	213,180	216,180
Total Internal Services	\$246,085	\$288,912	\$279,736	\$257,820	\$262,980
Total Operating Expenditures	\$1,278,402	\$1,405,900	\$1,351,556	\$1,866,906	\$1,906,447

Finance Department | Administration

Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
6141 Computer Equipment & Software	-	\$140,000	\$61,415	\$80,585	\$750,000
Total Capital Projects & Equipment	-	\$140,000	\$61,415	\$80,585	\$750,000
7302 Property & Equipment Principal	-	-	-	-	118,122
7303 Property & Equipment Interest	-	-	-	-	18,750
Total Debt Service	-	-	-	-	\$136,872
Total Expenditures	\$1,278,402	\$1,545,900	\$1,412,971	\$1,947,491	\$2,793,319
Operating Expenditures % Change from 2015/16 Adopted Budget				32.8%	35.6%
Source of Funds					
General Fund	\$1,053,915	\$1,307,935	\$1,186,971	\$1,714,091	\$2,549,419
Capital Improvement Fund	3,612	2,400	-	-	-
Pension Trust	220,875	235,565	226,000	233,400	243,900
Total Sources	\$1,278,402	\$1,545,900	\$1,412,971	\$1,947,491	\$2,793,319

Program Overview

The Accounting Division's primary responsibilities are the maintenance and control of the general ledger, accounts payable and payroll, and to ensure accountability as well as the timely provision of accurate financial information. The Division is the liaison between the City and the external auditors, and works closely with Finance Administration to prepare the City's Comprehensive Annual Financial Report (CAFR). The Accounting Division participates in budget development by providing historical and projected financial and payroll information, issues standard monthly revenue and expenditure reports for internal customers, and generates reports required by external customers, including other governmental agencies, rating agencies and the public. In addition, the Division manages the City's grants and related projects in conjunction with other departments.



All City disbursements are the end product of accounts payable and payroll operations and are reflected by the biweekly generation of vendor and employee checks. The accounts payable processes include: maintenance of vendor files; disposition of purchase orders and coordination with the Purchasing (General Services) Division; assisting departments with queries and payment setup; and issuance of 1099 tax forms at year end. With the purchasing card (Pcard) program a continued reduction in number of accounts payable checks is anticipated. Payroll processes include: monitoring of the Fair Labor Standards Act; Federal and State tax requirements; calculation of deductions and benefits; direct deposit of payroll; issuance of W-2 tax forms; and implementation of labor agreement provisions.

The Division's accounting function involves the maintenance of the City's general ledger, including the generation and posting of journal entries, preparation of monthly and annual reports, and reconciliation of bank accounts. Specific responsibilities include preparation of State Controller's Reports, Streets and Highways Report, Proposition A and Proposition C Reports, submission of direct assessments to the county, and bond/debt service accounting. In addition, accounting for Underground Assessment Districts involves maintenance of individual property assessments and bond balances.

Objectives FY 2016/17 & FY 2017/18

- Cross training of staff functions to ensure proper process knowledge redundancy
- Uphold high accounting standards to ensure continued clean audit opinions
- Implement new accounting standards as issued by the Governmental Accounting Standards Board
- Document desk procedures for audit compliance
- Participate in the analysis and recommendation of a new ERP system to plan the next generation of Finance Systems for the City

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Controller	1	1	1	1
Senior Accountant	1	1	1	1
Accountant	2	2	2	2
Total	4	4	4	4

Part-time hours totaling 1,500 are proposed for FY 2016/17 and FY 2017/18.

Accounting Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$419,086	\$388,328	\$346,207	\$365,418	\$376,215
4103 Part-time Salaries	27,730	28,200	28,200	30,120	32,025
4111 Overtime Regular Employees	3,686	3,000	1,500	3,000	3,000
4201 Group Medical Insurance	50,547	54,960	44,793	57,392	61,856
4202 Medicare Contributions	4,230	3,928	2,776	3,717	3,812
4204 401A Plan City Contributions	8,772	9,409	7,947	8,997	9,267
4206 Medical Retirement Contributions	4,260	4,260	4,260	4,260	4,260
4211 PERS Regular Contribution	45,187	53,644	46,546	54,614	60,643
Total Salaries & Benefits	\$563,498	\$545,729	\$482,229	\$527,518	\$551,078
5101 Contract Services	\$41,652	\$15,000	\$32,200	\$3,000	\$28,000
5103 Audit Services	48,820	52,300	51,000	57,642	66,000
5202 Membership & Dues	150	300	300	300	300
5203 Reference Materials	745	1,200	1,200	1,200	1,300
5204 Conferences & Meetings	-	4,304	-	-	-
5205 Training, Conferences & Meetings	505	600	1,100	8,000	7,100
5207 Advertising	70	440	400	440	440
5208 Postage	3,958	4,000	3,730	3,800	3,800
5210 Computer Supplies & Software	-	-	906	-	-
5217 Departmental Supplies	1,457	1,000	1,000	2,330	1,080
5225 Printing	1,569	1,100	1,100	1,100	1,100
5501 Telephone	2,503	2,600	2,465	2,600	2,613
Total Materials & Services	\$101,429	\$82,844	\$95,401	\$80,412	\$111,733
5621 Information Technology Allocation	\$48,552	\$48,657	\$48,657	\$48,780	\$49,680
Total Internal Services	\$48,552	\$48,657	\$48,657	\$48,780	\$49,680
Total Operating Expenditures	\$713,479	\$677,230	\$626,287	\$656,710	\$712,491
Operating Expenditures % Change from 2015/16 Adopted Budget				-3.0%	5.2%
Source of Funds					
General Fund	\$713,479	\$677,230	\$626,287	\$656,710	\$712,491
Total Sources	\$713,479	\$677,230	\$626,287	\$656,710	\$712,491

Program Overview

The primary goal of Revenue Services is to improve the effectiveness and efficiency of all Revenue Programs; to develop and analyze measures that promote fiscal sustainability by monitoring, protecting and increasing City resources. The Revenue Services Division administers billings/invoicing, cash controls and collection of City revenues, including: business licenses, miscellaneous accounts receivable, enterprise cashiering, animal licenses, parking citation payments, alarm permits, digital check scanning and daily deposits, collections, leases and franchise agreements, hotel transient occupancy tax and residential/commercial water and refuse service billings.

Revenue Services staff administers the City's taxi cab franchise program, film permitting, and is responsible for the analysis and creation of the City-wide user fees and cost allocation plan. The Division collects Senate Bill 1186 State fees for disability access education, and coordinates the lease of City commercial parking lot spaces to local merchants, manages residential overnight and override parking programs. The Division prepares the annual possessory interest report to the Los Angeles County Assessor and is the liaison to the Business Improvement Districts. Revenue Services uses information technology resources to improve and streamline productivity, enhance customer service and provide public access to City information.



Objectives FY 2016/17 & FY 2017/18

- Maintain department efficiency through automation and technology
- Participate in the analysis and recommendation of a new ERP system to plan the next generation of Finance Systems for the City
- Increase paperless bill delivery to water and refuse utility customers
- Look for opportunities to provide On-line payment options for Revenue Programs
- Maintain a high percentage rate on collection from utility billing and accounts receivable
- Continue to deliver expedient and professional customer service at the cashier counter

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Revenue Services Manager	1	1	1	1
Revenue Services Specialist	1	1	1	1
Account Services Representative I	5	5	5	5
Total	7	7	7	7

Finance Department | Revenue Services

Revenue Services Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$490,170	\$465,074	\$472,151	\$466,496	\$475,336
4111 Overtime Regular Employees	2,681	1,713	2,981	2,694	3,128
4201 Group Medical Insurance	100,262	100,719	98,030	106,429	113,187
4202 Medicare Contributions	6,974	6,744	6,491	6,764	6,892
4204 401A Plan City Contributions	5,742	5,621	5,745	5,670	5,840
4206 Medical Retirement Contributions	6,552	6,552	6,552	6,552	6,552
4211 PERS Regular Contribution	54,735	59,355	55,971	63,832	70,835
Total Salaries & Benefits	\$667,116	\$645,778	\$647,921	\$658,437	\$681,770
5101 Contract Services	\$94,396	\$118,950	\$106,850	\$116,150	\$115,850
5104 Computer Contract Services	179,820	183,225	180,920	168,050	169,200
5202 Membership & Dues	100	150	100	150	200
5204 Conferences & Meetings	3,846	5,500	3,000	-	-
5205 Training, Conferences & Meetings	-	1,500	1,821	7,200	6,450
5207 Advertising	210	150	-	150	150
5208 Postage	35,957	37,150	32,190	36,150	36,150
5212 Office Equip Maintenance	445	-	-	-	-
5217 Departmental Supplies	1,459	1,275	3,400	1,800	1,950
5225 Printing	6,467	6,300	5,960	6,000	6,200
5501 Telephone	2,816	2,950	2,797	2,950	2,965
Total Materials & Services	\$325,515	\$357,150	\$337,038	\$338,600	\$339,115
5611 Warehouse Services	\$448	\$750	\$600	\$750	\$750
5621 Information Technology Allocation	77,664	77,851	77,851	78,060	79,500
Total Internal Services	\$78,112	\$78,601	\$78,451	\$78,810	\$80,250
Total Operating Expenditures	\$1,070,742	\$1,081,529	\$1,063,410	\$1,075,847	\$1,101,135
6121 Machinery & Equipment	\$7,460	-	-	-	-
6141 Computer Equipment & Software	\$50,895	-	\$5,000	-	-
Total Capital Projects & Equipment	\$50,895	-	\$5,000	-	-
Total Expenditures	\$1,129,098	\$1,081,529	\$1,068,410	\$1,075,847	\$1,101,135
Operating Expenditures % Change from 2015/16 Adopted Budget				-0.5%	1.8%
Source of Funds					
General Fund	\$1,129,098	\$1,081,529	\$1,068,410	\$1,075,847	\$1,101,135
Total Sources	\$1,129,098	\$1,081,529	\$1,068,410	\$1,075,847	\$1,101,135

Program Overview

The General Services Division of Finance is responsible for purchasing and managing the acquisition of materials and contracted services; the prudent utilization of public funds through competitive processes and cooperative purchasing contracts; monitoring departments' small dollar expenditures; maintaining adequate warehouse stock to meet City-wide department needs; efficient mail processing and utilization of courier/delivery services; and obtaining the best return for surplus property.



Objectives FY 2016/17 & FY 2017/18

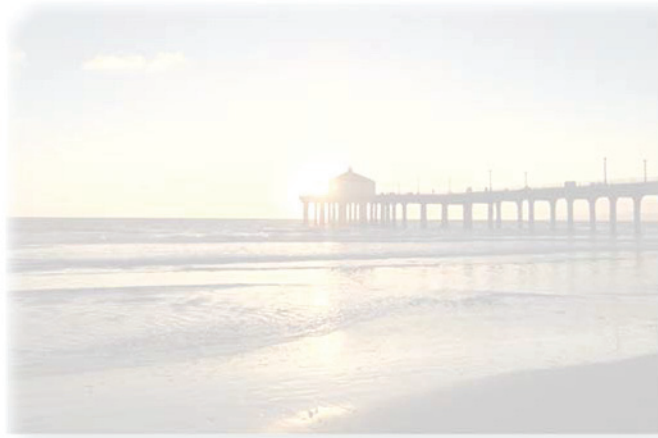
- Publish a guide for preparing “Request for Proposals” to assist staff with writing clear and concise specifications; evaluating the responses in a fair and equitable manner; establishing timeframes; and understanding the steps needed to accomplish the project goals
- Publish an internal guideline for SB854 compliance, which requires prevailing wages on all named trades established by the California Department of Industrial relations on projects valued over \$1,000
- Review and revise Purchasing processes with an eye towards streamlining and efficiencies, including Best Management Practices for the procurement/payment processes
- Coordinate a fixed assets inventory
- Participate in the analysis and recommendation of a new ERP system to plan the next generation of Finance Systems for the City, including procurement and payables
- Improve timing of renewal and re-solicitation of contracts to ensure routine contracts are current

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Purchasing Manager	1	1	1	1
Buyer	1	1	1	1
Purchasing Clerk	1	1	1	1
Total	3	3	3	3

Part-time hours totaling 960 are proposed for FY 2016/17 and FY 2017/18.

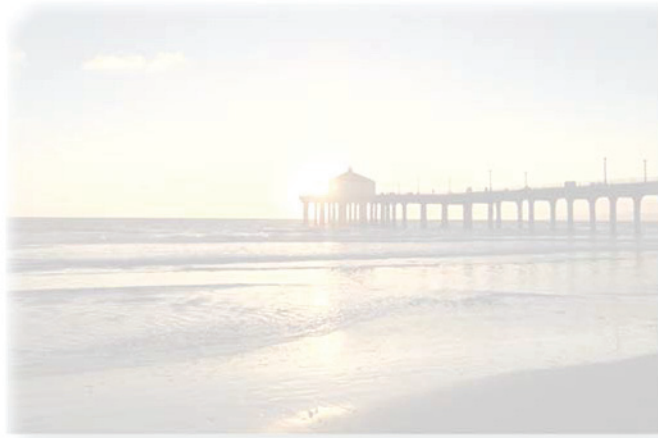
Finance Department | General Services

General Services		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4101	Salaries & Allowances	\$265,955	\$257,877	\$269,610	\$261,909	\$267,679
4103	Part-time Salaries	10,468	10,627	10,893	10,868	11,347
4111	Overtime Regular Employees	1,288	900	900	900	900
4201	Group Medical Insurance	39,102	40,847	42,005	41,528	44,676
4202	Medicare Contributions	3,848	3,910	3,758	4,053	4,136
4204	401A Plan City Contributions	3,168	3,122	3,192	3,150	3,245
4206	Medical Retirement Contributions	3,216	3,216	3,216	3,216	3,216
4211	PERS Regular Contribution	29,981	32,735	34,237	35,650	39,685
Total Salaries & Benefits		\$357,026	\$353,234	\$367,811	\$361,273	\$374,884
5101	Contract Services	\$99,960	\$119,217	\$130,197	\$143,237	\$143,877
5202	Membership & Dues	560	570	650	645	645
5204	Conferences & Meetings	770	4,910	3,000	-	-
5205	Training, Conferences & Meetings	95	1,300	1,300	6,210	5,110
5206	Uniforms/Safety Equip	759	1,090	800	1,090	1,090
5208	Postage	700	800	748	800	800
5211	Automotive Parts	32,774	24,000	24,000	26,000	26,000
5217	Departmental Supplies	183	200	200	200	200
5222	Warehouse Purchases	79,122	82,345	80,000	90,000	90,000
5501	Telephone	983	1,100	1,043	1,100	1,106
Total Materials & Services		\$215,907	\$235,532	\$241,938	\$269,282	\$268,828
5611	Warehouse Services	\$8,359	\$6,540	\$8,945	\$10,040	\$10,240
5621	Information Technology Allocation	38,844	38,925	38,925	39,060	39,720
5641	Fleet Rental Allocation	3,996	5,050	5,050	5,100	5,100
5642	Fleet Maintenance Allocation	2,837	1,866	1,731	1,740	1,740
Total Internal Services		\$54,036	\$52,381	\$54,651	\$55,940	\$56,800
Total Operating Expenditures		\$626,969	\$641,147	\$664,400	\$686,495	\$700,512
Operating Expenditures % Change from 2015/16 Adopted Budget					7.1%	9.3%
Source of Funds						
General Fund		\$407,685	\$409,455	\$432,653	\$426,128	\$439,945
Building Maintenance & Operations Fund		219,284	231,692	231,747	260,367	260,567
Total Sources		\$626,969	\$641,147	\$664,400	\$686,495	\$700,512

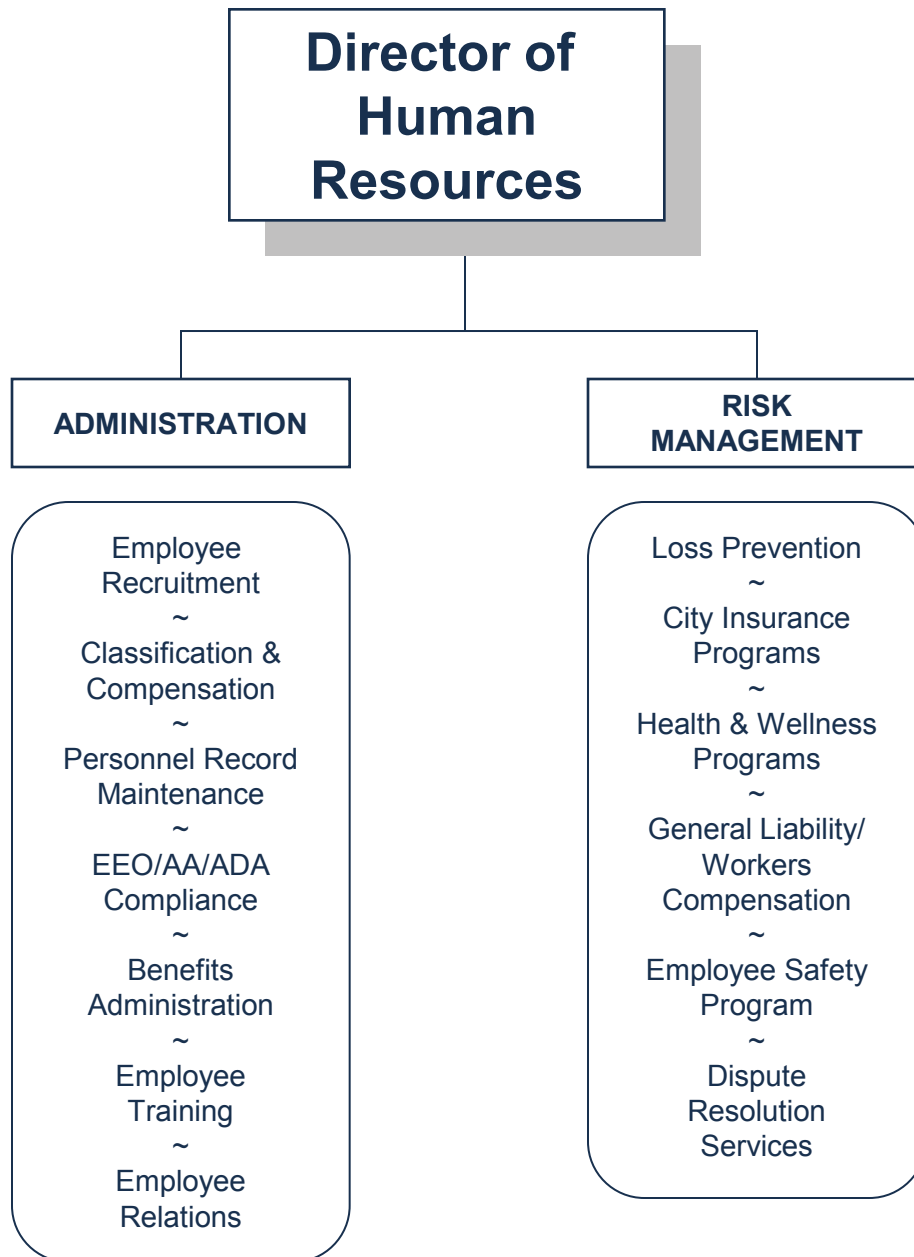


Human Resources



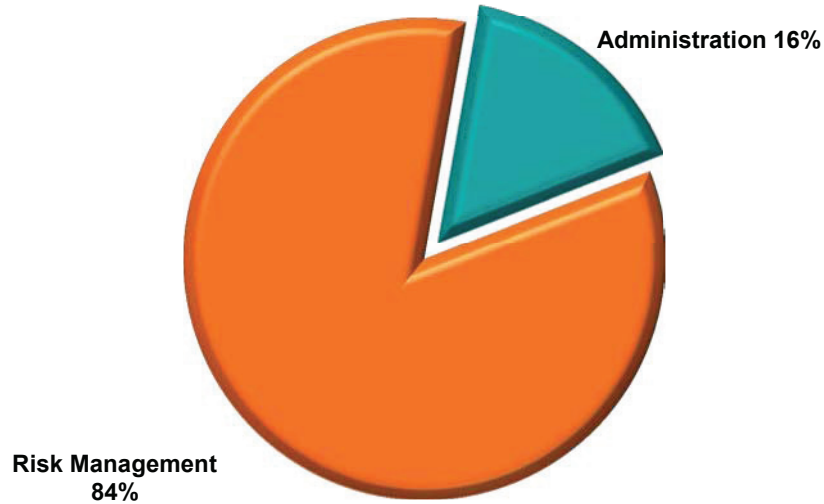


City of Manhattan Beach Human Resources Department

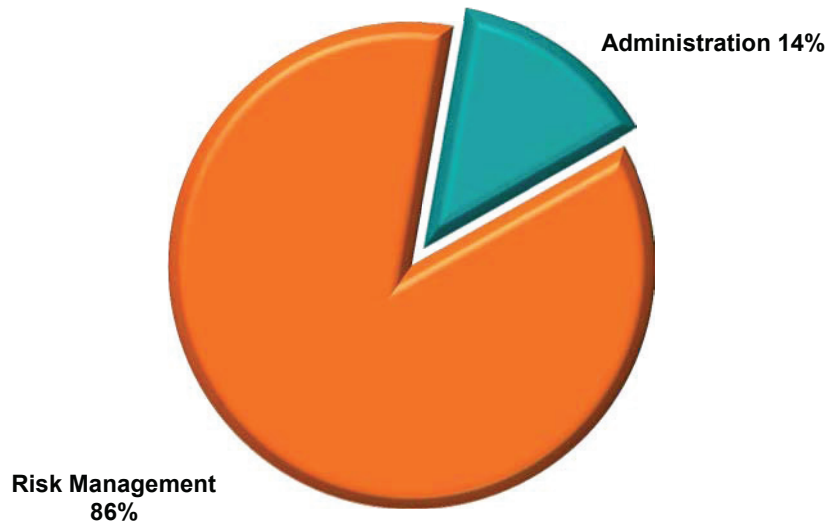


Human Resources Department

FY 2016/17
Department Expenditure by Program



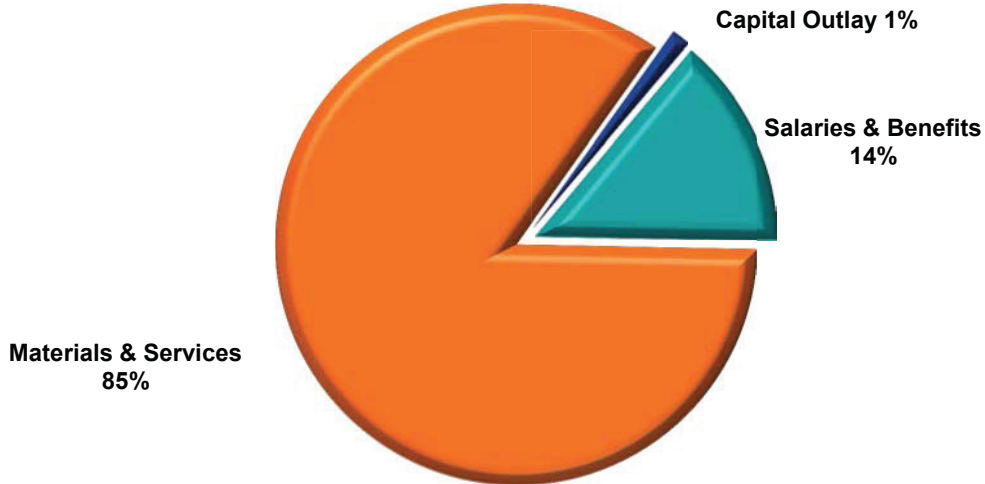
FY 2017/18
Department Expenditure by Program



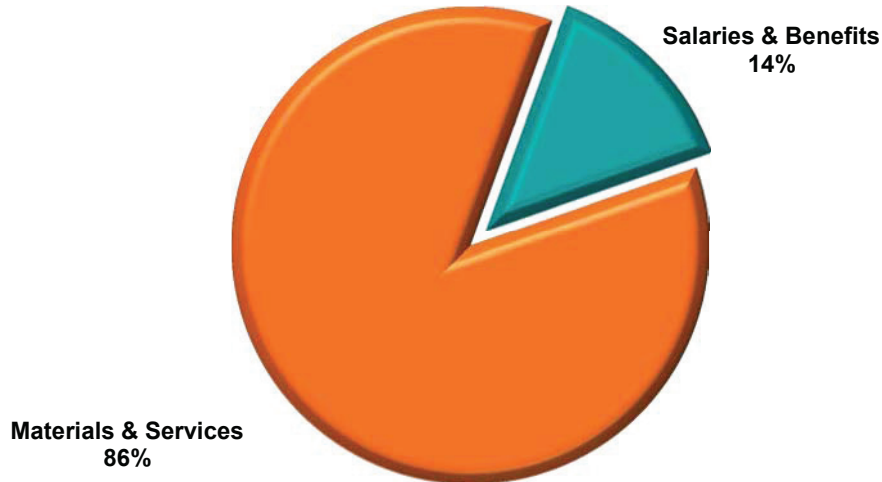
	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Program Expenditures					
Administration	\$1,046,328	\$1,296,275	\$1,103,253	\$1,268,604	\$1,148,988
Risk Management	6,989,374	6,244,606	5,267,071	6,555,285	7,052,669
Total	\$8,035,703	\$7,540,881	\$6,370,324	\$7,823,889	\$8,201,657
Full-Time Positions	6	6	8	8	8

Human Resources Department

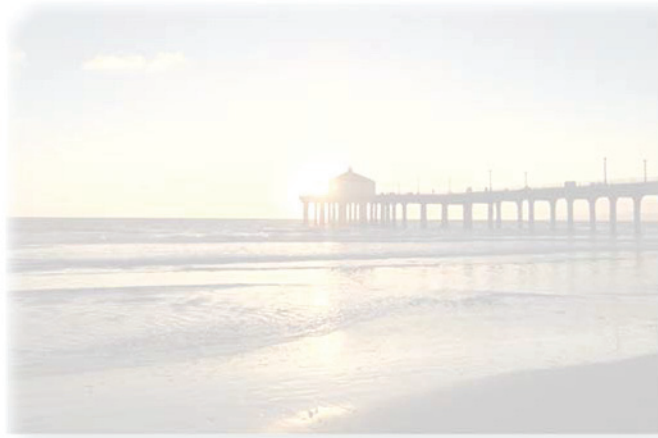
FY 2016/17
Department Expenditure by Category



FY 2017/18
Department Expenditure by Category



Category Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Salaries & Benefits	\$915,128	\$1,017,293	\$844,818	\$1,111,038	\$1,156,867
Materials & Services	7,112,819	6,423,588	5,525,506	6,612,851	7,044,790
Capital Outlay	7,756	100,000	-	100,000	-
Total	\$8,035,703	\$7,540,881	\$6,370,324	\$7,823,889	\$8,201,657



Mission

To efficiently and effectively administer the City's human resources and risk management programs while providing responsive and professional customer service to our employees and residents.

Department Overview

The Human Resources Department provides support services to the City's full-time and part-time employees. Human Resources has an Administrative division and Risk Management division comprised of staff who work together in order to provide resources and support for the City. The services for employees and City departments include recruitment and selection, benefits administration, classification and compensation, employee and labor relations, training and safety training, leadership development, employment/labor legal compliance, risk management, wellness initiatives and workers' compensation.

Accomplishment Highlights FY 2015/16

- Four (4) approved Memorandum of Understanding Agreements with each bargaining unit
- Conducted a City wide Employee Survey
- Reorganization of Human Resources Department
- Supervisory Harassment training
- Worked with department staff to recruit and hire full-time employees and part-time employees
- Completed Hearing Conservation training and evaluation for affected departments
- Completed RFP process for workers' compensation third party administrators
- Provided Workers' Compensation informational sessions for Supervisors and employees

Human Resources Department | Administration

Program Overview

The Human Resources Administration Division provides support services to full-time and part-time employees in areas such as recruitment and selection, classification and compensation, employee and labor relations, training, policy development, and employment/labor legal compliance.

The department will be seeing input from customers on ways to improve the support services provided by Human Resources. This opportunity will allow the department to forge new ideas and refresh other processes in order to better support all City Departments.



Objectives FY 2016/17 & FY 2017/18

- Support Employee Focus Group initiatives supporting staff development and engagement
 - Customer Service Training
 - Performance Evaluation and Management Training
- Continue to review and update new employee onboarding process
- Participate in the Enterprise-wide effort to evaluate, select and implement new ERP system
- Complete staffing objectives defined during the departmental reorganization analysis

Major Service Delivery Changes

The Human Resources Department underwent a reorganization in order to enhance the services staff provided to City employees and the public.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Director	0.75	0.75	0.5	0.5
Risk Manager	0.25	0.25	-	-
Human Resources Manager ¹	-	-	1	1
Senior Human Resources Analyst ¹	1	1	-	-
Human Resources Analyst	1	1	1	1
Human Resources Technician	1	1	1	1
Human Resources Assistant ¹	-	-	1	1
Executive Assistant ¹	-	-	0.5	0.5
Total	4	4	5	5

¹ Position change resulting from Department Reorganization in FY 2015/16.

Human Resources Department | Administration

Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	366,100	408,983	301,655	474,737	488,651
4103 Part-time Salaries	52,710	89,856	88,331	-	-
4111 Overtime Regular Employees	1,024	628	300	1,250	1,250
4201 Group Medical Insurance	40,829	65,996	41,310	63,927	67,194
4202 Medicare Contributions	5,948	6,472	5,035	6,884	7,086
4203 Unemployment	684	480	480	480	480
4204 401A Plan City Contributions	13,621	15,098	11,045	17,943	19,097
4205 Worker's Compensation	120,120	95,880	95,880	27,060	28,200
4206 Medical Retirement Contributions	6,288	6,288	6,288	6,288	6,288
4211 PERS Regular Contribution	31,352	51,031	38,149	63,887	71,656
Total Salaries & Benefits	\$638,675	\$740,712	\$588,473	\$662,457	\$689,902
5101 Contract Services	47,203	18,378	65,000	44,137	38,687
5104 Computer Contract Services	6,769	6,940	6,940	6,940	7,093
5107 Physical/Psych Exams	21,882	18,845	15,000	33,540	35,040
5108 Legal Services	68,124	80,000	85,000	60,000	60,000
5201 Office Supplies	2,852	2,500	4,000	3,000	3,050
5202 Membership & Dues	1,506	2,489	2,489	2,339	2,389
5203 Reference Materials	30	447	100	1,000	1,000
5204 Conferences & Meetings	2,681	10,608	7,800	-	-
5205 Training, Conferences & Meetings	2,322	56,868	40,000	118,701	71,605
5208 Postage	2,841	2,700	2,525	2,700	2,700
5210 Computer Supplies & Software	-	-	30	-	-
5214 Employee Awards & Events	10,693	13,500	6,000	13,500	13,500
5216 Tuition Reimbursement	14,188	24,000	24,000	27,000	27,000
5217 Departmental Supplies	340	-	5,200	1,500	1,500
5218 Recruitment Costs	71,213	34,874	70,000	44,300	44,300
5225 Printing	251	150	150	150	150
5501 Telephone	2,235	2,400	2,275	2,300	2,312
Total Materials & Services	\$255,130	\$274,699	\$336,509	\$361,107	\$310,326
5611 Warehouse Services	107	200	100	200	200
5621 Information Technology Allocation	67,968	68,119	68,119	68,280	69,480
5631 Insurance Allocation	18,780	52,140	52,140	13,860	15,480
5651 Building & Operations Allocation	57,912	60,405	57,912	62,700	63,600
Total Internal Services	\$144,767	\$180,864	\$178,271	\$145,040	\$148,760
Total Operating Expenditures	\$1,038,572	\$1,196,275	\$1,103,253	\$1,168,604	\$1,148,988
6141 Computer Equipment & Software	7,756	100,000	-	100,000	-
Total Capital Projects & Equipment	\$7,756	\$100,000	-	\$100,000	-
Total Expenditures	\$1,046,328	\$1,296,275	\$1,103,253	\$1,268,604	\$1,148,988
Operating Expenditures % Change from 2015/16 Adopted Budget				-2.3%	-4.0%
Source of Funds					
General Fund	\$1,046,328	\$1,296,275	\$1,103,253	\$1,268,604	\$1,148,988
Total Sources	\$1,046,328	\$1,296,275	\$1,103,253	\$1,268,604	\$1,148,988

Human Resources Department | Risk Management

Program Overview

The Risk Management Division oversees general liability, workers' compensation, property insurance, unemployment claims, employee health benefit programs, safety training/programs and other wellness initiatives and programs.

Risk Management is committed to create processes and procedures that enhance employee safety while building sustainable funding and solid risk mitigation practices. Using a proactive perspective and an out-of-the-box mindset are key elements to ensuring creativity in order to improve on past results. The ultimate goal is to create the culture of prevention that is essential to risk mitigation at all levels.

Objectives FY 2016/17 & FY 2017/18

- Refine processes with third party administrator to create stable costing for workers' compensation program ancillary services
- Provide Hazard Communications training
- Assess and recommend options for sustainable funding processes for all risk insurance programs
- Provide Insurance 101 for Contracts training to departments
- Update Policy PI-22 Responsibilities and Procedures for Processing Workers' Compensation Claims
- Develop components of safety training for delivery to departments

Major Service Delivery Changes

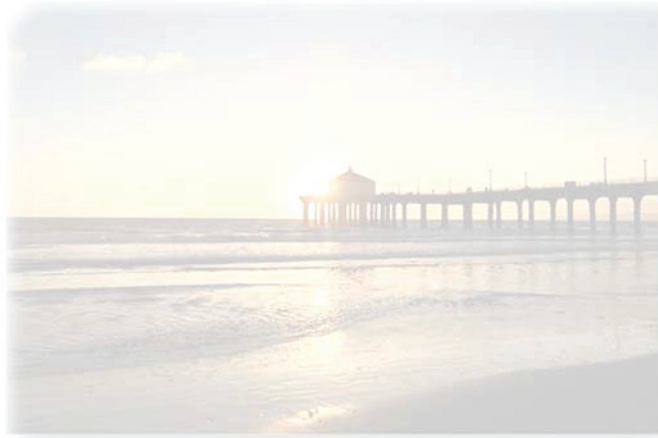
The Human Resources Department underwent a reorganization in order to enhance the services staff provide to City employees and the public.

	2014/15	2015/16	2016/17	2017/18
Authorized Full-Time Positions	Adopted	Adopted	Adopted	Approved
Director	0.25	0.25	0.5	0.5
Risk Manager	0.75	0.75	1	1
Human Resources Technician	1	1	1	1
Executive Assistant ¹	-	-	0.5	0.5
Total	2	2	3	3

¹ Position change resulting from Department Reorganization in FY 2015/16.

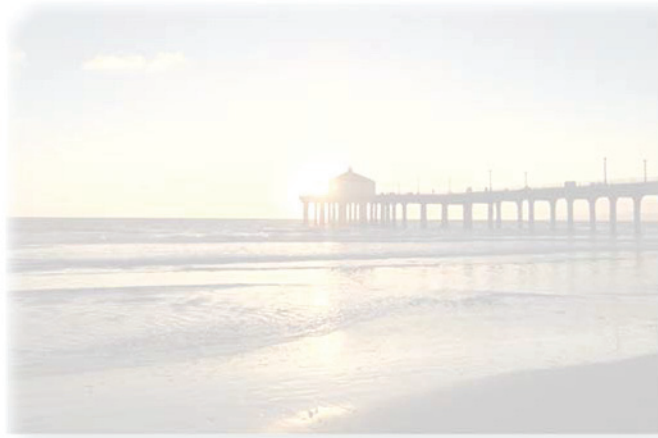
Human Resources Department | Risk Management

Risk Management Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	210,053	201,357	192,849	331,884	341,630
4111 Overtime Regular Employees	1,024	1,237	100	1,250	1,250
4201 Group Medical Insurance	32,742	36,606	30,428	51,508	53,563
4202 Medicare Contributions	2,932	2,919	2,685	4,812	4,954
4204 401A Plan City Contributions	7,641	7,558	6,820	12,770	13,769
4206 Medical Retirement Contributions	1,608	1,608	1,608	1,608	1,608
4211 PERS Regular Contribution	20,453	25,296	21,855	44,749	50,191
Total Salaries & Benefits	\$276,452	\$276,581	\$256,345	\$448,581	\$466,965
5101 Contract Services	22,247	61,114	56,000	61,939	61,939
5202 Membership & Dues	340	470	470	525	525
5203 Reference Materials	347	305	305	180	180
5204 Conferences & Meetings	2,834	2,725	1,700	-	-
5205 Training, Conferences & Meetings	3,887	8,000	5,000	12,200	12,200
5214 Employee Awards & Events	-	5,000	-	5,000	5,000
5250 Insurance Premiums	901,524	1,083,726	1,179,784	1,667,000	2,060,470
5251 Claims Paid	5,202,365	4,189,000	3,189,000	3,680,000	3,740,000
5252 Claims Admin	123,278	124,004	143,475	228,830	233,600
5253 Faithful Performance Bond	2,706	2,750	3,375	3,450	3,450
5254 Unemployment Claims	34,886	35,000	35,000	35,000	35,000
5255 Property Insurance	368,598	404,106	346,216	360,000	380,000
5501 Telephone	7,330	8,200	7,773	8,000	8,040
Total Materials & Services	\$6,670,342	\$5,924,400	\$4,968,098	\$6,062,124	\$6,540,404
5621 Information Technology Allocation	19,416	19,463	19,463	19,500	19,860
5651 Building & Operations Allocation	23,164	24,162	23,165	25,080	25,440
Total Internal Services	\$42,580	\$43,625	\$42,628	\$44,580	\$45,300
Total Operating Expenditures	\$6,989,374	\$6,244,606	\$5,267,071	\$6,555,285	\$7,052,669
Operating Expenditures % Change from 2015/16 Adopted Budget				5.0%	12.9%
Source of Funds					
Insurance Reserve Fund	\$6,989,374	\$6,244,606	\$5,267,071	\$6,555,285	\$7,052,669
Total Sources	\$6,989,374	\$6,244,606	\$5,267,071	\$6,555,285	\$7,052,669



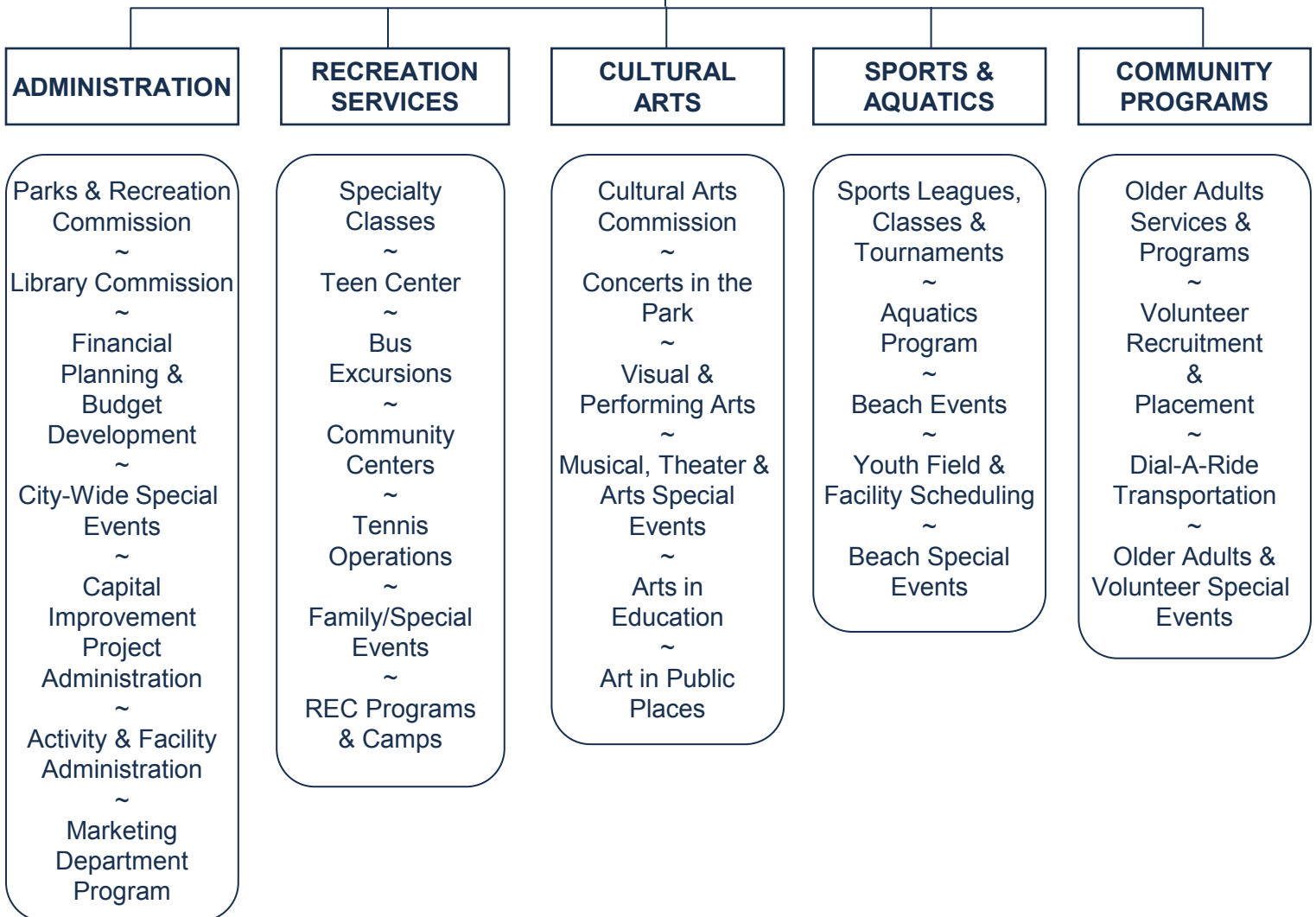
Parks & Recreation





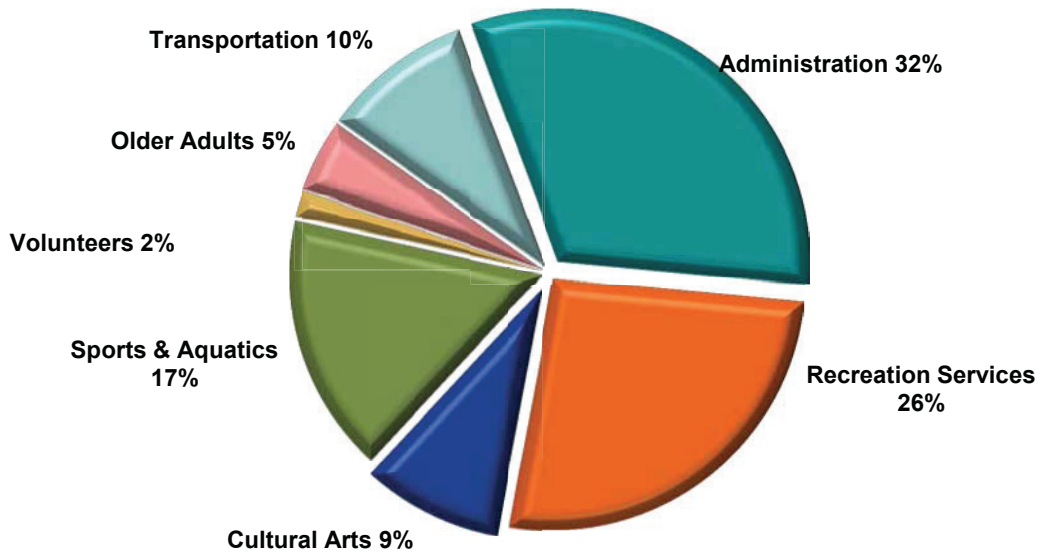
City of Manhattan Beach Parks & Recreation Department

**Director of
Parks and
Recreation**

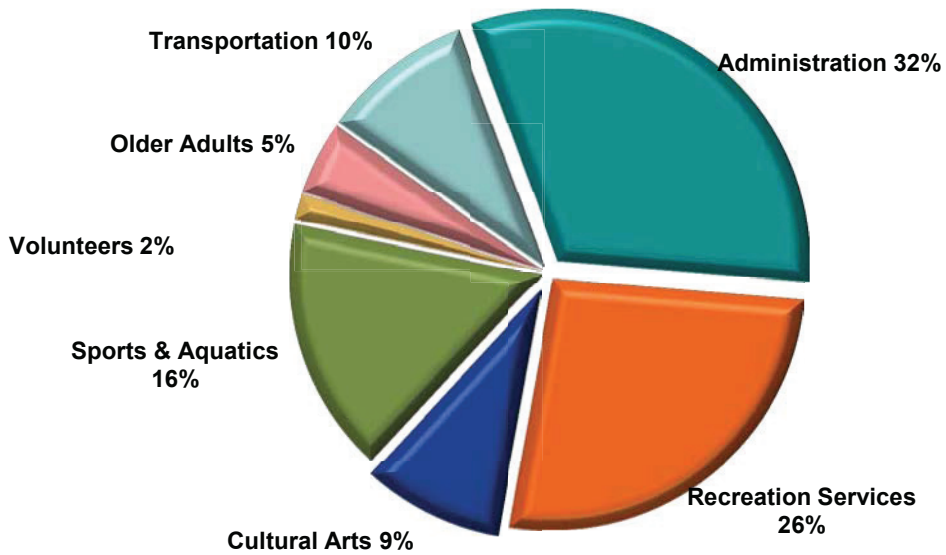


Parks & Recreation Department

FY 2016/17
Department Expenditure by Program



FY 2017/18
Department Expenditure by Program



Parks & Recreation Department

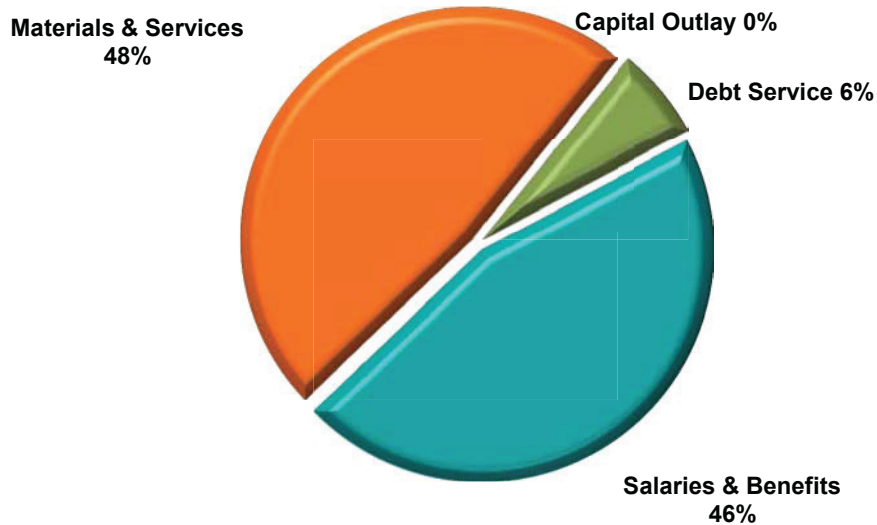


Program Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Administration	\$2,561,193	\$3,038,346	\$2,998,737	\$2,910,896	\$2,964,993
Recreation Services	2,224,757	2,184,528	2,191,788	2,389,082	2,456,951
Cultural Arts	699,916	694,422	756,951	816,889	843,413
Sports & Aquatics	1,336,383	1,518,131	1,354,897	1,511,531	1,530,748
Volunteers	151,549	150,404	156,116	152,439	157,598
Older Adults	367,931	348,445	374,382	430,066	445,263
Transportation	703,890	859,540	1,002,028	871,193	899,903
Total	\$8,045,618	\$8,793,816	\$8,834,899	\$9,082,095	\$9,298,869

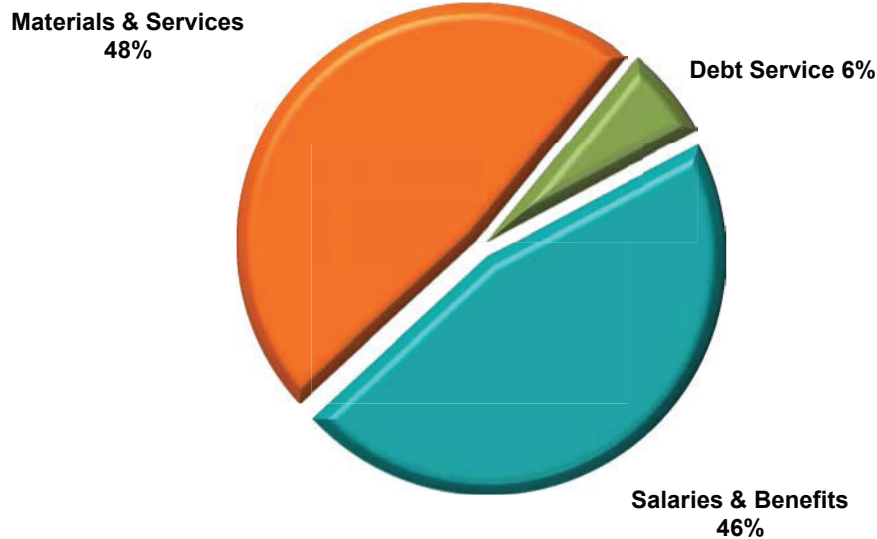
Program Revenues	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Recreation Services	\$1,289,977	\$1,074,067	\$1,159,658	\$1,225,020	\$1,242,610
Cultural Arts	276,104	236,000	305,271	309,500	368,500
Sports & Aquatics	1,272,955	1,297,000	1,302,192	1,375,820	1,392,000
Older Adults	61,981	66,000	68,000	75,000	75,000
Total	\$2,901,017	\$2,673,067	\$2,835,121	\$2,985,340	\$3,078,110
Full-Time Positions	23	25	25	25	25

Parks & Recreation Department

FY 2016/17
Department Expenditure by Category



FY 2017/18
Department Expenditure by Category



Category Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Salaries & Benefits	\$3,708,643	\$3,906,492	\$3,939,853	\$4,140,920	\$4,267,836
Materials & Services	3,952,052	4,150,783	4,166,716	4,352,399	4,445,878
Capital Outlay	33,796	155,310	146,099	2,400	-
Debt Service	351,127	581,231	582,231	586,376	585,156
Interfund Transfers	-	-	-	-	-
Total	\$8,045,618	\$8,793,816	\$8,834,899	\$9,082,095	\$9,298,869

Mission

Parks and Recreation makes lives and communities better now and in the future by providing:

- *Access to the serenity and inspiration of nature*
- *Facilities for self-directed and organized recreation*
- *Positive alternatives for youth which help lower crime and mischief*
- *Outdoor space to play and exercise*
- *Activities that facilitate special connections, human development, therapy and lifelong learning*
- *Human development*
- *The Arts*
- *Lifelong learning*



Department Overview

The Parks and Recreation Department provides a wide variety of programs and services for all ages. These services are provided through the following department divisions: Administration, Recreation Services, Cultural Arts, Sports and Aquatics, Volunteers, Older Adults, and Transportation.

The Parks and Recreation Department has a team of 25 full time and over one hundred seasonal and part-time professional staff who provide innovative, collaborative, effective and efficient programs and services. The Department has adopted the “Parks Make Life Better” brand promise to promote the benefits of Parks and Recreation listed above.

Accomplishment Highlights FY 2015/16

Administration

- Expanded Social Media presence reaching 1200 Likes on Facebook, 1200 on Instagram, and 400 Twitter followers
- Reorganized the administration and sports and aquatics divisions to provide greater efficiencies and service levels. The reorganization provides a \$16,000 cost savings, less administration, better alignment of job responsibilities and dedicated staff to provide department communications, marketing and social media. The following positions will be reclassified: Recreation Services Manager to Recreation Coordinator, Administrative Clerk II to Recreation Supervisor, Executive Secretary to Management Analyst and Administrative Clerk II to Secretary.
- Collaborative Efforts with the following organizations enabled additional program offerings: Beach Cities Health District, Manhattan Beach Rotary Club, Grand View Elementary; Southern California Golf Association (SCGA); AARP; Manhattan Beach Country Club; Manhattan Beach Downtown Business Professional Association (MBDBPA); Cal State University, Dominguez Hills bringing the Osher Lifelong Learning Institute (OLLI) to Manhattan Beach; Medicare Health Insurance

Parks and Recreation Department

Counseling and Advocacy Program, Alzheimer's Association, Los Angeles County Beaches & Harbor, Department of Mental Health, South Bay Family Health Care, Marriott Golf Club, American Association of Retired People (AARP), Arthritis Foundation, Beach Cities Health District, Braille Institute, Center for Health Care Rights and the Manhattan Beach Unified School District.

Sports & Aquatics

- Collaborated with Los Angeles County Department of Beaches and Harbors to install beach tennis courts. Incorporated beach tennis classes into programming
- Collaborated with Los Angeles County Department of Beaches and Harbors, Association of Beach Volleyball Professionals, International Merchandise Group, Manhattan Beach Downtown Business and Professionals Association to expand the MBO beach volleyball tournament footprint and community programming.
- Expanded sport programs and tournaments including youth lacrosse, baseball and adult volleyball, Jr. 6-Man.

Recreation Services

- Initiated collaboration with the MBUSD Choice project as part of the Teen Center After-school program / Pumpkin Race, allowing youth with special needs to work hands-on and learn work skills.
- Two Recreation Supervisors completed basic trainings in Emergency Operations procedures; trained and enhanced the Veterans Day event by expanding the program to include an after-event reception, hospitality and entertainment.
- Renovated the Live Oak Park Tennis Office to enhance customer service.
- The Manhattan Beach Pumpkin Race and SKECHERS Friendship Walk event drew over 12 thousand participants raising over \$1.4 Million for community charitable organizations making it one of the largest single day charitable events in California.

Cultural Arts

- Developed and facilitated StArt Project, an advanced arts education initiative for Mira Costa High School students
- Expanded the Live Oak Ceramics Studio program; including, facilities, studio classes, workshops and staffing
- Enhanced critically acclaimed exhibition programs, including educational interactive programs such as lectures, workshops, and poetry readings.

Community Programs

- Some program accomplishments included: H.E.L.P. (Healthcare and Elder Law Programs Corporation) provided a Life Planning Series; offered three classes per week of Agility, Balance, and Coordination; added Tell Your Story, Stamp Group and Mindfulness program; expanded the computer training classes; offered Healthier Living Series with Beach Cities Health District; presented Intergenerational Art Show and Improv.
- Successful Older Adult Health Fair offering free and low cost medical screening and information
- 18% increase in Dial-A-Ride ridership in Fiscal year 2014-15 and additional increase of 5% midyear in 2015-16

- Mid- year of 2015-16, volunteers have donated 10,100 hours and are trending to over 20,000 hours of service resulting in a savings of over \$470,000 for the City. The American Association of Retired Persons (AARP) has calculated that the current average value for volunteering in California is \$23.42 per hour.

Transportation

- 18% increase in ridership in Fiscal year 2014-15 and additional increase of 5% midyear in 2015-16.
- Addition of new vehicle as a result of increased ridership.

Volunteers

- Mid- year of 2015-16, volunteers have donated 10,100 hours and are trending to over 20,000 hours of service resulting in a savings of over \$470,000 for the City. The American Association of Retired Persons (AARP) has calculated that the current average value for volunteering in California is \$23.42 per hour.
- Increased number of volunteers and volunteer program leaders in the Older Adult Program from 40 to 65.



Program Overview

The Administration Division oversees all operating functions of the Department including administration of capital improvement projects; coordination of the Parks and Recreation Commission, Library Commission, Cultural Arts Commission, and ad-hoc committees; budget development; department marketing plan and coordination of City-wide community events. This division provides vision, direction, and support resources to Department staff and City Council.



Objectives FY 2016/17 & FY 2017/18

- Enhance social media presence through engagement opportunities
- Promote recreational and social opportunities that serve the population ranging from infants to older adults
- Provide excellent customer service for all registrations and reservations
- Increase the number of online registrations for maximum staff efficiency and customer ease.
- Enhance and support all on-line reservations through the ActiveNet registration system
- Publish four activity guides and continue to develop an interactive digital City-wide activities guide that includes hyperlinks, web-clips and interactive pictures
- Continue to review and update department policies
- Celebrate the 75th Anniversary of the department with a large community event
- Skate spot

Major Service Delivery Changes

The Parks and Recreation Department underwent a comprehensive internal assessment when there was a vacancy in one of the key Recreation Services Manager positions. The result of this effort was a reorganization of the department, providing greater efficiencies and improved service delivery. The new structure will provide better alignment of job responsibilities, less administration, dedicated staff for communication, marketing and social media, and a cost savings of \$16,000.

Parks and Recreation Department | Administration

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Director	1	1	1	1
Executive Secretary ¹	1	1	-	-
Secretary ¹	-	-	1	1
Management Analyst ¹	-	-	1	1
Park Services Enforcement Officer ²	1	1	-	-
Graphic Artist	1	1	1	1
Administrative Clerk II ¹	1	1	-	-
Receptionist Clerk ³	1	-	-	-
Total	6	5	4	4

¹ Position change resulting from Department Reorganization in FY 2016/17.

² Position transferred to Police Department in FY 2016/17.

³ Position transferred to City Manager's Office in FY 2015/16.

Parks and Recreation Department | Administration

Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	416,243	388,622	417,935	345,578	354,127
4103 Part-time Salaries	17,630	144	320	144	144
4111 Overtime Regular Employees	1,537	3,012	5,000	2,186	2,185
4201 Group Medical Insurance	72,158	72,833	67,167	62,035	66,504
4202 Medicare Contributions	6,145	5,635	5,754	13,531	13,655
4203 Unemployment	16,164	11,280	11,280	11,280	11,280
4204 401A Plan City Contributions	7,274	7,204	7,363	9,116	9,390
4205 Worker's Compensation	37,500	22,200	22,200	1,320	1,320
4206 Medical Retirement Contributions	5,940	5,940	5,940	5,940	5,940
4211 PERS Regular Contribution	48,567	49,239	52,751	46,064	51,443
Total Salaries & Benefits	\$629,157	\$566,109	\$595,710	\$497,194	\$515,987
5101 Contract Services	587,540	598,518	608,400	634,578	642,578
5201 Office Supplies	41,792	43,500	43,000	37,500	37,500
5202 Membership & Dues	2,410	2,010	2,025	3,103	2,903
5203 Reference Materials	150	500	500	300	300
5204 Conferences & Meetings	999	350	500	-	-
5205 Training, Conferences & Meetings	2,868	6,980	6,764	12,885	12,885
5206 Uniforms/Safety Equip	711	200	-	-	-
5207 Advertising	8,064	10,210	10,000	19,050	19,050
5208 Postage	33,251	31,500	30,375	32,000	32,000
5210 Computer Supplies & Software	1,565	420	420	420	420
5217 Departmental Supplies	16,269	9,000	8,800	11,280	11,280
5218 Recruitment Costs	3,243	4,520	3,723	4,520	4,520
5225 Printing	76,677	64,398	80,300	90,830	90,830
5501 Telephone	8,490	9,000	8,604	8,700	8,744
Total Materials & Services	\$784,029	\$781,106	\$803,411	\$855,166	\$863,010
5611 Warehouse Services	1,418	1,000	1,500	1,000	1,000
5621 Information Technology Allocation	116,520	107,045	107,045	107,340	109,200
5631 Insurance Allocation	442,680	647,520	647,520	650,040	674,760
5641 Fleet Rental Allocation	48,420	46,370	46,370	41,520	41,520
5642 Fleet Maintenance Allocation	27,042	27,992	25,960	21,780	21,780
5651 Building & Operations Allocation	138,989	144,973	138,990	150,480	152,580
Total Internal Services	\$775,069	\$974,900	\$967,385	\$972,160	\$1,000,840
Total Operating Expenditures	\$2,188,255	\$2,322,115	\$2,366,506	\$2,324,520	\$2,379,837
6252 CIP Landscape & Site - CYr	21,811	135,000	50,000	-	-
Total Capital Projects & Equipment	\$21,811	\$135,000	\$50,000	-	-
7101 Bond Principal	265,000	270,000	270,000	280,000	290,000
7102 Bond Interest	6,674	236,231	236,231	226,376	216,156
7103 Bond Administration Fee	79,453	75,000	76,000	80,000	79,000
Total Debt Service	\$351,127	\$581,231	\$582,231	\$586,376	\$585,156
Total Expenditures	\$2,561,193	\$3,038,346	\$2,998,737	\$2,910,896	\$2,964,993
Operating Expenditures % Change from 2015/16 Adopted Budget				0.1%	2.5%
Source of Funds					
General Fund	\$2,539,381	\$2,903,346	\$2,948,737	\$2,910,896	\$2,964,993
Capital Improvement Fund	21,811	135,000	50,000	-	-
Total Sources	\$2,561,193	\$3,038,346	\$2,998,737	\$2,910,896	\$2,964,993

Program Overview

The Recreation Services Division oversees a variety of large, community-wide special events, facility, park and field reservations and operations, tennis operations reservations and classes, specialty classes, nature and outdoor recreation activities, Afterschool REC and Teen Center Program, Summer and Vacation Rec and Teen Center Camps. The Recreation Services Division strives to implement the department’s brand “Parks Make Life Better” promise, core values, vision and missions by providing a wide range of recreational opportunities through safe and clean parks, facilities, fields and programs that provide positive physical, social, environmental, and economic benefits to the community.



Objectives FY 2016/17 & FY 2017/18

- Maintain a highly favorable rating for special event participants with Expand specialty class offerings and increase number of specialty class / camps participants to 3,000
- Maintain a high customer satisfaction rating for specialty classes, facility reservations, Afterschool REC and Teen Center programs.
- Increase Tennis reservation participation to 51,000 players per year
- Continue to develop collaborative relationships with CHOICE Program, Library, Voice, Leadership Manhattan Beach, Mayors youth Council, and TEDx MB
- Continue to implement department marketing and sponsorship campaign in all division activities focusing on our 75th service anniversary in July-2016
- Continue to implement city disaster preparedness activities in staff training / development and facility operations

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Recreation Services Manager	1	1	1	1
Recreation Supervisor ¹	2.5	2.4	2.4	2.4
Facilities Reservations Clerk	1	1	1	1
Recreation Services Manager (allocated) ^{2,3}	0.37	0.33	-	-
Administrative Clerk I/II (allocated) ^{2,3}	0.37	0.33	-	-
Recreation Supervisor (allocated) ^{2,3}	-	-	0.35	0.35
Recreation Coordinator (allocated) ^{2,3}	-	-	0.35	0.35
Total	5.24	5.06	5.10	5.10

¹ One Recreation Supervisor is split 40% / 60% between Recreation Services and Sports and Aquatics.

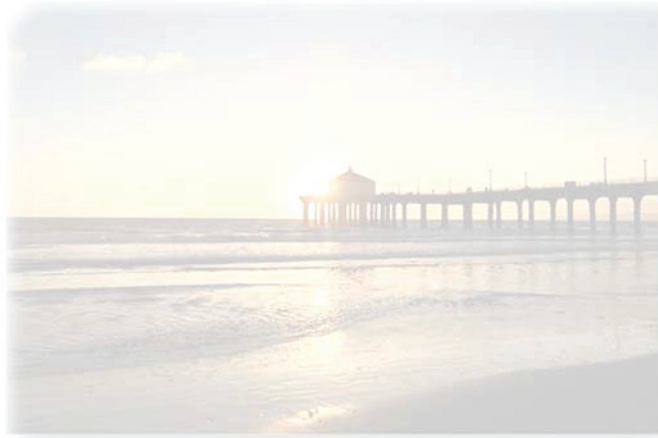
² Designates position is allocated to multiple programs based on actual time spent on program activities.

³ Position change resulting from Department Reorganization in FY 2016/17.

Part-time hours proposed in FY 2016/17 total 63,772 hours and in FY 2017/18 total 62,064 hours.

Parks and Recreation Department | Recreation Services

Recreation Services		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4101	Salaries & Allowances	\$374,679	\$356,135	\$353,328	\$379,777	\$386,979
4103	Part-time Salaries	755,710	793,091	780,000	862,406	876,899
4111	Overtime Regular Employees	10,244	2,398	13,750	10,303	10,303
4114	Overtime Special Events	-	-	2,000	-	-
4201	Group Medical Insurance	56,428	52,836	53,433	67,363	70,548
4202	Medicare Contributions	16,337	16,354	16,709	13,253	13,358
4204	401A Plan City Contributions	3,550	3,407	2,717	2,615	2,694
4206	Medical Retirement Contributions	4,968	4,968	4,968	4,968	4,968
4211	PERS Regular Contribution	69,324	73,540	64,583	92,876	98,561
Total Salaries & Benefits		\$1,291,242	\$1,302,729	\$1,291,488	\$1,433,562	\$1,464,309
5101	Contract Services	\$391,510	\$414,030	\$411,300	\$439,658	\$469,554
5202	Membership & Dues	1,128	2,300	2,120	1,600	1,600
5203	Reference Materials	-	-	393	-	-
5204	Conferences & Meetings	190	-	-	-	-
5205	Training, Conferences & Meetings	14,538	15,517	13,167	15,517	15,517
5206	Uniforms/Safety Equip	6,289	8,500	7,000	8,500	8,500
5207	Advertising	24,985	29,060	26,700	28,960	28,960
5210	Computer Supplies & Software	20,081	1,457	-	-	-
5217	Departmental Supplies	149,792	79,300	90,000	111,600	111,600
5218	Recruitment Costs	800	-	1,216	1,024	1,024
5225	Printing	5,747	9,300	11,716	8,000	8,000
5501	Telephone	5,372	5,200	4,816	4,950	4,975
5502	Electricity	214,853	219,355	234,256	237,769	243,404
5503	Natural Gas	7,061	7,930	7,766	7,882	8,069
Total Materials & Services		\$842,346	\$791,949	\$810,450	\$865,460	\$901,203
5611	Warehouse Services	\$13,493	\$12,000	\$12,000	\$12,000	\$12,000
5621	Information Technology Allocation	77,676	77,850	77,850	78,060	79,440
Total Internal Services		\$91,169	\$89,850	\$89,850	\$90,060	\$91,440
Total Operating Expenditures		\$2,224,757	\$2,184,528	\$2,191,788	\$2,389,082	\$2,456,951
6111	Furniture & Fixtures	-	-	-	-	-
6141	Computer Equipment & Software	-	-	-	-	-
6212	CIP Bldg & Facilities - CYr	-	-	-	-	-
Total Capital Projects & Equipment		-	-	-	-	-
Total Expenditures		\$2,224,757	\$2,184,528	\$2,191,788	\$2,389,082	\$2,456,951
Operating Expenditures % Change from 2015/16 Adopted Budget					9.4%	12.5%
Source of Funds						
General Fund		\$2,224,757	\$2,184,528	\$2,191,788	\$2,389,082	\$2,456,951
Capital Improvement Fund		-	-	-	-	-
Total Sources		\$2,224,757	\$2,184,528	\$2,191,788	\$2,389,082	\$2,456,951



Program Overview

The Sports & Aquatics Division's goal is to promote health and wellness throughout the community by providing and managing a variety of recreational athletic facilities, youth and adult sports leagues, fitness classes, aquatics programs, sports camps/clinics and special events and tournaments. The division manages a comprehensive aquatics program at Mira Costa High School and Begg pool, coordinating swim classes and water safety awareness programs for all ages and abilities, and schedules use and special events for local, state, and national organizations. The division manages the sport field allocations in collaboration with the youth sport organizations.



Objectives FY 2016/17 & FY 2017/18

- Update and adopt field user policy
- Maintain a highly favorable rating on swim programs, fitness classes and sport leagues
- Expand aquatics programming at Mira Costa High School to meet the needs of the Manhattan Beach Update and adopt field user policy
- Maintain division revenues at a minimum of 100% of operating expenditures
- Provide special events and tournaments, including Kids Extreme Mud Run, Southern California Municipal Athletic Federation swim meet, Father's Day Volleyball Tournament, Manhattan Beach Open Volleyball Tournament, International Surf Festival Youth Six Kid Volleyball Tournament, Charlie Saikley Six Person Volleyball Tournament
- Expand adult sport leagues
- Manage the City adult and youth sports leagues and the sports field allocation program in collaboration with youth sport organizations.
- Participate in and support efforts for turfing the Marine Avenue baseball field

Major Service Delivery Changes

The Sports & Aquatics Division consolidated part-time positions and contract service hours into two full-time Coordinator positions, which created stability in the division and provided an opportunity to expand athletic programs. A full-time Sports Coordinator position is responsible for coordinating adult and youth sport leagues and tournaments and youth sport field allocations. The Aquatics Coordinator is responsible for coordinating programs at Begg Pool, including the junior guard prep class, swim team, swim lessons, and provide oversight

Parks and Recreation Department | Sports & Aquatics

to onsite staff. The Aquatics program contractors were converted to staff to ensure quality control exists within the program.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Recreation Services Manager	1	1	1	1
Recreation Supervisor ¹	1.5	1.6	1.6	1.6
Sports Coordinator	-	1	1	1
Aquatics Coordinator	-	1	1	1
Recreation Services Manager (allocated) ^{2,3}	0.48	0.50	-	-
Administrative Clerk I/II (allocated) ^{2,3}	0.48	0.50	-	-
Recreation Supervisor (allocated) ^{2,3}	-	-	0.47	0.47
Recreation Coordinator (allocated) ^{2,3}	-	-	0.47	0.47
Total	3.46	5.60	5.54	5.54

¹ One Recreation Supervisor is split 40% / 60% between Recreation Services and Sports and Aquatics.

² Designates position is allocated to multiple programs based on actual time spent on program activities.

³ Position change resulting from Department Reorganization in FY 2016/17.

Part-time hours totaling 18,240 are proposed in FY 2016/17 and FY 2017/18.

Parks and Recreation Department | Sports & Aquatics

Sports & Aquatics		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4101	Salaries & Allowances	\$255,627	\$376,378	\$264,370	\$349,959	\$356,657
4103	Part-time Salaries	223,261	190,747	197,500	264,553	269,553
4111	Overtime Regular Employees	4,973	2,756	6,200	4,756	4,756
4201	Group Medical Insurance	33,433	50,188	38,806	66,418	69,438
4202	Medicare Contributions	6,884	7,797	7,239	10,835	10,932
4204	401A Plan City Contributions	3,432	3,703	2,701	2,491	2,565
4206	Medical Retirement Contributions	3,216	3,216	3,216	3,216	3,216
4211	PERS Regular Contribution	37,570	48,134	42,968	53,608	58,847
Total Salaries & Benefits		\$568,395	\$682,919	\$563,000	\$755,836	\$775,963
5101	Contract Services	\$591,002	\$607,170	\$630,000	\$561,700	\$560,100
5102	Contract Personnel	-	-	-	-	-
5202	Membership & Dues	2,470	5,974	3,500	4,075	4,075
5203	Reference Materials	-	-	33	-	-
5204	Conferences & Meetings	-	-	-	-	-
5205	Training, Conferences & Meetings	3,689	10,000	9,000	13,000	13,000
5206	Uniforms/Safety Equip	1,036	2,000	1,000	2,000	2,000
5207	Advertising	4,845	12,000	6,000	7,500	7,500
5208	Postage	700	-	-	-	-
5214	Employee Awards & Events	-	-	-	-	-
5217	Departmental Supplies	97,043	144,800	90,000	111,000	111,000
5218	Recruitment Costs	768	-	-	-	-
5225	Printing	15	200	-	200	200
5501	Telephone	5,691	6,000	5,630	5,800	5,830
Total Materials & Services		\$707,259	\$788,144	\$745,163	\$705,275	\$703,705
5611	Warehouse Services	\$1,350	\$2,000	\$2,000	\$2,000	\$2,000
5621	Information Technology Allocation	38,844	38,925	38,925	39,060	39,720
5641	Fleet Rental Allocation	5,052	1,540	1,540	5,100	5,100
5642	Fleet Maintenance Allocation	3,498	4,603	4,269	4,260	4,260
6121	Machinery & Equipment	11,985	-	-	-	-
Total Internal Services		\$60,729	\$47,068	\$46,734	\$50,420	\$51,080
Total Operating Expenditures		\$1,336,383	\$1,518,131	\$1,354,897	\$1,511,531	\$1,530,748
Operating Expenditures % Change from 2015/16 Adopted Budget					-0.4%	0.8%
Source of Funds						
General Fund		\$1,336,383	\$1,518,131	\$1,354,897	\$1,511,531	\$1,530,748
Total Sources		\$1,336,383	\$1,518,131	\$1,354,897	\$1,511,531	\$1,530,748

Program Overview

Manhattan Beach is a unique community, combining opportunities for the appreciation of its spectacular beaches, focus on wellness and fitness and the excellence of its arts and culture experiences, thus contributing to a vibrant community with the highest quality of life.

The Cultural Arts Division develops and presents artistic and educational programs and exhibitions that directly relate to the contemporary urban life of its constituents, while maintaining the highest standards of professional, intellectual, and ethical responsibility. It seeks to create connections among artists, cultural organizations, community groups, businesses, visitors and residents that sustain and promote a thriving, diverse, creative city. This mission is grounded in a belief that learning about the arts is integral to human development and continual personal growth.



Objectives FY 2016/17 & FY 2017/18

- Develop a comprehensive Arts Education program for the Manhattan Beach Art Center and Parks and Recreation Programming.
- Develop an Arts Commission work plan
- Develop a partnership with the Manhattan Beach Public library to present visual and performing arts programming.
- Expand Ceramics program
- Continue collaboration with MBUSD for StArt Project, advanced arts education initiative for Mira Costa High School students
- Research and provide recommendations for the use of Public Art Trust Funding options for City Council consideration

Major Service Delivery Changes

In fiscal year 16/17, The Manhattan Beach Art Center will fully realize its arts education program. Building on last year's success in developing a critically acclaimed exhibition program, the Manhattan Beach Art Center will focus its efforts on building an education and outreach program in the areas of visual and performing arts education, special cultural events, and special cultural workshops.

FY16/17 will also see the increased level of service in the Live Oak Ceramics Studio and a further integration of ceramics into the overall cultural arts program. An increased level of service in the areas of jewelry and small metals is also anticipated.

Parks and Recreation Department | Cultural Arts

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Cultural Arts Manager	1	1	1	1
Recreation Supervisor	1	1	1	1
Ceramics Studio Supervisor	-	1	1	1
Recreation Services Manager (allocated) ^{1,2}	0.12	0.13	-	-
Administrative Clerk I/II (allocated) ^{1,2}	0.12	0.13	-	-
Recreation Supervisor (allocated) ^{1,2}	-	-	0.13	0.13
Recreation Coordinator (allocated) ^{1,2}	-	-	0.13	0.13
Total	2.24	3.26	3.26	3.26

¹ Designates position is allocated to multiple programs based on actual time spent on program activities.

² Position change resulting from Department Reorganization in FY 2016/17.

Part-time hours proposed in FY 2016/17 total 8,508 and in FY 2017/18 total 8,376.

Cultural Arts Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$201,760	\$236,318	\$245,788	\$267,678	\$273,290
4103 Part-time Salaries	80,175	65,734	85,000	116,542	118,686
4111 Overtime Regular Employees	15,955	1,314	8,100	1,314	1,340
4201 Group Medical Insurance	32,633	37,661	34,386	44,783	48,049
4202 Medicare Contributions	4,225	4,186	4,594	4,571	4,653
4204 401A Plan City Contributions	4,785	4,766	5,050	4,932	5,079
4206 Medical Retirement Contributions	2,448	2,448	2,448	2,448	2,448
4211 PERS Regular Contribution	23,397	29,799	35,647	41,917	45,996
Total Salaries & Benefits	\$365,378	\$382,226	\$421,013	\$484,185	\$499,541
5101 Contract Services	\$229,858	\$201,950	\$233,211	\$194,815	\$206,003
5102 Contract Personnel	-	-	-	-	-
5202 Membership & Dues	556	655	1,000	655	655
5203 Reference Materials	80	200	-	200	200
5204 Conferences & Meetings	1,645	2,000	-	-	-
5205 Training, Conferences & Meetings	674	5,500	2,000	7,820	7,820
5207 Advertising	1,926	12,184	7,000	12,184	12,684
5217 Departmental Supplies	49,499	33,300	36,285	61,500	59,060
5218 Recruitment Costs	-	-	35	-	-
5225 Printing	468	5,750	5,750	4,750	5,750
Total Materials & Services	\$284,706	\$261,539	\$285,281	\$281,924	\$292,172
5611 Warehouse Services	\$1,280	\$2,000	\$2,000	\$2,000	\$2,020
5621 Information Technology Allocation	48,552	48,657	48,657	48,780	49,680
Total Internal Services	\$49,832	\$50,657	\$50,657	\$50,780	\$51,700
Total Operating Expenditures	\$699,916	\$694,422	\$756,951	\$816,889	\$843,413
Operating Expenditures % Change from 2015/16 Adopted Budget				17.6%	21.5%
Source of Funds					
General Fund	\$699,916	\$694,422	\$756,951	\$816,889	\$843,413
Total Sources	\$699,916	\$694,422	\$756,951	\$816,889	\$843,413

Program Overview

The Older Adults Program is part of the Community Programs Division and provides a variety of quality programs in the areas of health and fitness, arts and crafts, table games, outdoor activities, drama, literature, movies, creative writing, educational programs, discussion groups, luncheons and dance. A large focus of the program over the past year has also been on intergenerational programs and collaborations.



Objectives FY 2016/17 & FY 2017/18

- Continue to create programs to meet the needs of the older adult population
- Establish relationships and build a network of service providers to address the needs of older adult residents of Manhattan Beach
- Continue to maintain a robust volunteer program at Joslyn Center
- Initiate new programs, based on customer feedback, like “Color Your World” coloring program.

Major Service Delivery Changes

The Older Adults Program is replacing a part-time Senior Recreation Leader with a full-time Recreation Coordinator to accommodate the number of programs offered along with growing attendance numbers. This position will provide continuity of staffing, scheduling and dissemination of information to older adults. The coordinator will be responsible for the monthly newsletter, communications, event and activity planning and volunteers.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Older Adults Programs Supervisor	1	1	1	1
Recreation Services Manager (allocated) ^{1,2}	0.03	0.04	-	-
Administrative Clerk I/II (allocated) ^{1,2}	0.03	0.04	-	-
Recreation Supervisor (allocated) ^{1,2}	-	-	0.05	0.05
Recreation Coordinator (allocated) ^{1,2}	-	-	0.05	0.05
Recreation Coordinator	-	-	1.00	1.00
Total	1.06	1.08	2.10	2.10

¹ Designates position is allocated to multiple programs based on actual time spent on program activities.

² Position change resulting from Department Reorganization in FY 2016/17.

Part-time hours totaling 6,280 are proposed for FY 2016/17 and FY 2017/18.

Parks and Recreation Department | Older Adults

Older Adults		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4101	Salaries & Allowances	\$83,483	\$83,045	\$88,991	\$125,888	\$139,927
4103	Part-time Salaries	105,159	103,812	114,404	86,489	81,723
4111	Overtime Regular Employees	103	66	200	-	-
4201	Group Medical Insurance	7,124	6,960	8,010	14,335	16,810
4202	Medicare Contributions	2,718	2,424	2,797	3,296	2,770
4204	401A Plan City Contributions	3,450	3,432	3,487	3,531	3,636
4206	Medical Retirement Contributions	1,116	1,116	1,116	1,116	1,116
4211	PERS Regular Contribution	15,291	12,478	16,282	19,017	22,625
Total Salaries & Benefits		\$218,444	\$213,333	\$235,287	\$253,673	\$268,608
5101	Contract Services	\$83,129	\$75,253	\$64,100	\$64,720	\$66,014
5102	Contract Personnel	-	-	-	-	-
5202	Membership & Dues	1,185	1,320	1,320	1,320	1,320
5203	Reference Materials	289	875	875	875	893
5204	Conferences & Meetings	-	-	-	-	-
5205	Training, Conferences & Meetings	-	1,250	1,250	1,250	1,275
5207	Advertising	5,680	5,264	5,260	4,737	4,832
5217	Departmental Supplies	28,804	20,756	35,856	33,296	33,962
5225	Printing	1,098	1,000	1,000	1,000	1,020
5265	Contributions to Service Agencies	-	-	-	37,315	37,315
Total Materials & Services		\$120,186	\$105,718	\$109,661	\$144,513	\$146,631
5611	Warehouse Services	\$177	\$200	\$240	\$200	\$204
5621	Information Technology Allocation	\$29,124	\$29,194	\$29,194	\$29,280	\$29,820
Total Internal Services		\$29,301	\$29,394	\$29,434	\$29,480	\$30,024
6111	Furniture & Fixtures	-	-	-	\$400	-
6141	Computer Equipment & Software	-	-	-	\$2,000	-
Total Capital Projects & Equipment		-	-	-	\$2,400	-
Total Operating Expenditures		\$367,931	\$348,445	\$374,382	\$430,066	\$445,263
					% Increase/Decrease from 2015/16 Adopted Budget	23.4%
Source of Funds						
General Fund		\$367,931	\$348,445	\$374,382	\$430,066	\$445,263
Total Sources		\$367,931	\$348,445	\$374,382	\$430,066	\$445,263

Program Overview

The Transportation Division is part of the Community Programs Division and is funded predominantly by Proposition "A" Local Return transportation funds. These monies, which are administered by the Los Angeles Metropolitan Transportation Authority (MTA), are generated by a one-half cent sales tax approved by the voters for use in transportation related services. These services include the Dial-A-Ride program, bus pass subsidies, recreational bus trips for all ages, and fixed route bus service provided by both Ocean Express Trolley and the Beach Cities Transit.

Dial-A-Ride transports customers to a variety of locations throughout the City including shopping centers, community centers, and medical facilities, as well as to designated medical facilities in neighboring communities. Fares are \$0.25 one-way within the City and \$0.50 one-way outside the City. The Fiscal Year 2016-2017 budget also includes funding for the continuation of the Ocean Express Trolley and Beach Cities Transit Bus Service.



Objectives FY 2016/17 & FY 2017/18

- Continue to offer Dial-A-Ride service seven days a week to destinations in Manhattan Beach, as well as five days a week to select medical facilities
- Offer increased service as needed to meet the growing popularity of Older Adult Programs at Joslyn Center, and the overall increase in ride requests
- Collaborate with senior housing facilities and MBUSD Special Education programs to provide effective transportation options as needed
- Provide increased driver and dispatch training to improve efficiency, safety and customer service
- Assist the Older Adult Program staff to plan and implement bimonthly local bus trips and offer a flexible schedule to include after-hours events like the Manhattan Beach Unified School District free events for Older Adults
- Offer the Older Adults Night on the Town Dinner Program Wednesday evenings
- Continue to obtain a high satisfaction rating of drivers and dispatchers.

Major Service Delivery Changes

Dial-A-Ride added an additional bus to the existing fleet in fiscal year 2015-16. Increased hours for part-time staff are included in the fiscal year 2016-17 budget in order to maintain a high level of customer service and accommodate increases in ridership, which was an 18% increase in 2014-15 and is trending an additional 5% higher at mid-year 2015-16. The Mobile Data System project (object 6141) is being implemented in the fiscal year 2015-16, which will include tablets on all buses for drivers to record trip data and receive their schedule, rather than maintain trip sheets. Additionally, one full-time Administrative Clerk II position will be changed to a Recreation Coordinator position to better reflect the current responsibilities of the position in the fiscal year 2015-16.

Parks and Recreation Department | Transportation

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Transportation Services Operator	3	3	3	3
Administrative Clerk II	1	-	-	-
Recreation Coordinator	-	1	1	1
Total	4	4	4	4

Part-time hours totaling 10,088 are proposed for FY 2016/17 and FY 2017/18.

Transportation Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$177,606	\$214,673	\$224,447	\$215,555	\$218,788
4103 Part-time Salaries	237,094	193,406	239,000	239,000	250,950
4111 Overtime Regular Employees	4,544	4,382	14,000	6,573	6,902
4201 Group Medical Insurance	26,354	32,363	36,198	46,236	49,734
4202 Medicare Contributions	6,017	6,873	6,704	8,451	8,498
4205 Worker's Compensation	6,060	115,020	115,020	1,320	1,320
4206 Medical Retirement Contributions	3,216	3,216	3,216	3,216	3,216
4211 PERS Regular Contribution	44,599	57,527	57,681	62,419	65,545
Total Salaries & Benefits	\$505,489	\$627,460	\$696,266	\$582,769	\$604,952
5101 Contract Services	\$43,456	\$47,700	\$47,700	\$52,645	\$54,646
5104 Computer Contract Services	12,981	13,309	14,087	15,669	15,982
5202 Membership & Dues	485	965	965	965	984
5205 Training, Conferences & Meetings	2,155	4,250	4,250	7,750	7,905
5206 Uniforms/Safety Equip	3,451	3,360	3,360	3,575	3,647
5208 Postage	1,725	1,650	1,543	1,650	1,650
5217 Departmental Supplies	5,348	5,390	5,390	6,000	6,120
5218 Recruitment Costs	12	-	-	-	-
5223 Bus Pass Subsidies	7,071	6,600	6,600	6,600	6,600
5224 Recreation Bus Trips	46,513	55,000	55,000	56,100	57,222
5225 Printing	612	600	600	600	612
5501 Telephone	593	600	631	650	653
Total Materials & Services	\$124,401	\$139,424	\$140,126	\$152,204	\$156,021
5611 Warehouse Services	\$589	\$500	\$500	\$500	\$510
5621 Information Technology Allocation	29,124	29,194	29,194	29,280	29,820
5631 Insurance Allocation	9,000	3,960	3,960	63,240	65,400
5642 Fleet Maintenance Allocation	35,288	38,692	35,883	43,200	43,200
Total Internal Services	\$74,000	\$72,346	\$69,537	\$136,220	\$138,930
Total Operating Expenditures	\$703,890	\$839,230	\$905,929	\$871,193	\$899,903
6131 Vehicles	-	-	\$71,674	-	-
6141 Computer Equipment & Software	-	\$20,310	\$24,425	-	-
Total Capital Projects & Equipment	-	\$20,310	\$96,099	-	-
Total Expenditures	\$703,890	\$859,540	\$1,002,028	\$871,193	\$899,903
Operating Expenditures % Change from 2015/16 Adopted Budget				3.8%	7.2%
Source of Funds					
Prop A	\$650,758	\$670,395	\$673,010	\$680,260	\$680,260
Measure R Transfer	53,132	189,145	329,018	190,933	219,643
Total Sources	\$703,890	\$859,540	\$1,002,028	\$871,193	\$899,903

Parks and Recreation Department | Volunteers

Program Overview

The City's centrally-coordinated volunteer program is part of the Community Programs Division and is designed to provide citizens with job skills, training, personal fulfillment, and opportunities to become more involved in municipal government. Volunteers offer support to various City departments. Positions include City Hall and Joslyn Community Center ambassadors, general clerical positions, Older Adult Program-program coordinators, teachers and clerical volunteers, special event positions, playground and pool assistants, sports league coaches, and various positions within the Police and Fire Departments.



Objectives FY 2016/17 & FY 2017/18

- Collaborate with schools and community groups to offer volunteer service opportunities that enhance parks and open space areas in the community and provide opportunities for people with developmental disabilities
- Maintain diverse volunteer opportunities for Older Adults
- Continue to coordinate with the Police Department to offer annual Volunteer Recognition event(s) for City volunteers
- Meet the volunteer needs of City departments
- Maintain the number of volunteer hours for increased savings to the City.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Recreation Services Manager	1	1	1	1

Part-time hours totaling 416 are proposed for FY 2016/17 and FY 2017/18.

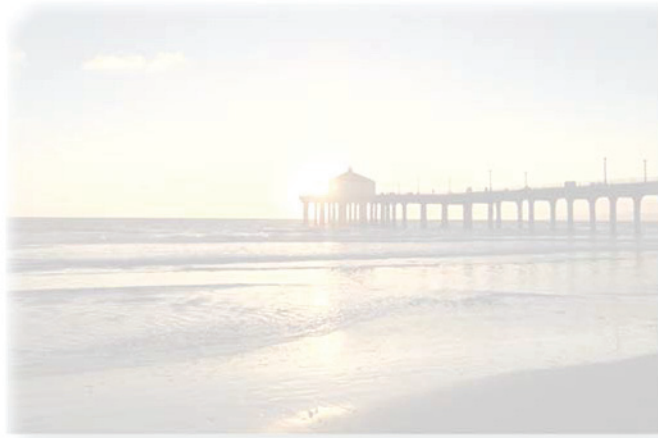
Parks and Recreation Department | Volunteers

Volunteers Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$104,664	\$104,492	\$108,204	\$105,393	\$108,381
4103 Part-time Salaries	4,923	8,353	8,353	8,353	8,353
4201 Group Medical Insurance	3,578	1,154	1,380	1,168	1,168
4202 Medicare Contributions	1,573	1,515	1,549	1,528	1,572
4204 401A Plan City Contributions	2,500	2,469	2,524	2,491	2,565
4206 Medical Retirement Contributions	1,044	1,044	1,044	1,044	1,044
4211 PERS Regular Contribution	12,255	12,689	14,035	13,724	15,393
Total Salaries & Benefits	\$130,537	\$131,716	\$137,089	\$133,702	\$138,476
5101 Contract Services	\$6,003	\$6,500	\$6,500	\$6,500	\$6,630
5202 Membership & Dues	309	262	560	262	300
5205 Training, Conferences & Meetings	-	-	-	-	-
5207 Advertising	-	-	-	-	-
5217 Departmental Supplies	3,095	1,745	1,745	1,745	1,780
5218 Recruitment Costs	1,486	-	64	-	-
5501 Telephone	411	450	427	450	452
Total Materials & Services	\$11,304	\$8,957	\$9,296	\$8,957	\$9,162
5611 Warehouse Services	-	-	-	-	-
5621 Information Technology Allocation	\$9,708	\$9,731	\$9,731	\$9,780	\$9,960
Total Internal Services	\$9,708	\$9,731	\$9,731	\$9,780	\$9,960
Total Operating Expenditures	\$151,549	\$150,404	\$156,116	\$152,439	\$157,598
Operating Expenditures % Change from 2015/16 Adopted Budget				1.4%	4.8%
Source of Funds					
General Fund	\$151,549	\$150,404	\$156,116	\$152,439	\$157,598
Total Sources	\$151,549	\$150,404	\$156,116	\$152,439	\$157,598



Police Department





City of Manhattan Beach Police Department

**Chief of
Police**

**ADMINISTRATION &
INVESTIGATIONS
BUREAU**

**FIELD OPERATIONS
BUREAU**

**Administrative
Services Division**

**Investigations &
Support Division**

**Patrol
Division(s)**
(Day Watch & Night Watch)

**Traffic
Division**

Personnel / Recruitment & Hiring
~
Training
~
Professional Standards / Internal Affairs
~
Budget
~
Information Technology
~
Social Media
~
Grants
~
Strategic Planning

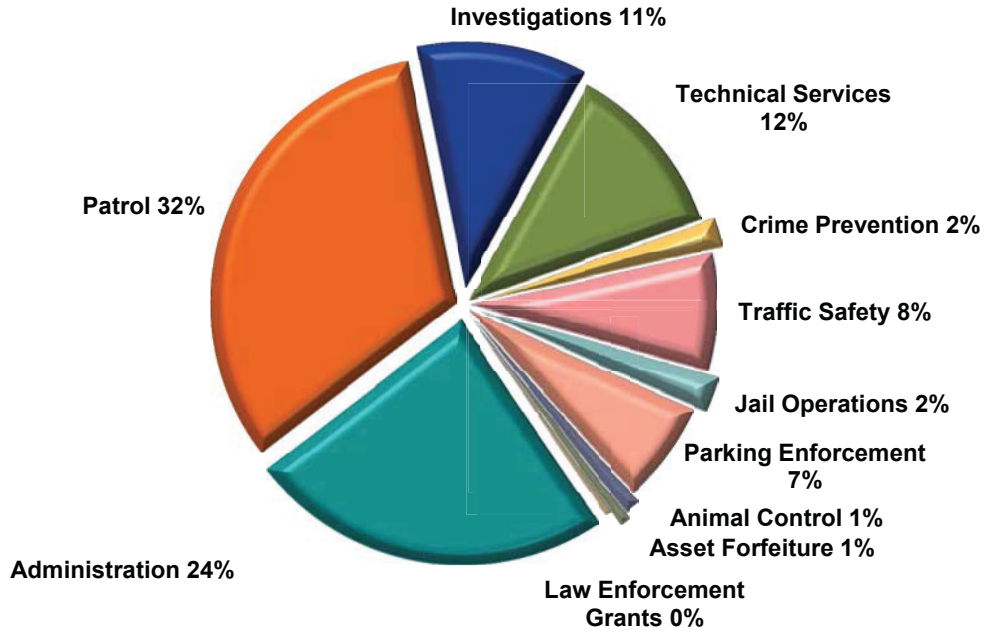
Investigations
~
Technical Support Services / Records
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Community Affairs
~
Volunteer Programs
~
School Resource Officer Program
~
Court Liaison
~
Narcotics
~
Communications/ Dispatch
~
Property & Evidence

Day Shift Patrol
~
Night Shift Patrol
~
Jail
~
K-9 Program
~
SWAT
~
Crime Scene Investigations
~
Field Training Program
~
Crisis Negotiation Team
~
Bicycle Patrol
~
Beach Patrol

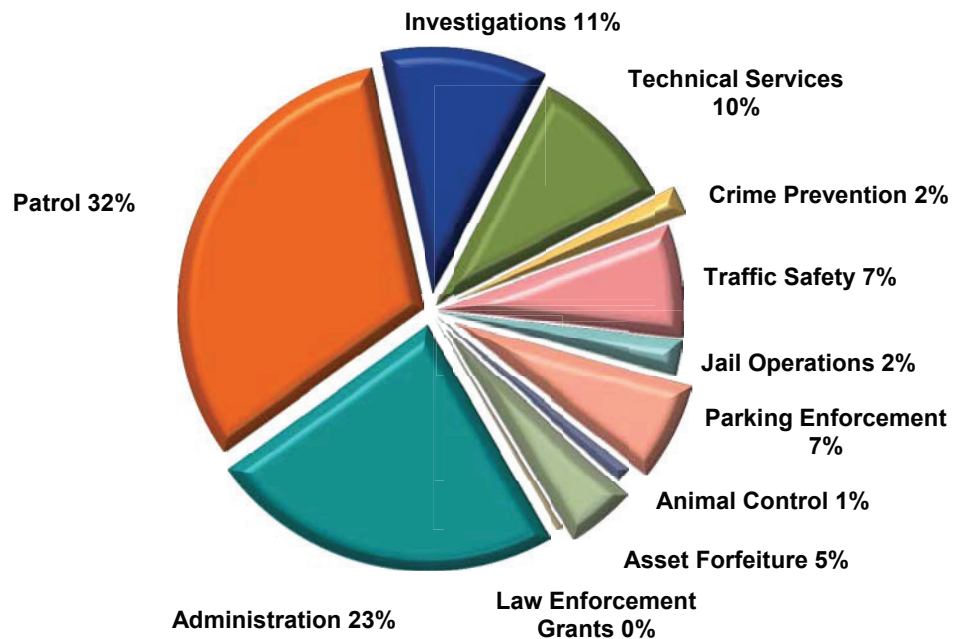
Traffic Enforcement
~
Traffic Collision Investigations
~
DUI Enforcement
~
Special Events
~
Permits
~
Parking Enforcement
~
Municipal Code Enforcement
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Animal Control
~
Fleet Management
~
Facility Management

Police Department

FY 2016/17
Department Expenditure by Program



FY 2017/18
Department Expenditure by Program



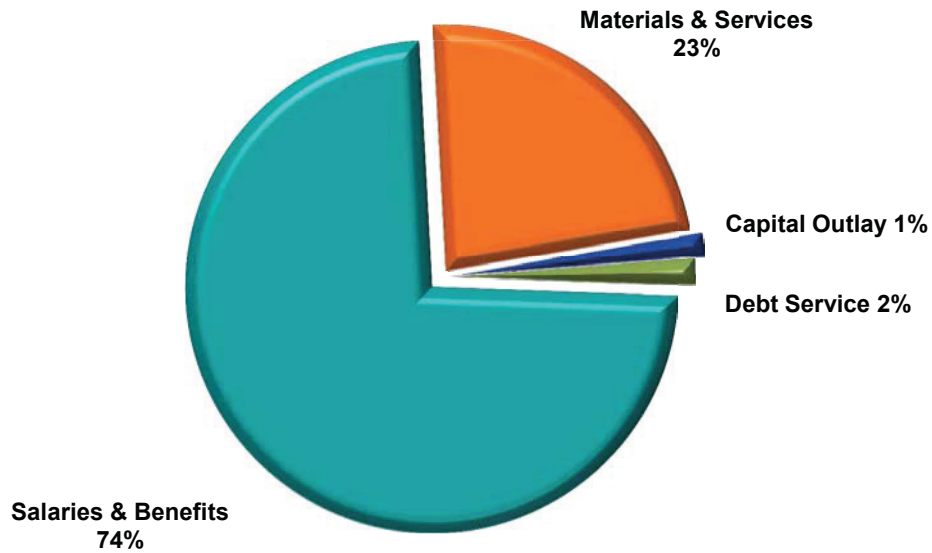
Police Department



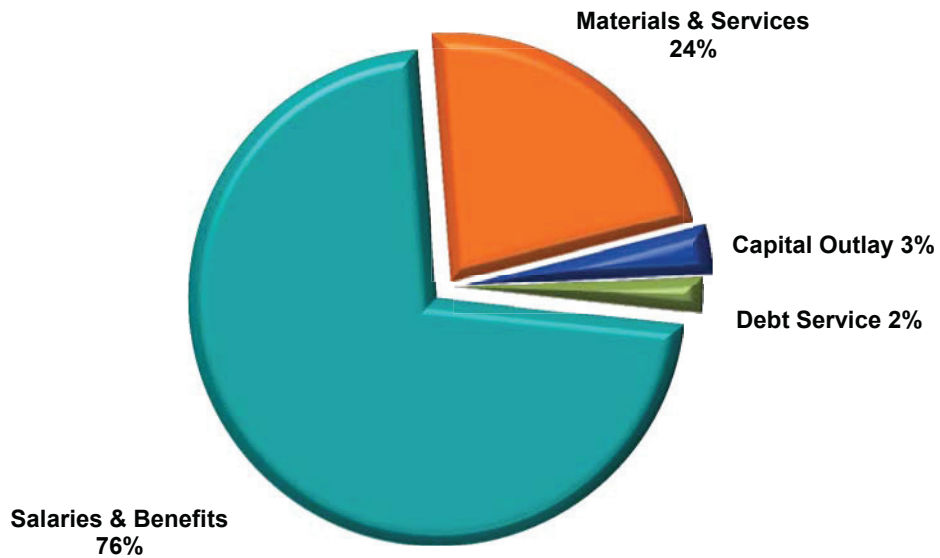
Program Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Administration	\$5,438,946	\$5,553,177	\$5,683,619	\$6,394,305	\$6,585,085
Patrol	8,827,158	8,375,743	8,913,154	8,609,371	8,899,821
Investigations	2,809,657	2,636,988	2,821,882	2,981,721	3,090,920
Technical Services	2,520,238	2,563,527	2,607,183	3,112,955	2,790,784
Crime Prevention	304,933	304,453	303,470	519,547	537,211
Traffic Safety	1,477,108	1,937,009	1,621,900	2,041,635	2,094,368
Jail Operations	644,672	616,109	676,185	648,444	667,792
Parking Enforcement	1,637,757	1,654,166	1,677,274	1,780,427	1,832,684
Animal Control	327,400	319,599	341,568	291,547	300,435
Asset Forfeiture	114,421	215,950	241,765	186,920	1,284,162
Law Enforcement Grants	153,453	105,000	108,500	105,000	105,000
Total	\$24,255,744	\$24,281,721	\$24,996,500	\$26,671,873	\$28,188,262
Full-Time Positions	104.8	104.8	104.8	106.8	106.8

Police Department

FY 2016/17
Department Expenditure by Category



FY 2017/18
Department Expenditure by Category



Category Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Salaries & Benefits	\$18,115,112	\$18,543,434	\$19,253,563	\$19,629,751	\$20,325,200
Materials & Services	5,104,281	5,277,723	5,275,609	6,173,615	6,300,421
Capital Outlay	129,291	74,496	82,435	400,000	900,000
Debt Service	907,060	386,068	384,893	468,507	662,641
Total	\$24,255,744	\$24,281,721	\$24,996,500	\$26,671,873	\$28,188,262

Mission

To protect life, liberty, and property while providing excellent service and developing problem-solving partnerships within the community

Department Overview

The Manhattan Beach Police Department is a premiere, full-service law enforcement organization. The dedicated men and women of this Police Department are an integral part of this community, and the community is an integral part of the Police Department. We count on each other to keep this community safe and to work on quality of life issues so that residents love living here, businesses thrive, and visitors enjoy their stay.

The Police Department is staffed by a dedicated, hard-working team of 65 sworn and 41 civilian full-time employees, and operates under two Bureaus - Administration/Investigations and Field Operations.

The following budgetary programs comprise the Police Department:

- Administration
- Patrol
- Investigations
- Technical Support Services
- Community Affairs
- Traffic Safety
- Parking Enforcement
- Animal Control
- Jail Operations
- Asset Forfeiture/Grants

The Police Department is constantly trying to enhance the ways we communicate with our community. In March 2016, the Police Department launched its Facebook page, www.facebook.com/manhattanbchpd. The response from the community has been tremendously positive. In the first month, the page drew nearly 800 followers. The Police Department pushed out over 40 posts in the first month, which collectively reached over 7,000 people and generated over 6,000 instances of "engagement." The Police Department thanks the community for embracing our new presence on social media and looks forward to future engagement.

Facebook is a compliment to the Police Department's existing public safety notification tool, Nixle, where subscribers can receive text and email messages directly from the Manhattan Beach Police Department regarding community events and critical incidents. Nixle was launched in October 2013, and now reaches over 8,200 subscribers. To begin receiving text and/or email alerts and tips from Manhattan Beach Police, sign up at www.citymb.info/nixle.

The partnership between the Police and the community, which includes our fantastic Neighborhood Watch program, epitomizes the best in community policing. We have one of the most active Neighborhood Watch

Police Department

programs in the nation, with over 400 residents currently participating as Neighborhood Watch block captains, covering the majority of our four square miles.

The Police Department's new 2016-2018 Strategic Plan took effect on January 1, 2016. The plan was created through the participation of all levels within the Police Department; workshops, surveys, and meetings were conducted with sworn and civilian personnel representing every rank and Bureau. Community input was gathered through interactive community workshops. As a result of the workshops and planning sessions, three goals were identified:

Goal 1: Organizational Development

We have a positive, values-based work environment, where we develop our employees at all levels of the organization and empower them to creatively solve problems and maintain our highly effective organization.

Goal 2: Community Engagement

We interact with our community in a variety of ways to ensure that we are providing all of those we serve with the highest levels of police services.

Goal 3: Community Quality of Life Enhancement

We continue to develop strategies to reduce crime and improve the quality of life in Manhattan Beach.

Within each of these goals are quantifiable objectives and action items which outline how the Department will work to attain these goals. The success of the Strategic Plan involves the actions of all Department supervisors and employees, and we are committed to providing excellent service to our community. The men and women of the Manhattan Beach Police Department are proud to serve our community, and with this document as a guide, we will strive to achieve an even higher level of service.

Accomplishment Highlights FY 2015/16

- Maintained an emergency response time of under two minutes
- Enhanced community engagement with the launch of the Police Department's Facebook page, www.facebook.com/manhattanbchpd
- Expanded the reach of Nixle public notification service, now reaching over 8,200 subscribers
- Completed the 2013-2015 Police Department Strategic and reported accomplishments to the community
- Conducted workshops with the community and Police Department personnel in the development of the new 2016-2018 Police Department Strategic Plan. Started work on the new plan on January 1, 2016. Thus far, we have completed stated goals by their due dates and will report progress to the community every six months.
- Continued to implement innovative crime fighting efforts to combat the effects of AB109 Realignment and Proposition 47, including: enhanced/increased patrol foot beats, burglary suppression details, South Bay Burglary Suppression taskforce participation (full-time grant-funded assignment)
- Hosted Community Events to promote Community Engagement: Town Hall Meetings, Neighborhood Watch Meetings, Coffee with a Cop Program, National Night Out, visits to the elderly over the holidays, and Tip-A-Cop Event (all proceeds benefit local Special Olympics athletes)
- Hosted Police/Fire Open House event for the Special Olympics World Games athletes

- Implemented Community Awareness Campaigns: Distracted Driver Awareness, Lock it or Lose It, Child Passenger Safety (car seat safety campaign), and Paint the Town Orange (Neighborhood Watch block captain recruitment campaign)
- Provided Safe Drug Disposal options for controlled substances (Drug Drop Box in the Police Station lobby and twice yearly DEA Take Back Events)
- Completed implementation of Administrative Management Software; in the process of implementing Training Management Software
- Recruited and hired excellent staff
- Deployed additional pole-mounted speed radar signs to augment our speed awareness and education efforts, purchased with grant funds
- Implemented the Residential and Commercial Security Camera Registration Program, a community partnership program to help investigate and solve crime
- Hosted the Bike Safety Rodeo in partnership with the Beach Cities Cycling Club, South Bay Bicycling Coalition, and Meadows PTA to promote youth bike safety
- Enhanced officer safety and regional response capabilities with the installation of Automatic Vehicle Location technology in all Police vehicles
- Managed the Lost and Found pet page to help reunite pets with their owners
- Completed the replacement of the Jail automated door entry system
- Worked with the Traffic Engineer, Public Works Department, and City Prosecutor to deploy “Walk Your Bike” flashing light signs at the base of the pier to enhance pedestrian safety
- Uniformed personnel donned pink uniform patches in honor of Breast Cancer Awareness Month and raised over \$4,600 for the cure.

Program Overview

The Administration & Investigations Bureau is responsible for the day-to-day management of law enforcement services to the City of Manhattan Beach. Functions include Department policy review and development, management of the Department's budget, Strategic Plan management, social media communication with the public, payroll and accounting functions, internal affairs investigations, responding to claims against the City, responding to citizen complaints, and managing Department-specific grant funding.

The Personnel and Training Section is funded within this program. Functions include coordinating training for sworn and civilian personnel, managing testing, selection, backgrounds, and hiring of all Department employees, and providing oversight of Department-issued equipment.

The Department continues to maintain 100% compliance with Peace Officer Standards and Training (POST) and Standards and Training for Corrections (STC) requirements. This training is of direct importance to residents, as it ensures that officers and staff are prepared and trained to respond to community issues and problems. POST Training (object 5220) and STC Training (object 5219) are reimbursed in part by the State of California.

The Department has obtained POST certification for several in-house training programs which are mandated for all sworn officers to attend, including Drivers Training, Arrest and Control Tactics, and Tactical Firearms. These in-house training courses are delivered at a lower cost and can be tailored to meet Department-specific needs.

Objectives FY 2016/17 & FY 2017/18

- Maintain compliance with Peace Officer Standards and Training (POST) and Standards and Training for Corrections (STC)
- Offer career development and leadership training for sworn and civilian personnel
- Provide in-house training programs to maintain and enhance skills while minimizing operational disruptions and reducing expenses
- Continue to enhance internal communication
- Implement a formalized mentorship program
- Implement the 2016-2018 Police Department Strategic Plan goals, objectives and action items; report progress to the community
- Enhance communication with the public through social media
- Enhance employee recognition activities
- Enhance usage of crime reduction technologies
- Continue to provide a high level of service to the community



Service Level Trends

In an effort to expand and enhance our existing communication efforts, the Police Department launched a Facebook page, www.facebook.com/manhattanbchpd. This augments the Police Department’s existing Nixle public safety communication tool which reaches over 8,200 subscribers. Utilization of both Facebook and Nixle meets with the Police Department’s Strategic Plan Goal to engage the community, and also addresses the City Council’s 2016 Strategic Plan pillar of success which values meaningful resident engagement.

The Police Department is currently at full-strength with regard to our sworn staffing levels. Additionally, the Police Department has seen a growing number of mandates and training requirements. These trends are driving an increase to our POST Training budget (5220), which is reimbursable, state-certified training. Augmenting our training budget aligns with one of the Police Department’s strategic plan objectives to support career development and training needs identified in the Department’s Master Training Plan and through our annual evaluation process. It also addresses the City Council’s 2016 Strategic Plan pillar of success to provide excellent municipal service through an aligned and committed workforce.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Police Chief	1	1	1	1
Captain	1	1	1	1
Lieutenant	2	2	2	2
Sergeant	1	1	1	1
Senior Management Analyst	1	1	1	1
Executive Secretary	2	2	2	2
Information Systems Specialist*	0.8	0.8	0.8	0.8
Total	8.8	8.8	8.8	8.8

*Position is shared with Fire Department.

Part-time hours proposed total 2,390 hours in FY 2016/17 and FY 2017/18.

Police Department | Administration

Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$215,166	\$274,293	\$269,471	\$285,430	\$290,923
4102 Sworn Salaries	1,033,389	964,852	1,080,403	965,861	975,483
4103 Part-time Salaries	50,659	60,649	63,000	60,720	60,720
4111 Overtime Regular Employees	1,758	5,128	5,000	5,426	5,660
4112 Overtime Sworn Employees	13,697	20,347	18,000	17,680	18,040
4201 Group Medical Insurance	138,043	162,614	163,825	175,965	188,677
4202 Medicare Contributions	17,952	18,498	19,754	19,409	19,629
4203 Unemployment	17,964	12,480	12,480	12,480	12,480
4204 401A Plan City Contributions	8,796	9,136	8,880	9,215	9,492
4205 Worker's Compensation	1,657,740	1,995,840	1,995,840	2,106,120	2,196,960
4206 Medical Retirement Contributions	4,404	4,404	4,404	4,404	4,404
4211 PERS Regular Contribution	24,055	34,844	35,214	38,890	43,172
4212 PERS Sworn Contribution	271,840	300,143	309,569	207,672	215,924
Total Salaries & Benefits	\$3,455,464	\$3,863,228	\$3,985,840	\$3,909,272	\$4,041,564
5101 Contract Services	\$32,480	\$30,625	\$33,000	\$34,125	\$34,725
5104 Computer Contract Services	1,259	1,260	1,300	3,760	3,900
5107 Physical/Psych Exams	10,175	13,250	13,000	13,250	13,450
5108 Legal Services	13,690	20,000	15,000	15,000	15,000
5109 Background Investigations	3,727	8,760	8,000	8,260	8,520
5201 Office Supplies	31,134	27,900	31,000	31,600	32,200
5202 Membership & Dues	4,016	4,570	4,800	5,340	5,685
5203 Reference Materials	1,133	1,250	1,250	1,250	1,330
5204 Conferences & Meetings	6,546	7,280	8,000	-	-
5205 Training, Conferences & Meetings	6,617	9,250	9,000	16,530	16,950
5206 Uniforms/Safety Equip	68,622	25,955	25,500	25,955	26,855
5207 Advertising	-	300	200	300	300
5214 Employee Awards & Events	1,208	1,500	1,500	2,700	2,850
5217 Departmental Supplies	49,996	49,200	49,500	50,800	52,700
5219 STC Training	6,574	2,850	2,800	2,850	2,950
5220 POST Training	64,378	49,700	55,000	59,700	60,900
5263 City Funds Match	5,800	12,000	11,500	10,500	10,500
5501 Telephone	30,498	30,000	31,613	32,000	32,160
5502 Electricity	127,432	154,263	170,539	173,098	177,200
5503 Natural Gas	5,123	4,872	5,476	5,558	5,690
5504 Water	17,137	16,912	14,411	14,628	14,975
Total Materials & Services	\$487,546	\$471,697	\$492,389	\$507,204	\$518,840
5621 Information Technology Allocation	\$165,072	\$175,171	\$175,171	\$175,620	\$178,740
5631 Insurance Allocation	449,940	216,720	216,720	962,340	994,500
5641 Fleet Rental Allocation	16,176	16,490	16,490	12,000	12,000
5642 Fleet Maintenance Allocation	7,091	9,331	8,654	8,700	8,700
5651 Building & Operations Allocation	405,155	414,472	397,368	435,900	447,060
Total Internal Services	\$1,043,434	\$832,184	\$814,403	\$1,594,560	\$1,641,000
Total Operating Expenditures	\$4,986,444	\$5,167,109	\$5,292,632	\$6,011,036	\$6,201,404

Police Department | Administration

Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
6111 Furniture & Fixtures	8,013	-	6,094	-	-
Total Capital Projects & Equipment	\$8,013	-	\$6,094	-	-
7101 Bond Principal	\$281,433	\$227,500	\$227,500	\$232,500	\$240,000
7102 Bond Interest	162,231	156,568	156,568	149,669	142,581
7103 Bond Administration Fee	825	2,000	825	1,100	1,100
Total Debt Service	\$444,489	\$386,068	\$384,893	\$383,269	\$383,681
Total Expenditures	\$5,438,946	\$5,553,177	\$5,683,619	\$6,394,305	\$6,585,085
Operating Expenditures % Change from 2015/16 Adopted Budget				16.3%	20.0%
Source of Funds					
General Fund	\$5,050,890	\$5,167,109	\$5,298,726	\$6,011,036	\$6,201,404
Capital Improvement Fund	388,056	386,068	384,893	383,269	383,681
Total Sources	\$5,438,946	\$5,553,177	\$5,683,619	\$6,394,305	\$6,585,085



Program Overview

Patrol is comprised of two shifts of uniformed police officers that provide services 24 hours a day. Patrol officers are the first responders to emergencies, and their emergency response time averages approximately two minutes – when a resident or business calls dispatch with an emergency, the average time it takes an officer to arrive on scene is two minutes.

Patrol officers respond to immediate and routine service calls, crime-related incidents, and quality of life issues. They conduct preliminary investigations, collect evidence, and arrest offenders. Other responsibilities include recovering lost or stolen property, ensuring the safety and protection of persons and property through proactive and directed patrol, enforcing traffic laws, providing high visibility enforcement during events, rendering aid to the community as needed, and providing the highest level of quality service through problem solving and community-oriented policing. Officers strive to provide an excellent level of service and take pride in building partnerships with residents and businesses in the community.



Special programs currently operated under Patrol include K-9 Program, Special Weapons and Tactics (SWAT) Team, Crisis Negotiation Team, South Bay Platoon, Beach Patrol, Bike Patrol, Crime Scene Investigations (CSI), and Field Training Officer Program.

Objectives FY 2016/17 & FY 2017/18

- Ensure rapid response times to calls for service, and improve service levels and response times whenever possible
- Provide the highest levels of service to the community while maintaining a friendly and professional demeanor
- Enhance usage of crime reduction technologies
- Identify crime trends and provide directed patrols in an effort to reduce crime and enhance quality of life
- Enhance visibility and communication within the community with footbeat and bicycle patrols

Service Level Trends

The recent community survey reflected residents' perception that crime is going up, but residents still feel safe. The Police Department's goal is to provide expedient and efficient response to community emergencies while addressing crime trends in a proactive manner, reducing crime and the fear of crime, and enhancing quality of life for residents and visitors.

Our officers work very hard to respond expediently to calls for service, and we are proud to maintain an average emergency response time of under two minutes again this year.

We continue to implement innovative crime fighting efforts to combat the effects of AB109 Realignment and Proposition 47, including: enhanced/increased patrol foot beats, bike patrols, undercover details, burglary suppression details, and South Bay Burglary Suppression taskforce participation (full-time grant-funded assignment). Officers also continue to provide enforcement of community priorities, including Strand and bike

Police Department | Patrol

path enforcement, smoking ban, and other municipal code violations. The Police Department restated its commitment to enforcement of these quality of life issues by making it one of our objectives in the Police Department's 2016-2018 Strategic Plan.

Police staffing for special events is also budgeted in Patrol (4114). Manhattan Beach is host to a growing number of special events. Additionally, many of the events are growing in popularity, therefore requiring additional staffing to ensure adequate coverage.

Beginning in FY 2016/17, one Sergeant was re-allocated from Patrol to Community Affairs to enhance our communication and engagement efforts.

Authorized Full-Time Positions*	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Captain	1	1	1	1
Lieutenant	3	2	2	2
Sergeant ¹	7	7	6	6
Police Officer	29	29	29	29
Total	40	39	38	38

**Table reflects staffing at time of budget adoption. Personnel changes among programs may occur during the fiscal year.*

¹ Position transferred to Community Affairs in FY 2016/17.

Patrol Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$59,209	-	\$115,709	-	-
4102 Sworn Salaries	4,653,408	4,510,031	4,777,866	4,421,092	4,472,412
4111 Overtime Regular Employees	690	1,400	1,000	1,000	1,100
4112 Overtime Sworn Employees	947,478	910,892	960,000	976,600	992,000
4114 Overtime Special Events	162,014	163,566	180,000	196,136	200,326
4201 Group Medical Insurance	529,821	509,398	586,292	507,648	545,188
4202 Medicare Contributions	77,062	65,763	82,942	64,481	65,225
4206 Medical Retirement Contributions	43,412	43,416	43,416	43,416	43,416
4211 PERS Regular Contribution	6,785	-	15,644	-	-
4212 PERS Sworn Contribution	1,268,344	1,345,570	1,360,115	1,544,488	1,722,646
Total Salaries & Benefits	\$7,748,223	\$7,550,036	\$8,122,984	\$7,754,861	\$8,042,314
5101 Contract Services	\$17,969	\$21,050	\$21,050	\$26,750	\$27,270
5202 Membership & Dues	1,297	1,275	1,300	1,770	1,820
5204 Conferences & Meetings	3,763	3,085	3,400	-	-
5205 Training, Conferences & Meetings	9,318	14,300	14,500	19,050	19,450
5206 Uniforms/Safety Equip	34,269	33,077	33,000	34,000	34,300
5217 Departmental Supplies	17,006	19,950	20,000	21,950	22,450
5501 Telephone	331	350	332	350	352
Total Materials & Services	\$83,953	\$93,087	\$93,582	\$103,870	\$105,642
5611 Warehouse Services	153	600	750	700	725
5621 Information Technology Allocation	87,384	68,119	68,119	68,280	69,480
5641 Fleet Rental Allocation	177,324	165,560	165,560	207,000	207,000
5642 Fleet Maintenance Allocation	411,645	498,341	462,159	474,660	474,660
Total Internal Services	\$676,507	\$732,620	\$696,588	\$750,640	\$751,865
Total Operating Expenditures	\$8,508,682	\$8,375,743	\$8,913,154	\$8,609,371	\$8,899,821
7101 Bond Principal	\$318,476	-	-	-	-
7102 Bond Interest	-	-	-	-	-
Total Debt Service	\$318,476	-	-	-	-
Total Expenditures	\$8,827,158	\$8,375,743	\$8,913,154	\$8,609,371	\$8,899,821
Operating Expenditures % Change from 2015/16 Adopted Budget				2.8%	6.3%
Source of Funds					
General Fund	\$8,827,158	\$8,375,743	\$8,913,154	\$8,609,371	\$8,899,821
Total Sources	\$8,827,158	\$8,375,743	\$8,913,154	\$8,609,371	\$8,899,821

Program Overview

The Investigations Section provides professional and thorough investigations of reported criminal acts. Investigators follow-up on crime reports from Patrol, and conduct a variety of proactive investigations and enforcement efforts. Some of these investigations require detectives to conduct surveillance and undercover operations, work closely with other agencies, and serve search and arrest warrants.

The detectives investigate many different types of crimes: crimes against persons, property crimes, fraud/forgery cases, narcotic-related cases, and juvenile crimes. One officer is assigned as Court Liaison and is responsible for filing felony and misdemeanor court packages, issuing subpoenas, and assisting the detectives in investigating crimes. Detectives attend intelligence-sharing meetings with local and regional police and government agencies on topics such as include robbery, sexual assault, property crime investigation meetings, regional Child Protection Task Force, and Joint Terrorism Task Force hosted by the F.B.I.



Two officers serve as School Resource Officers (SRO) and work at the local schools. They work in collaboration with school officials to promote a safe environment in and around our local elementary, junior high, and high schools. The SROs strive to promote harmonious relationships by presenting themselves as positive role models, maintaining dialogue with students and staff, and participating in school and youth events. They also participate in after-school and summer programs.

Objectives FY 2016/17 & FY 2017/18

- Aggressively pursue leads in an effort to solve crimes, and successfully arrest and prosecute criminals
- Respond proactively to issues and concerns that affect the community, including periodic interviews with local sex registrants, probationers, and parolees
- Coordinate patrol and detective response to crime trends
- Enhance usage of crime reduction technologies
- Be responsive and compassionate with crime victims
- Promote and maintain a safe environment in and around the local schools.

Service Level Trends

With the increase in certain types of crime, detectives are being tasked with additional investigative responsibilities; as a result, you'll see an increase to the overtime budget (4112)

We continue to partner with other South Bay agencies and assign one full-time detective to a South Bay Crime Suppression Taskforce; although this has been reimbursed by the state in recent years, it is possible that funding will stop next year. We also assign a full-time officer to LA IMPACT (Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force).

Police Department | Investigations

Authorized Full-Time Positions*	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Sergeant	1	1	1	1
Police Officer	11	11	11	11
Secretary	1	1	1	1
Administrative Clerk II	1	1	1	1
Total	14	14	14	14

*Table reflects staffing at time of budget adoption. Personnel changes among programs may occur during the fiscal year.

Investigations Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$77,722	\$98,488	\$52,189	\$91,428	\$92,800
4102 Sworn Salaries	1,500,528	1,386,619	1,597,517	1,554,893	1,574,923
4111 Overtime Regular Employees	468	505	500	450	474
4112 Overtime Sworn Employees	152,619	138,751	148,000	162,435	165,900
4201 Group Medical Insurance	169,415	164,657	155,886	175,760	188,447
4202 Medicare Contributions	24,064	21,666	25,119	24,004	24,314
4206 Medical Retirement Contributions	16,632	16,632	16,632	16,632	16,632
4211 PERS Regular Contribution	8,933	12,654	6,705	12,594	13,920
4212 PERS Sworn Contribution	413,952	424,829	454,432	561,425	628,079
Total Salaries & Benefits	\$2,364,334	\$2,264,801	\$2,456,980	\$2,599,621	\$2,705,489
5101 Contract Services	\$22,140	\$21,210	\$22,000	\$26,570	\$27,104
5102 Contract Personnel	-	-	-	-	-
5202 Membership & Dues	700	665	660	665	700
5204 Conferences & Meetings	1,197	3,650	3,650	-	-
5205 Training, Conferences & Meetings	1,639	1,400	1,500	5,550	5,750
5206 Uniforms/Safety Equip	8,601	10,049	10,050	10,050	10,050
5208 Postage	6	-	-	-	-
5217 Departmental Supplies	8,491	6,895	7,000	7,325	7,625
5501 Telephone	8,252	8,400	7,939	8,300	8,342
Total Materials & Services	\$51,027	\$52,269	\$52,799	\$58,460	\$59,571
5621 Information Technology Allocation	\$126,228	\$126,508	\$126,508	\$126,840	\$129,060
5641 Fleet Rental Allocation	76,044	85,770	85,770	93,180	93,180
5642 Fleet Maintenance Allocation	104,783	107,640	99,825	103,620	103,620
Total Internal Services	\$307,055	\$319,918	\$312,103	\$323,640	\$325,860
Total Operating Expenditures	\$2,722,416	\$2,636,988	\$2,821,882	\$2,981,721	\$3,090,920
7101 Bond Principal	\$87,241	-	-	-	-
7102 Bond Interest	-	-	-	-	-
Total Debt Service	\$87,241	-	-	-	-
Total Expenditures	\$2,809,657	\$2,636,988	\$2,821,882	\$2,981,721	\$3,090,920
Operating Expenditures % Change from 2015/16 Adopted Budget				13.1%	17.2%
Source of Funds					
General Fund	\$2,809,657	\$2,636,988	\$2,821,882	\$2,981,721	\$3,090,920
Total Sources	\$2,809,657	\$2,636,988	\$2,821,882	\$2,981,721	\$3,090,920



Program Overview

The Technical Support Services Section processes and maintains all reports produced by police personnel, including crime, arrest, and traffic reports. Working 24 hours a day, staff-members greet visitors at the main lobby of the public safety facility, answer phones, process evidence, and enter stolen property, vehicles, missing persons, and warrants into local and regional databases. They frequently provide statistical data and assist officers in locating information pertinent to their investigations, including running criminal background checks of suspects and arrested persons, and preparing documents which aid in prosecution of criminals. The Section also prepares local crime statistics for State and Federal agencies, assembles report packages for filing cases with the District Attorney's office, transfers information and bail money to court, and processes all citations and warrants that are issued.



Technology is utilized to enhance the tracking of stored evidence and property, resulting in a more efficient and secure property and evidence retention process. Audits are performed regularly to ensure that property held as evidence is accurately labeled and stored.

Dispatch and communications operations are contracted through the South Bay Regional Public Communications Authority (SBRPCA), which provides emergency dispatch and communication functions for both Police and Fire services (object 5106).

Objectives FY 2016/17 & FY 2017/18

- Conduct audits of property held as evidence
- Efficiently enter and manage data for various Department needs using the Records Management System; assist officers in gathering data for field investigations
- Provide continued support for the jail and officers in conducting matron duties
- Timely prepare monthly crime reports and respond to public records requests
- Continually review, update, and revise Department forms to ensure completeness, currency, and viability.

Service Level Trends

The Police Department has experienced a dramatic increase in Public Records Requests over the past few years. In 2013, the Police Department requested a full-time Admin Clerk to process the already growing number of requests, which at the time numbered approximately 210 Public Records Requests and 170 Subpoenas. The number of requests has continued to grow exponentially over the years, and in 2015, the Department received 883 Public Records Requests and 284 Subpoenas. The staggering number of requests is more than current staff can handle; and timely processing of these requests is causing overages to the overtime budget.

Police Department | Technical Support Services

The presence of community cameras in public areas has been a growing trend in the United States. Video cameras alone can generate an overwhelming amount of evidence for investigators to review; however, a combination of cameras and automated license plate reader (LPR) technology has proven to be an efficient way for law enforcement to generate investigative leads and locate suspects. At the April 5, 2016 City Council meeting, staff was directed to move forward with installation of community cameras and LPRs at critical points of ingress and egress to the City (\$400,000, budgeted in 6141 Computer Equipment and Supplies). Additionally, annual debt service payments of \$85,238 are included to finance the cost of the camera project over five years.

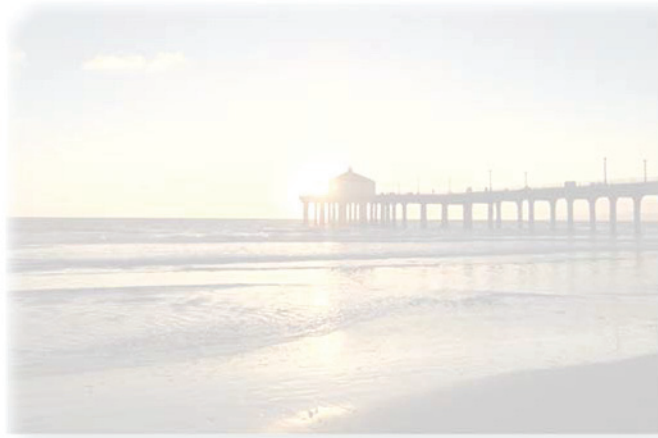
Fixed LPRs scan the license plates of vehicles coming into our community. The plate information is then automatically checked against a database for existing unresolved violations, wants/warrants, etc. LPRs also allow law enforcement to search for the license plates of suspicious vehicles (based on descriptions) in certain intersections at specified time frames. High definition video cameras directed at the roadways can help to identify additional characteristics of a suspect vehicle, such as make, model, color, and identifying features, as well as a physical description of the occupants. Arrest statistics show the majority of offenders who commit burglaries in Manhattan Beach are not Manhattan Beach residents. Installation of LPRs at high-traffic intersections on the City's borders can potentially expedite the identification and apprehension of criminals, helping to preserve and enhance safety in the City.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Police Records Manager	1	1	1	1
Police Services Officer	1	1	1	1
Police Records Technician/Matron	9	9	9	9
Administrative Clerk I	1	1	1	1
Total	12	12	12	12

Part-time hours proposed total 2,000 hours in FY 2016/17 and FY 2017/18.

Police Department | Technical Support Services

Technical Support Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$789,852	\$717,009	\$764,538	\$743,774	\$756,033
4103 Part-time Salaries	28,652	47,252	25,000	47,000	47,000
4111 Overtime Regular Employees	37,597	23,767	35,000	25,730	26,635
4201 Group Medical Insurance	108,556	100,292	104,995	111,596	119,797
4202 Medicare Contributions	12,146	10,837	11,566	11,460	11,637
4204 401A Plan City Contributions	2,083	2,058	2,103	2,076	2,138
4206 Medical Retirement Contributions	11,736	11,736	11,736	11,736	11,736
4211 PERS Regular Contribution	90,596	91,047	97,141	101,295	112,142
Total Salaries & Benefits	\$1,081,219	\$1,003,998	\$1,052,079	\$1,054,667	\$1,087,119
5101 Contract Services	\$45,179	\$59,789	\$58,000	\$58,149	\$59,550
5104 Computer Contract Services	52,224	71,960	70,000	68,300	70,900
5106 SBRPCA Communications	1,173,769	1,266,494	1,266,492	1,284,486	1,323,000
5202 Membership & Dues	140	185	190	185	195
5204 Conferences & Meetings	4,752	5,775	5,800	-	-
5205 Training, Conferences & Meetings	-	-	-	5,900	6,100
5206 Uniforms/Safety Equip	6,901	6,600	6,600	6,800	6,875
5208 Postage	5,589	5,900	5,516	5,900	5,900
5210 Computer Supplies & Software	3,245	3,200	3,200	3,350	3,500
5217 Departmental Supplies	6,870	7,960	7,900	7,960	8,180
5225 Printing	10,493	11,050	10,800	10,850	11,000
5501 Telephone	3,168	3,040	3,230	3,350	3,367
Total Materials & Services	\$1,312,330	\$1,441,953	\$1,437,728	\$1,455,230	\$1,498,567
5611 Warehouse Services	\$461	\$800	\$600	\$700	\$700
5621 Information Technology Allocation	126,228	116,776	116,776	117,120	119,160
Total Internal Services	\$126,689	\$117,576	\$117,376	\$117,820	\$119,860
Total Operating Expenditures	\$2,520,238	\$2,563,527	\$2,607,183	\$2,627,717	\$2,705,546
6141 Computer Equipment & Software	-	-	-	400,000	-
Total Capital Projects & Equipment	-	-	-	\$400,000	-
7302 Property & Equipment Principal	-	-	-	75,338	77,221
7303 Property & Equipment Interest	-	-	-	9,900	8,017
Total Debt Service	-	-	-	\$85,238	\$85,238
Total Expenditures	\$2,520,238	\$2,563,527	\$2,607,183	\$3,112,955	\$2,790,784
Operating Expenditures % Change from 2015/16 Adopted Budget				2.5%	5.5%
Source of Funds					
General Fund	\$2,520,238	\$2,563,527	\$2,607,183	\$3,112,955	\$2,790,784
Total Sources	\$2,520,238	\$2,563,527	\$2,607,183	\$3,112,955	\$2,790,784



Program Overview

The Community Affairs Section strengthens relations between the Police Department and the public, disseminates press releases, interfaces with the media, provides a variety of crime prevention and safety programs, manages the false alarm program, and coordinates volunteer activities. The Neighborhood Watch Program, Victim Assistance Team (VAT), and Volunteers in Policing (VIP) are three invaluable volunteer programs coordinated out of the Community Affairs Section.

Manhattan Beach's Neighborhood Watch Program epitomizes the best in community policing. Citizen involvement is key to preserving and protecting the quality of life in Manhattan Beach, and the Neighborhood Watch Program allows the community to work together in partnership with the Police Department at achieving this important goal. The active participation of over 400 block captains in the Neighborhood Watch Program, coupled with neighborhood programs like National Night Out and Map Your Neighborhood, helps to maintain strong neighborhoods and improve quality of life in the community.

False burglary and robbery alarms are a daily occurrence, and Manhattan Beach police officers respond to over one thousand false alarm calls each year. Managed out of the Community Affairs Section since 2004, the False Alarm Reduction Program proactively addresses the problem by educating alarm owners on the impact that false alarms have on public safety and implementing a fee schedule for repeated false alarms. Since the inception of this program, false alarm occurrences have decreased by more than 50%.

Objectives FY 2016/17 & FY 2017/18

- Present crime prevention and safety presentations to residents, businesses, and community groups
- Produce and distribute press releases and maintain contact with local media
- Coordinate volunteer programs
- Support Neighborhood Watch activities
- Enhance usage of crime reduction technologies
- Provide opportunities for positive face-to-face interaction with the public through Department-hosted events
- Provide assistance and referrals to crime victims
- Reduce the incidence of false alarm activations through the management of the false alarm program and issuance of alarm permits
- Implement community awareness campaign focused on crime prevention
- Manage the Residential and Commercial Security Camera Registration Program; make registry available to officers and detectives.

Service Level Trends & Major Service Delivery Changes

Over the years, the Community Affairs Office has taken on more and more responsibility, including serving as the Police Department's Public Information Officer, disseminating press releases, conducting the Community Police Academy, coordinating community events like National Night Out, managing all of the Department's volunteer programs, including Neighborhood Watch, and more. The Office also manages the new Residential and Commercial Security Camera Registration Program.

With our new Strategic Plan in place, the Police Department has restated our commitment to enhancing community engagement and are looking to further expand the Community Affairs program to encompass even more community engagement efforts.

Police Department | Community Affairs

To provide the program with the personnel resources and supervisory oversight needed to enhance our communication and engagement efforts, one Sergeant position (currently budgeted in Patrol) will be moved to the Community Affairs Program.

The Department is also requesting that the two existing part-time Admin Clerk positions be replaced with one full-time Admin Clerk to provide more consistent support to Neighborhood Watch and Community Affairs Programs. Currently, the Community Affairs Section currently staffs two part-time Administrative Clerks, one for the Neighborhood Watch Program and one for Community Affairs Programs (including the False Alarm Reduction Program). The proposed full-time position would manage the responsibilities currently assigned to the two part-time Administrative Clerks. Since January 2014, the Department has hired, trained, and lost four individuals - three of which found full-time employment. These part-time positions manage critical functions of the Community Affairs Office. To provide the needed consistency in staffing these critical functions, the Police Department recommends that one full-time position staff these functions, in lieu of the two part-time positions.

These personnel changes will not only help the Police Department to accomplish our Strategic Plan goals, but will also address two of the City Council's pillars of success by aligning our staffing deployment with community needs and by creating additional opportunities for community engagement.

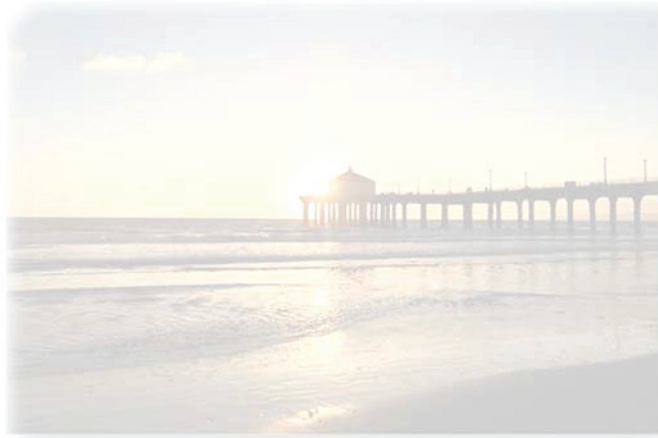
Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Sergeant ¹	-	-	1	1
Police Officer	1	1	1	1
Administrative Clerk I/II	-	-	1	1
Total	1	1	3	3

¹ Position transferred from Patrol in FY 2016/17.

Part-time hours proposed total 480 hours in FY 2016/17.

Police Department | Community Affairs

Community Affairs Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	-	-	\$309	\$32,088	\$41,689
4102 Sworn Salaries	122,743	118,646	122,189	253,403	256,758
4103 Part-time Salaries	24,779	33,293	20,000	8,323	-
4111 Overtime Regular Employees	6,749	-	5,000	-	-
4112 Overtime Sworn Employees	3,997	7,086	7,000	7,320	7,440
4201 Group Medical Insurance	21,973	20,719	21,271	47,567	51,117
4202 Medicare Contributions	2,209	2,061	2,117	4,524	4,338
4206 Medical Retirement Contributions	1,188	1,188	1,188	1,188	1,188
4211 PERS Regular Contribution	-	-	-	4,420	6,253
4212 PERS Sworn Contribution	34,009	35,752	36,295	69,308	75,202
Total Salaries & Benefits	\$217,646	\$218,745	\$215,369	\$428,142	\$443,985
5101 Contract Services	\$1,304	\$3,000	\$6,000	\$7,650	\$7,800
5104 Computer Contract Services	4,326	4,400	4,500	4,600	4,800
5202 Membership & Dues	190	290	290	290	315
5205 Training, Conferences & Meetings	1,589	1,425	1,400	1,650	1,700
5206 Uniforms/Safety Equip	1,196	1,550	1,300	1,550	1,575
5217 Departmental Supplies	10,649	14,925	14,500	15,375	15,675
5225 Printing	1,781	1,600	1,600	1,600	1,650
5501 Telephone	125	130	123	130	131
Total Materials & Services	\$21,159	\$27,320	\$29,713	\$32,845	\$33,646
5621 Information Technology Allocation	\$58,260	\$58,388	\$58,388	\$58,560	\$59,580
Total Internal Services	\$58,260	\$58,388	\$58,388	\$58,560	\$59,580
Total Operating Expenditures	\$297,065	\$304,453	\$303,470	\$519,547	\$537,211
7101 Bond Principal	\$7,868	-	-	-	-
7102 Bond Interest	-	-	-	-	-
Total Debt Service	\$7,868	-	-	-	-
Total Expenditures	\$304,933	\$304,453	\$303,470	\$519,547	\$537,211
Operating Expenditures % Change from 2015/16 Adopted Budget				70.6%	76.5%
Source of Funds					
General Fund	\$304,933	\$304,453	\$303,470	\$519,547	\$537,211
Total Sources	\$304,933	\$304,453	\$303,470	\$519,547	\$537,211



Program Overview

The Traffic Section is responsible for the enforcement of State and local traffic laws, the investigation of traffic collisions, and traffic control management within the City of Manhattan Beach. It also performs directed traffic enforcement in identified areas of concern.

Since traffic is one of the community's greatest concerns, officers spend a significant amount of time addressing the issues brought to their attention. Using directed enforcement details, DUI checkpoints, commercial enforcement, and traffic data surveys, officers can address these issues identified as potential problems that could negatively impact the community.



Manhattan Beach is host to many special events, including Six Man Volleyball Tournament, Manhattan Beach Open, Holiday Fireworks and Pier Lighting, Hometown Fair, Pumpkin Race, Tour de Pier and many more. Special events deployment is overseen by the Traffic Sergeant and special event operational plans are reviewed annually to ensure the safety of residents and visitors.

The Traffic Section maintains communication with the community through the Area Traffic Officer Program and attendance at community meetings. The Area Traffic Officer Program divides the City into four beats, assigning a traffic officer to each beat. Citizens and local businesses are provided with the officer's name and contact number for their area. This gives citizens direct contact with a traffic officer who will address their concerns.

In partnership with the City Traffic Engineer and other City staff, the Traffic Section analyzes traffic patterns within the City and works to minimize traffic problems. This includes exploring traffic calming measures and working to reduce traffic collisions by ensuring the safe movement of vehicles and pedestrians throughout the City. The use of speed trailers, message boards, and patrols provide motorists with added awareness of traffic laws. When deployed in areas identified as having frequent traffic violations or collisions, these traffic calming measures can help to change motorist behavior and encourage safe driving habits.

Objectives FY 2016/17 & FY 2017/18

- Promote traffic safety through enforcement and education
- Increase officer availability and efficiency with the deployment of speed radar trailers and pole-mounted speed radars
- Work with other City departments to ensure effective traffic management and pedestrian movement, including safe movement of vehicles and pedestrians around schools, bike path, Strand and Pier
- Utilize traffic calming measures, proactive enforcement, and education to reduce the number of traffic collisions
- Identify issues and communicate with the public regarding traffic concerns
- Manage special events deployment and operational plans
- Enhance DUI education and enforcement efforts
- Provide the Crossing Guard Program at 21 locations throughout the City (budgeted in Contract Services, 5101)

Service Level Trends

As echoed in the most recent community survey, traffic and congestion continue to be a top concern of residents. Our traffic officers are dedicated to addressing these, as well as neighborhood concerns such as speeding in residential areas, and the Sepulveda corridor. They also focus their efforts on high accident locations, pedestrian safety, and safety around the schools.

We are in the process of training and certifying our fifth motor officer. In 2015, the motors were pulled off their bikes and assigned to help with burglary suppression details for several months and we really appreciate their hard work. The community saw a decrease in burglaries, so their efforts paid off.

Our Traffic Sergeant and Traffic Lieutenant oversaw the very complex process of bringing AVL – automated vehicle location technology – to the Police Department. It is currently installed in every patrol vehicle, and will soon be in every vehicle in the fleet. This project was funded with Asset Forfeiture/Grants and will improve officer safety and facilitate a more efficient and effective mutual aid response with our neighboring South Bay agencies.

As part of our 2016-2018 Strategic Plan, we will be increasing our DUI education and enforcement efforts. In the past, grants from the State of California's Office of Traffic Safety would pay for many of the costs associated with the checkpoint deployments, but that is no longer the case. Because the Police Department is still committed to removing drunk drivers from our roadways, additional monies have been budgeted in both the Traffic program and in Asset Forfeiture/Grants to allow us to continue and enhance our DUI enforcement and education efforts.

Also budgeted in Traffic is the Crossing Guard Program (Contact Services, 5101), which provides safe passage for children at 21 locations throughout the City. Private security services, which are brought on to augment staffing for special events, is also budgeted out of Traffic (Contact Services, 5101).

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Lieutenant	-	1	1	1
Sergeant	1	1	1	1
Police Officer	5	5	5	5
Total	6	7	7	7

Police Department | Traffic Safety

Traffic Safety		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4102	Sworn Salaries	\$635,852	\$920,262	\$680,449	\$971,845	\$981,907
4112	Overtime Sworn Employees	65,783	98,309	85,000	95,640	97,640
4201	Group Medical Insurance	42,444	72,030	43,779	86,569	92,703
4202	Medicare Contributions	9,951	10,649	10,449	11,383	11,529
4206	Medical Retirement Contributions	7,272	7,272	7,272	7,272	7,272
4212	PERS Sworn Contribution	178,175	262,478	226,624	291,830	319,854
Total Salaries & Benefits		\$939,477	\$1,371,000	\$1,053,573	\$1,464,539	\$1,510,905
5101	Contract Services	\$254,118	\$252,300	\$260,000	\$268,650	\$272,800
5202	Membership & Dues	-	36	-	36	40
5205	Training, Conferences & Meetings	125	400	1,050	400	400
5206	Uniforms/Safety Equip	8,976	7,775	8,500	9,920	10,090
5217	Departmental Supplies	5,359	5,960	7,500	9,700	9,900
5225	Printing	2,463	2,000	2,000	2,000	2,100
5501	Telephone	626	650	616	650	653
Total Materials & Services		\$271,667	\$269,121	\$279,666	\$291,356	\$295,983
5611	Warehouse Services	-	\$500	\$500	\$500	\$500
5621	Information Technology Allocation	77,676	97,314	97,314	97,560	99,300
5641	Fleet Rental Allocation	59,064	85,760	85,760	76,200	76,200
5642	Fleet Maintenance Allocation	80,238	113,314	105,087	111,480	111,480
Total Internal Services		\$216,978	\$296,888	\$288,661	\$285,740	\$287,480
Total Operating Expenditures		\$1,428,122	\$1,937,009	\$1,621,900	\$2,041,635	\$2,094,368
7101	Bond Principal	\$48,986	-	-	-	-
7102	Bond Interest	-	-	-	-	-
Total Debt Service		\$48,986	-	-	-	-
Total Expenditures		\$1,477,108	\$1,937,009	\$1,621,900	\$2,041,635	\$2,094,368
Operating Expenditures % Change from 2015/16 Adopted Budget					5.4%	8.1%
Source of Funds						
General Fund		\$1,477,108	\$1,937,009	\$1,621,900	\$2,041,635	\$2,094,368
Total Sources		\$1,477,108	\$1,937,009	\$1,621,900	\$2,041,635	\$2,094,368

Police Department | Parking Enforcement

Parking Enforcement duties are provided by Community Services Officers and include enforcing local and State parking regulations, providing traffic control at traffic collisions and crime scenes, participating in parking utilization surveys, assisting at DUI checkpoints, and enforcing municipal code violations (e.g. illegal dumping of debris into the storm drain system, construction site violations, leaf-blower violations, Strand/bike path violations, etc.).

Community Services Officers respond to parking complaints and calls for service, and are proactive in the implementation of new programs which address community parking concerns, including providing special parking enforcement patrols when needs are identified. During special events and summer weekends, Community Services Officers help with traffic and parking management by overseeing street closures, directing pedestrians at intersections, and educating event participants of local parking laws.



Community Services Officers also work in partnership with other City departments to ensure efficient parking management. This includes meeting regularly with the Community Development Department, general contractors, and sub-contractors to address construction parking issues. They conduct joint code enforcement inspections, provide input to special event coordinators for parking management, and assist in enforcement of environmental laws.

Objectives FY 2016/17 & FY 2017/18

- Provide consistent and efficient enforcement of parking laws and ordinances, and ongoing education to the public regarding parking restrictions
- Promptly identify and address parking concerns
- Be responsive to the parking needs of residents and businesses
- Work with other City departments to ensure effective parking management
- Encourage safe parking habits and safe movement of vehicles in and around school zones, bike path, Strand and Pier
- Assist police officers, traffic officers, and other departments with the management of special events/details
- Ensure compliance of parking regulations to promote turnover, maintain quality of life, and provide a safe environment for residents and visitors
- Enhance enforcement of community priorities
- Maintain a cadre of part-time seasonal Community Service Officers to augment staffing during special events and busy summer weekends (budgeted in 4103)

Service Level Trends & Major Service Delivery Changes

As echoed in the most recent community survey, parking continues to be a top concern of residents. Our Community Service Officers (CSOs) promote quality of life in the City through effective enforcement of parking laws and regulations, ensuring safe and efficient flow of traffic, emergency access, and turnover of parking spaces, both in residential and commercial areas.

Over time, Community Services Officers have been tasked with more duties to assist officers and fire personnel to increase their availability for calls for service. They are also tasked with education and enforcement of many municipal code violations, including leaf blowers, oversized vehicles, Strand/bike path enforcement, sidewalk parking, etc.

Police Department | Parking Enforcement

Beginning in 2015, the Park Ranger position (previously budgeted in the Parks and Recreation Department) will come under the Police Department's supervision. The Park Ranger's roles and responsibilities are primarily of an enforcement nature, so they will be a natural fit in the Police Department. It will also allow the Police Department to be more responsive to the community's needs when it comes to park safety.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Sergeant	1	1	1	1
Lead Community Services Officer	-	2	2	2
Community Services Officer	12	10	10	10
Park Services Enforcement Officer ¹	-	-	1	1
Administrative Clerk I	1	1	1	1
Total	14	14	15	15

¹ Position transferred from Parks and Recreation Department in FY 2016/17.

Part-time hours proposed total 5,600 hours in FY 2016/17 and FY 2017/18.

Parking Enforcement Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$751,946	\$763,865	\$777,528	\$845,247	\$857,866
4102 Sworn Salaries	153,210	154,212	162,479	157,508	159,752
4103 Part-time Salaries	83,030	123,185	120,000	123,185	123,185
4111 Overtime Regular Employees	21,739	25,327	25,000	26,258	26,866
4112 Overtime Sworn Employees	7,526	5,744	5,800	5,925	6,000
4114 Overtime Special Events	80	-	-	-	-
4201 Group Medical Insurance	145,156	154,435	155,087	200,061	214,199
4202 Medicare Contributions	12,743	12,567	12,606	14,595	14,785
4205 Worker's Compensation	116,580	38,700	38,700	1,320	1,320
4206 Medical Retirement Contributions	12,924	12,924	12,924	12,924	12,924
4211 PERS Regular Contribution	87,698	98,420	102,664	119,369	131,616
4212 PERS Sworn Contribution	41,500	47,222	47,884	57,644	64,724
Total Salaries & Benefits	\$1,434,132	\$1,436,601	\$1,460,672	\$1,564,037	\$1,613,237
5101 Contract Services	\$7,074	\$7,200	\$8,000	\$9,650	\$9,920
5104 Computer Contract Services	17,411	17,200	18,000	19,300	19,750
5205 Training, Conferences & Meetings	46	750	1,000	650	650
5206 Uniforms/Safety Equip	8,223	10,880	10,000	10,000	10,150
5217 Departmental Supplies	8,351	3,355	5,000	5,870	5,970
5225 Printing	4,861	10,700	10,000	9,700	9,850
5501 Telephone	2,995	3,100	3,275	3,300	3,317
Total Materials & Services	\$48,960	\$53,185	\$55,275	\$58,470	\$59,607
5611 Warehouse Services	\$21	\$200	\$200	\$120	\$120
5621 Information Technology Allocation	67,968	68,119	68,119	68,280	69,480
5631 Insurance Allocation	4,800	3,960	3,960	2,340	3,060
5641 Fleet Rental Allocation	54,456	50,050	50,050	50,820	50,820
5642 Fleet Maintenance Allocation	27,420	42,051	38,998	36,360	36,360
Total Internal Services	\$154,665	\$164,380	\$161,327	\$157,920	\$159,840
Total Operating Expenditures	\$1,637,757	\$1,654,166	\$1,677,274	\$1,780,427	\$1,832,684
Operating Expenditures % Change from 2015/16 Adopted Budget				7.6%	10.8%
Source of Funds					
General Fund	\$1,637,757	\$1,654,166	\$1,677,274	\$1,780,427	\$1,832,684
Total Sources	\$1,637,757	\$1,654,166	\$1,677,274	\$1,780,427	\$1,832,684

Program Overview

Animal Control Officers are responsible for handling animal welfare incidents, facilitating veterinary care for injured animals, and providing for the safe return of lost animals to their owners. All lost and stray domesticated animals taken into custody are checked for identifying implanted chips; every effort is made to return animals to their owners. Animal Control Officers also educate pet owners about the enforcement of municipal code ordinances related to dogs-at-large, animal bites, dog licensing, barking dogs, and leash laws.

Animal sheltering and disposition are provided by the Society for the Prevention of Cruelty to Animals Los Angeles (SPCA-LA), an independent, nonprofit animal welfare organization with a primary shelter location in Hawthorne, California (budgeted in object 5101). Animals whose owners cannot be located are taken to the SPCA-LA, which shelters the stray animals and makes every effort to find adoptive families. Deceased animals found on roadways or along the beach, or deceased pets of residents, are brought to SPCA-LA for disposition.



Self-initiated contacts with the public are a common practice throughout a shift. This interaction with residents and visitors helps with the education of local animal control regulations. Officers also conduct frequent checks at our Dog Parks, present educational seminars, assist the Finance Department with maintaining current dog licensing information, and participate in community special events to promote awareness of animal safety.

Objectives FY 2016/17 & FY 2017/18

- Identify issues and communicate with the public regarding animal concerns
- Continually offer animal control training classes and informational bulletins for officers
- Provide pet education, conduct directed enforcement, and dog bite investigations
- Manage the Lost and Found Pet webpage on the City website to facilitate the safe return of pets to their owners
- Communicate with the public regarding animal laws and issues

Service Level Trends

Animal Control Officers attend training classes which keep them well-informed about current animal control laws and regulations, techniques on how to pick up loose animals and control an aggressive animal, the proper transportation methods for injured animals, the care and feeding of the animals in their care, and the maintenance of a clean and healthy kennel. Manhattan Beach Animal Control Officers also coordinate with other state, municipal, and private animal welfare agencies to remain current on new laws, regulations, and animal health issues.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Community Services Officer	3	3	3	3

Police Department | Animal Control

Animal Control Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$205,606	\$184,223	\$206,424	\$179,405	\$182,027
4111 Overtime Regular Employees	2,405	5,948	5,000	5,640	5,760
4114 Overtime Special Events	(130)	-	-	-	-
4201 Group Medical Insurance	28,930	28,819	29,399	30,132	32,359
4202 Medicare Contributions	2,999	2,671	2,867	2,602	2,639
4205 Worker's Compensation	6,060	6,840	6,840	1,320	1,320
4206 Medical Retirement Contributions	3,216	3,216	3,216	3,216	3,216
4211 PERS Regular Contribution	22,370	23,669	25,266	24,713	27,304
Total Salaries & Benefits	\$271,455	\$255,386	\$279,012	\$247,027	\$254,625
5101 Contract Services	\$9,540	\$10,920	\$11,000	\$11,220	\$11,640
5205 Training, Conferences & Meetings	1,435	2,600	2,600	2,600	2,700
5206 Uniforms/Safety Equip	1,542	1,850	1,800	1,850	1,875
5217 Departmental Supplies	1,510	3,150	3,000	2,950	2,975
Total Materials & Services	\$14,027	\$18,520	\$18,400	\$18,620	\$19,190
5611 Warehouse Services	-	\$200	-	\$100	\$100
5631 Insurance Allocation	4,800	3,960	3,960	2,340	3,060
5641 Fleet Rental Allocation	23,124	23,120	23,120	6,300	6,300
5642 Fleet Maintenance Allocation	13,994	18,413	17,076	17,160	17,160
Total Internal Services	\$41,918	\$45,693	\$44,156	\$25,900	\$26,620
Total Operating Expenditures	\$327,400	\$319,599	\$341,568	\$291,547	\$300,435
Operating Expenditures % Change from 2015/16 Adopted Budget				-8.8%	-6.0%
Source of Funds					
General Fund	\$327,400	\$319,599	\$341,568	\$291,547	\$300,435
Total Sources	\$327,400	\$319,599	\$341,568	\$291,547	\$300,435

Police Department | Jail Operations

Program Overview

The Manhattan Beach Police Department jail is a short-term, Type 1 facility mainly used for housing arrestees awaiting arraignment in court, after which, arrestees are either transferred to County jail or released on bail, bond, or their own recognizance.

Jailers are on duty 24 hours a day and are assigned duties to provide for the booking, housing, and welfare of inmates. In cases where prisoners have not posted bail or bond, jailers transport prisoners to court for arraignment proceedings. Jailers obtain DNA samples from eligible arrestees where required by State Proposition 69. Samples are sent to the State of California DNA bank to help identify felony suspects and solve serious crimes.



Objectives FY 2016/17 & FY 2017/18

- Comply with all State and County jail regulations
- Provide on-going professional training to all jail staff
- Conduct DNA collection from eligible arrestees
- Provide safe housing for inmates

Service Level Trends

Each year, various agencies such as the Los Angeles County Grand Jury and the County Board of Health conduct jail inspections in line with Title 15 jail standards. In addition, staff conducts regular safety inspections of the jail to ensure equipment and maintenance issues are up to date and meet safety regulations. Jail management's goal is to provide adequate care and custody of inmates in the jail facility and provide staff with the necessary training and resources to safely carry out those duties. We continue to meet and exceed all criteria of State and Regional jail safety inspections, and conduct our own monthly in-house jail safety inspections to ensure safe housing of our inmates and safety of our jailers.

	2014/15	2015/16	2016/17	2017/18
Authorized Full-Time Positions	Adopted	Adopted	Adopted	Approved
Police Services Officer	6	6	6	6

Police Department | Jail Operations

Jail Operations		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4101	Salaries & Allowances	\$398,432	\$376,479	\$408,505	\$391,445	\$397,299
4111	Overtime Regular Employees	48,601	48,480	48,000	50,000	51,000
4201	Group Medical Insurance	66,916	64,909	67,554	67,956	73,016
4202	Medicare Contributions	5,295	4,515	5,215	4,711	4,781
4206	Medical Retirement Contributions	6,432	6,432	6,432	6,432	6,432
4211	PERS Regular Contribution	45,933	48,370	52,490	53,921	59,595
Total Salaries & Benefits		\$571,609	\$549,185	\$588,196	\$574,464	\$592,122
5101	Contract Services	\$22,120	\$24,550	\$26,000	\$29,300	\$29,800
5206	Uniforms/Safety Equip	3,448	3,900	3,800	3,900	3,950
5217	Departmental Supplies	13,903	8,990	10,000	10,900	11,500
Total Materials & Services		\$39,471	\$37,440	\$39,800	\$44,100	\$45,250
5611	Warehouse Services	\$189	\$290	\$650	\$600	\$600
5621	Information Technology Allocation	29,124	29,194	29,194	29,280	29,820
Total Internal Services		\$29,313	\$29,484	\$29,844	\$29,880	\$30,420
Total Operating Expenditures		\$640,392	\$616,109	\$657,840	\$648,444	\$667,792
6121	Machinery & Equipment	4,280	-	-	-	-
6141	Computer Equipment & Software	-	-	18,345	-	-
Total Capital Projects & Equipment		\$4,280	-	\$18,345	-	-
Total Expenditures		\$644,672	\$616,109	\$676,185	\$648,444	\$667,792
Operating Expenditures % Change from 2015/16 Adopted Budget					5.2%	8.4%
Source of Funds						
General Fund		\$644,672	\$616,109	\$676,185	\$648,444	\$667,792
Total Sources		\$644,672	\$616,109	\$676,185	\$648,444	\$667,792

Program Overview

The Asset Forfeiture fund has been established in accordance with Federal and State requirements to account for revenues derived from monies and property seized in drug-related incidents. The primary purpose of narcotics asset forfeiture is to deter drug-related crimes by depriving criminals of the profits and proceeds acquired through illegal drug transactions. The forfeiture laws are intended to be harsh on those individuals distributing drugs and are designed to enhance the enforcement revenues provided to Federal, State, and municipal agencies.



Proceeds from asset forfeitures are designed to provide law enforcement with equipment and resources to supplement but not supplant the Department's normal operating budget. Asset Forfeiture funds can be used in support of front-line law enforcement purposes, as approved by the Chief of Police.

The Police Department also receives monies through the California Supplemental Law Enforcement Services (SLES) Fund. These funds are designed to supplement but not supplant the Police Department operating budget.

Objectives FY 2016/17 & FY 2017/18

- Fund new equipment and resources to enhance front-line law enforcement, as afforded by State and Federal Asset Forfeiture laws and the granting agencies

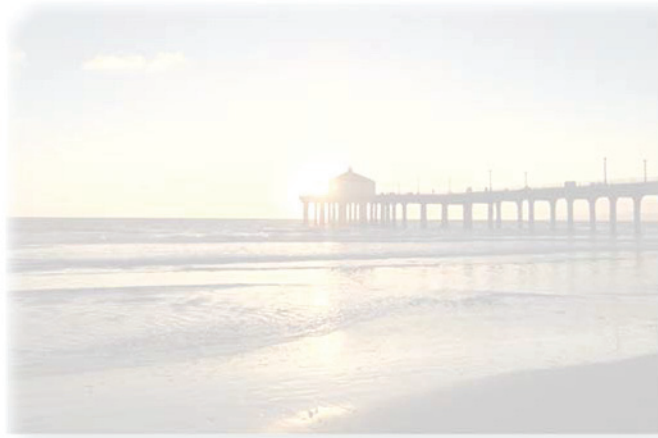
Service Level Trends

- The Fiscal Year 2017-2018 budget includes a \$900,000 budget for radio/interoperability upgrades for Public Safety (6141, Computer Equipment and Supplies). One of the greatest challenges the public safety sector has is communications between varying radio and wireless networks. Today, first responders converging on major emergency incidents or crossing jurisdictional boundaries lack the communication tools to coordinate response and intelligence gathering efforts. Manhattan Beach's Police and Fire communications are provided through the South Bay Regional Public Communications Authority (RCC). This system provides interoperability among the five agencies utilizing the RCC system (El Segundo and Hermosa Beach are subscribers to the RCC systems), as well as other Area G South Bay cities. However, once those Area "G" agencies travel outside the South Bay, communications back to home base are not possible. This is particularly problematic when participating in a multi-agency incident, regardless of the location.
- Locally, the Interagency Communications Interoperability System (ICIS) was formed in order to develop a regional communications platform for agencies in the Los Angeles region. In order for the RCC and its member agencies to take advantage of the ICIS radio system and its interoperability, the RCC-based systems must be upgraded to be compatible with the ICIS systems, and each city must also upgrade their individual handheld and portable radios to be ICIS compatible. RCC is in the process of securing grant funding to complete the infrastructure upgrade, but each member agency is responsible for upgrading radio equipment. This requires the replacement of all in-car and portable radios to Motorola ICIS compatible radios.

Police Department | Asset Forfeiture / Grants

- Sufficient funding does not exist in Asset Forfeiture to cover the cost of the entire project. Although there is a possibility that grant funding may be available for a portion of the cost, this is not a certainty. Because of the high dollar amount, staff recommends exercising a lease/purchase agreement to finance the cost of the equipment. Accordingly, annual debt service payments of \$193,722 are included to finance the cost of the equipment over five years.

Asset Forfeiture/Grants Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4112 Overtime Sworn Employees	\$28,943	\$30,454	\$38,858	\$33,120	\$33,840
4201 Group Medical Insurance	2,190	-	-	-	-
4202 Medicare Contributions	418	-	-	-	-
Total Salaries & Benefits	\$31,552	\$30,454	\$38,858	\$33,120	\$33,840
5101 Contract Services	\$8,262	\$48,000	\$49,411	\$38,000	\$39,000
5205 Training, Conferences & Meetings	8,900	15,000	20,000	20,000	20,500
5206 Uniforms/Safety Equip	17,079	7,200	-	12,800	13,400
5210 Computer Supplies & Software	2,565	12,000	14,000	15,000	15,000
5217 Departmental Supplies	82,519	133,800	170,000	173,000	173,700
Total Materials & Services	\$119,325	\$216,000	\$253,411	\$258,800	\$261,600
Total Operating Expenditures	\$150,876	\$246,454	\$292,269	\$291,920	\$295,440
6121 Machinery & Equipment	\$87,269	\$25,000	\$8,500	-	-
6141 Computer Equipment & Software	29,729	49,496	49,496	-	900,000
Total Capital Projects & Equipment	\$116,998	\$74,496	\$57,996	-	\$900,000
7302 Property & Equipment Principal	-	-	-	-	\$171,222
7303 Property & Equipment Interest	-	-	-	-	22,500
Total Debt Service	-	-	-	-	\$193,722
Total Expenditures	\$267,874	\$320,950	\$350,265	\$291,920	\$1,389,162
Operating Expenditures % Change from 2015/16 Adopted Budget				18.4%	19.9%
Source of Funds					
Asset Forfeiture	\$114,421	\$215,950	\$241,765	\$186,920	\$1,284,162
SLES Grant	153,453	105,000	108,500	105,000	105,000
Total Sources	\$267,874	\$320,950	\$350,265	\$291,920	\$1,389,162



Fire Department





City of Manhattan Beach Fire Department

Fire Chief

ADMINISTRATION

Budget
~
Capital Improvement
~
Personnel
~
Public Information
~
Health & Safety
~
Policy

PREVENTION

Fire Inspections
~
Plan Checks
~
Permits
~
Special Events
~
Motion Picture Productions
~
New Construction
~
Code Enforcement

FIRE OPERATIONS

Fire Suppression
~
Training
~
Special Operations
~
Mutual & Auto Aid
~
Joint Apprenticeship

EMERGENCY MEDICAL SRVS

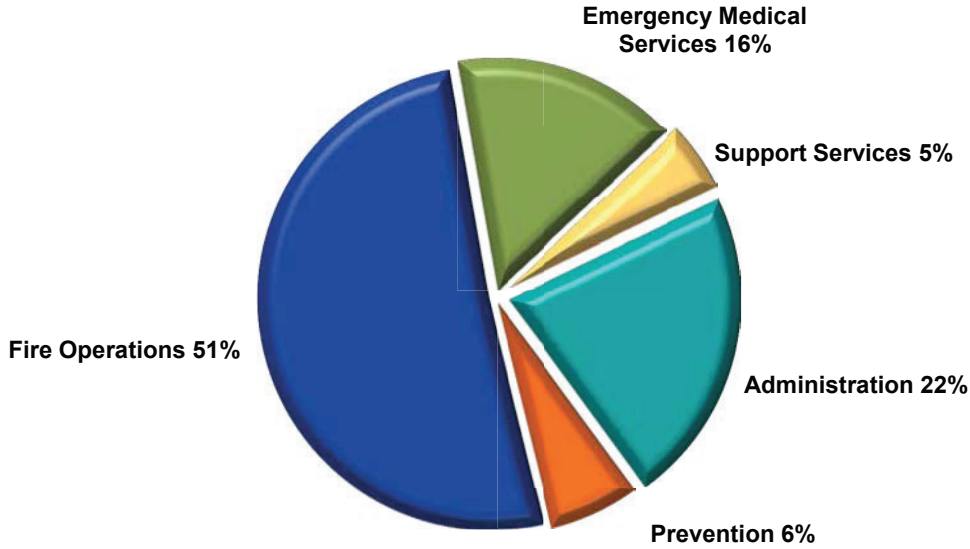
Advance Life Support
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Basic Life Support
~
Ambulance Transport
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Medical Equipment
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Quality Assurance
~
State & Local Regulation
~
Hospital Liaison

SUPPORT SERVICES

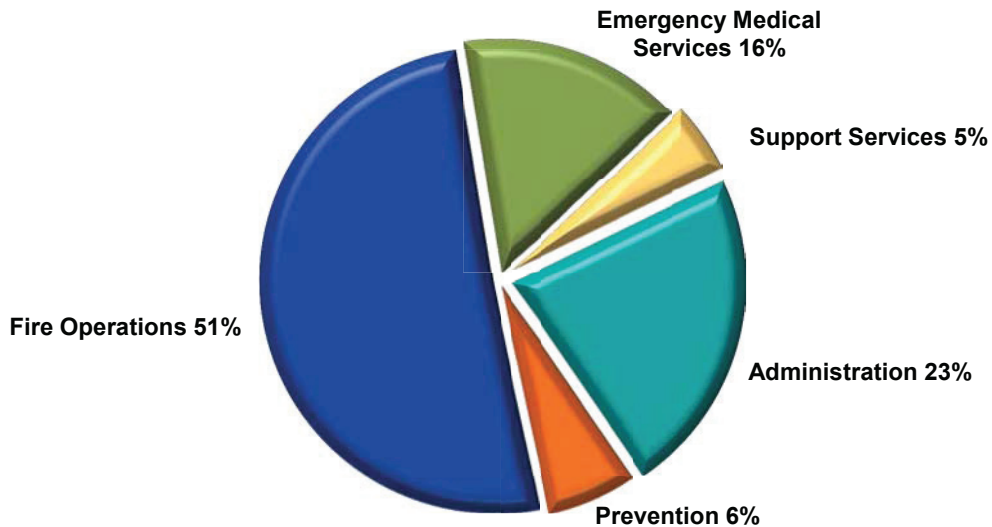
Emergency Preparedness
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Emergency Ops Center
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Fire Reserves
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Communications
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CERT
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Public Education
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Planning

Fire Department

**FY 2016/17
Department Expenditure by Program**



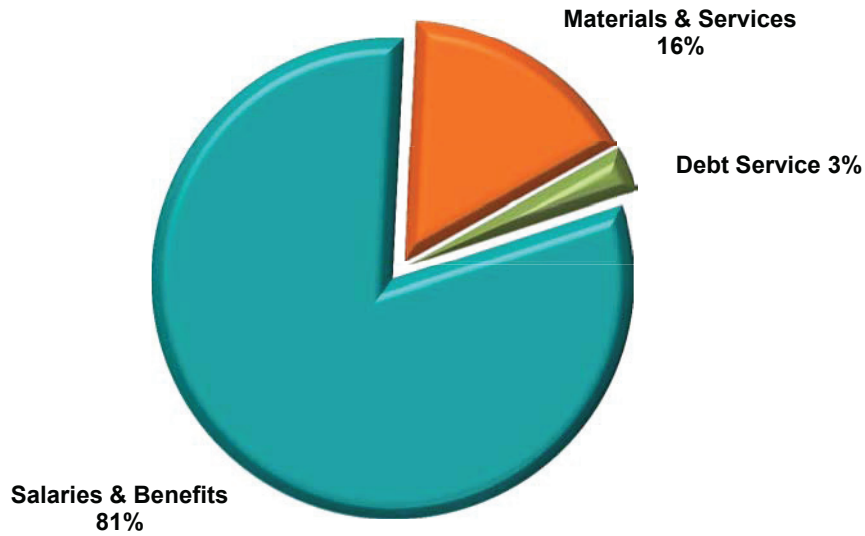
**FY 2017/18
Department Expenditure by Program**



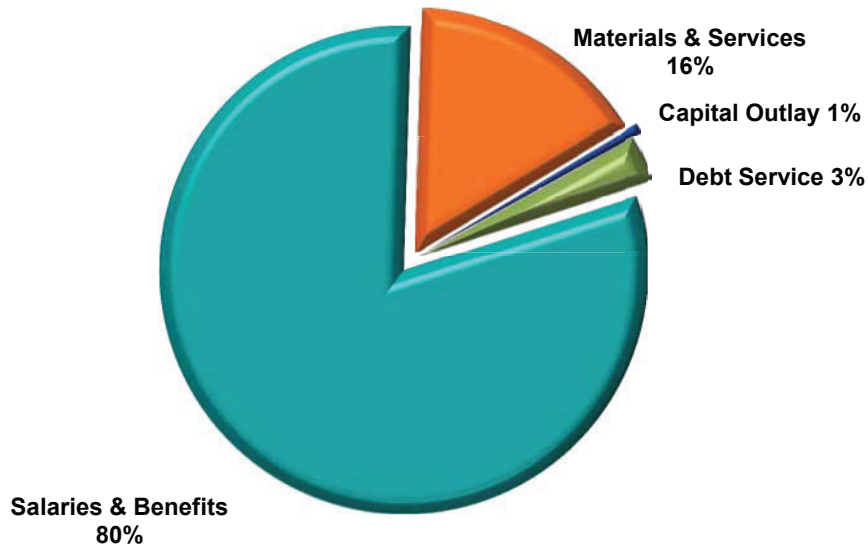
Program Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Administration	\$2,600,063	\$3,263,947	\$3,098,336	\$2,820,780	\$3,008,611
Prevention	743,011	761,735	809,269	796,298	822,423
Fire Operations	6,605,885	6,372,845	6,463,873	6,472,729	6,692,135
Emergency Medical Services	1,686,543	1,778,149	1,889,491	1,987,923	2,050,103
Support Services	547,530	626,359	616,099	618,222	637,737
Total	\$12,183,033	\$12,803,035	\$12,877,068	\$12,695,953	\$13,211,008
Full-Time Positions	32.2	32.2	32.2	31.2	31.2

Fire Department

**FY 2016/17
Department Expenditure by Category**



**FY 2017/18
Department Expenditure by Category**



Category Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Salaries & Benefits	\$9,515,396	\$10,075,041	\$10,323,887	\$10,254,764	\$10,629,898
Materials & Services	1,915,742	2,105,078	2,084,208	2,057,920	2,099,348
Capital Outlay	117,842	236,848	84,080	-	80,000
Debt Service	634,052	386,068	384,893	383,269	401,762
Total	\$12,183,033	\$12,803,035	\$12,877,068	\$12,695,953	\$13,211,008

Fire Department

Mission

The mission of the Manhattan Beach Fire Department is to preserve life, property, and the environment through decisive action, strong leadership, teamwork, and dedicated community partnerships. The vision for the Department is “Manhattan Beach Firefighters shall be innovative leaders, engaged members in the community, and accountable and decisive in their actions.”

Department Overview

The Manhattan Beach Fire Department is the City’s lead department in emergency response training, including the Federal-mandated National Incident Management System (NIMS) and Standardized Emergency Management System (SEMS). The Department maintains and updates the City’s Hazard Mitigation Plan and Emergency Operating Center procedures.

The Fire Department provides local, regional, and state level leadership through participation in various organizations and committees. This includes participation in the California Fire Chiefs Association, Los Angeles Area Fire Chiefs, South Bay Area Fire Chiefs, League of California Cities, Los Angeles Area Fire Marshals, Southern Division of the Fire Prevention Officers, Los Angeles Area G Operations and Training Committees, Area G and Los Angeles County Emergency Managers group, and many more.

The Fire Department’s area of responsibilities include fire suppression, emergency medical services, emergency preparedness, public education, fire inspections, plan checks, permits and code enforcement. These services are provided through the following department divisions:

- Administration
- Prevention
- Fire Operations
- Emergency Medical Services
- Support Services

Accomplishments Highlights FY 2015/16

- Received a “No Actions Required” for our annual emergency medical services program audit from the Los Angeles County Emergency Medical Services Agency
- Implemented a new mobile electronic patient care reporting system. All field treatment of patients is documented and stored electronically
- Received an upgrade to Class 2 Public Protection Classification from the Office of Insurance Services for fire protection
- Completed a Joint Operations Analysis with Hermosa Beach for resource sharing and deployment
- Completed a five city joint firefighter safety and survival training program (300 Firefighters trained)
- Conducted Firefighter recruitment (1 new firefighter hired)
- Conducted a joint Firefighter recruit academy with Redondo Beach
- Created of the Senior Outreach and Smoke Detector Program
- Rewrote Energy policies and procedures for Solar Photovoltaic System Requirements
- Implemented a new mobile electronic patient care reporting system. All field treatment of patients is documented and stored electronically.
- Supported CERT instructors with planning and recruiting for two academies
- Conducted and trained over 300 citizens in hands-only CPR during the County’s annual Sidewalk CPR campaign
- Conducted training to prepare city managers and staff to activate and run the Emergency Operations Center
- Conducted training and exercises to prepare middle and upper managers to integrate into incident command positions

Program Overview

Fire Administration's function is to assist the Fire Department's Divisions and to help develop and achieve their respective budgeted objectives. The Fire Chief manages the Administrative Division and is responsible for providing leadership and support. This is accomplished through procurement policies, budgetary control, information management, strategic planning, supporting volunteer programs, and management of local and area emergencies.

The Administration Division establishes annual priorities with the Office of the City Manager to maximize operational efficiencies and expectations for service delivery. Fire Administration also works closely with the Finance Department to minimize the financial impact to the community.



Overtime

With some minor exceptions, overtime can be placed in three categories: minimum constant staffing, contractual overtime for training and labor law, and discretionary use for training, meetings and conferences.

Minimum constant staffing applies to the majority of overtime (approximately 80%), and is used to staff the nine operations positions daily (one Battalion Chief, two Fire Captains, two Fire Apparatus Engineers, and four Firefighters). When roster vacancies occur due to personal or sick leave, work-related injury, or administrative requirements positions are filled by using overtime to maintain a minimum staffing level for the nine operational positions.

Ten percent of the overtime budget is mandated by labor law or agreed contractually with the firefighters. The number of hours firefighters work on a suppression schedule is 56 hours per week. Under the federal law, the Fair Labor Standards Act (FLSA) any hours worked over 53 hours per week are paid at the overtime rate (time and a half). This accounts for about 5% of the firefighter's annual salary and is paid at the overtime rate. Contractual overtime is used for personnel to maintain required certifications. Additionally, each firefighter has the option of taking one training class per year where the City pays for tuition, travel, and up to 72 hours of overtime.

The remaining use of overtime is discretionary. It includes meetings, conferences, special projects, fire investigations, training required by fire management, and other instances when deemed necessary for efficiently running the Fire Department.

Overstaffing versus over hiring

Finance and Fire Department recently studied the cost difference between overtime and hiring additional firefighters to cover vacancies for minimum constant staffing. Before firefighters contributed towards their pension costs and other benefits the overtime rate was less expensive than the hourly cost of fully benefitted firefighter. Today that cost difference has narrowed. There would be challenges to an overstaffing/over hiring model. First, the memorandum of understanding (MOU) between the City and the firefighters' association does

not allow the City to over hire position for more than 4 months. Secondly, to take full financial advantage of overstaffing modifications to the MOU would be needed to change the minimum constant staffing and out-of-rank acting policies. Lastly, the logistics of overstaffing with a fire department of our size could result in more than 20% of the daily shifts with more than 9 positions assigned.

Objectives FY 2016/17 & 2017/18

- Reduce time loss from work related injuries
- Develop and improve existing processes for collection of revenue services provided
- Improve data collection and reporting analytics for emergency services activities
- Provide new services to reduce community risk for fire and medical emergencies

Major Service Delivery Changes

- Develop a basic life support transportation program
- Implement an ocean rescue program
- The FY 2017/18 Budget includes \$80,000 for radio/interoperability upgrades for Public Safety (6141, Computer Equipment and Supplies). Fire Department radios will be purchased in conjunction with a larger quantity purchased by the Police Department. Because of the high dollar amount, staff recommends exercising a lease/purchase agreement to finance the cost of the equipment. Accordingly, annual debt service payments of \$18,081 are included to finance the cost of the equipment over five years.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Fire Chief	1	1	1	1
Executive Secretary	1	1	1	1
Information Systems Specialist*	0.2	0.2	0.2	0.2
Total	2.2	2.2	2.2	2.2

**Position is shared with Police Department.*

Fire Department | Administration

Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$85,331	\$82,424	\$85,275	\$85,039	\$86,314
4102 Sworn Salaries	229,738	221,737	240,892	223,681	230,367
4103 Part-time Salaries	31,785	42,546	42,546	42,546	42,546
4111 Overtime Regular Employees	592	-	600	1,000	1,000
4112 Overtime Sworn Employees	19,049	103,968	103,968	84,240	86,400
4201 Group Medical Insurance	33,603	37,039	34,894	40,489	43,244
4202 Medicare Contributions	5,465	5,099	5,066	5,235	5,351
4203 Unemployment	1,800	1,260	1,260	1,260	1,260
4204 401A Plan City Contributions	5,327	5,261	5,377	5,307	5,466
4205 Worker's Compensation	786,960	1,192,560	1,192,560	1,056,120	1,101,660
4206 Medical Retirement Contributions	1,044	1,044	1,044	1,044	1,044
4211 PERS Regular Contribution	9,754	10,589	11,155	11,714	12,948
4212 PERS Sworn Contribution	53,627	59,815	63,069	43,207	44,421
Total Salaries & Benefits	\$1,264,076	\$1,763,342	\$1,787,706	\$1,600,881	\$1,662,021
5101 Contract Services	\$64,927	\$48,178	\$48,178	\$48,178	\$53,392
5104 Computer Contract Services	33,841	40,110	40,110	40,750	40,850
5106 SBRPCA Communications	390,713	422,164	422,164	428,162	441,000
5107 Physical/Psych Exams	-	800	800	800	800
5109 Background Investigations	2,035	864	864	864	864
5201 Office Supplies	5,397	5,200	5,200	6,000	6,000
5202 Membership & Dues	2,974	2,979	2,979	3,089	3,089
5203 Reference Materials	-	-	100	-	-
5204 Conferences & Meetings	8,796	8,430	8,430	-	-
5205 Training, Conferences & Meetings	2,662	2,300	2,300	9,855	11,200
5206 Uniforms/Safety Equip	7,597	5,600	5,600	5,600	5,600
5210 Computer Supplies & Software	-	-	30	-	-
5214 Employee Awards & Events	2,544	3,500	3,500	3,500	4,000
5217 Departmental Supplies	5,284	6,000	6,000	6,000	6,000
5501 Telephone	19,304	20,000	18,935	19,500	19,598
5503 Natural Gas	5,533	6,087	5,096	5,172	5,295
Total Materials & Services	\$551,607	\$572,212	\$570,286	\$577,470	\$597,688
5611 Warehouse Services	\$47	\$200	\$200	\$200	\$200
5621 Information Technology Allocation	29,124	29,194	29,194	29,280	29,820
5631 Insurance Allocation	79,920	113,340	113,340	64,500	67,740
5641 Fleet Rental Allocation	5,448	5,450	5,450	-	-
5642 Fleet Maintenance Allocation	1,418	1,866	1,731	1,740	1,740
5651 Building & Operations Allocation	151,933	155,427	149,012	163,440	167,640
Total Internal Services	\$267,890	\$305,477	\$298,927	\$259,160	\$267,140
Total Operating Expenditures	\$2,083,574	\$2,641,031	\$2,656,919	\$2,437,511	\$2,526,849

Fire Department | Administration

Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
6141 Computer Equipment & Software	\$15,563	\$31,415	\$26,524	-	\$80,000
6212 CIP Bldg & Facilities - CYr	102,280	205,433	30,000	-	-
Total Capital Projects & Equipment	\$117,842	\$236,848	\$56,524	-	\$80,000
7101 Bond Principal	\$235,591	\$227,500	\$227,500	\$232,500	\$240,000
7102 Bond Interest	162,231	156,568	156,568	149,669	142,581
7103 Bond Administration Fee	825	2,000	825	1,100	1,100
7302 Property & Equipment Principal	-	-	-	-	15,981
7303 Property & Equipment Interest	-	-	-	-	2,100
Total Debt Service	\$398,647	\$386,068	\$384,893	\$383,269	\$401,762
Total Expenditures	\$2,600,063	\$3,263,947	\$3,098,336	\$2,820,780	\$3,008,611
Operating Expenditures % Change from 2015/16 Adopted Budget				-7.7%	-4.3%
Source of Funds					
General Fund	\$2,109,727	\$2,672,446	\$2,683,443	\$2,437,511	\$2,624,930
Capital Improvement	490,336	591,501	414,893	383,269	383,681
Total Sources	\$2,600,063	\$3,263,947	\$3,098,336	\$2,820,780	\$3,008,611

Fire Department | Operations

Program Overview

The Fire Operations Division's service delivery is focused on continuous improvement and preparation of personnel responding to fires, medical emergencies, vehicle accidents, hazardous conditions and automatic and mutual aid with our regional and State partners.

The Division also has a responsibility to promote a highly skilled, accountable and resilient workforce through comprehensive training and professional development. These programs include specialty, technical and leadership based training which supports the needs of the organization by maximizing operational efficiency and improving quality of service and response to our community.



Objectives FY 2016/17 & FY 2017/18

- Maintain a high level of operational readiness through enhanced training and development
- Meet or exceed adopted response standards for first arriving suppression unit to a fire call
- Meet or exceed adopted response standards for first arriving Paramedic to a medical emergency

	2014/15	2015/16	2016/17	2017/18
Authorized Full-Time Positions	Adopted	Adopted	Adopted	Approved
Fire Battalion Chief ¹	2	2	1	1
Fire Captain/Paramedic	6	6	6	6
Fire Engineer/Paramedic	6	6	6	6
Firefighter/Paramedic	6	6	6	6
Total	20	20	19	19

¹ Fiscal years 2014/15 and 2015/16 included temporary Battalion Chief position.

Fire Department | Operations

Fire Operations		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4102	Sworn Salaries	\$2,989,958	\$3,142,725	\$3,205,077	\$2,942,993	\$2,986,282
4112	Overtime Sworn Employees	1,606,199	1,140,038	1,264,134	1,319,058	1,352,880
4113	Overtime Mutual Aid	79,203	114,000	144,000	157,248	161,280
4114	Overtime Special Events	5,982	10,944	10,944	10,686	10,960
4115	Cooperative Resources	924	28,800	10,000	28,800	29,376
4116	Training & Special Detail	107,590	164,160	120,000	187,200	192,000
4201	Group Medical Insurance	362,505	375,813	364,071	404,980	433,668
4202	Medicare Contributions	58,249	37,973	57,756	40,597	41,195
4206	Medical Retirement Contributions	13,704	13,704	13,704	13,704	13,704
4212	PERS Sworn Contribution	645,579	767,791	711,353	852,148	951,752
Total Salaries & Benefits		\$5,869,892	\$5,795,948	\$5,901,039	\$5,957,414	\$6,173,097
5101	Contract Services	\$12,702	\$19,250	\$24,000	\$21,474	\$21,474
5203	Reference Materials	815	800	800	800	800
5204	Conferences & Meetings	2,212	4,100	4,100	-	-
5205	Training, Conferences & Meetings	26,457	51,800	48,000	53,600	53,600
5206	Uniforms/Safety Equip	74,404	36,302	36,302	36,525	36,525
5208	Postage	613	600	561	600	600
5209	Tools & Minor Equip	116	-	124	-	-
5210	Computer Supplies & Software	206	-	-	-	-
5217	Departmental Supplies	48,624	62,500	62,500	49,900	49,900
5218	Recruitment Costs	4,196	-	-	-	-
5221	Auto Repair	70,068	66,700	46,700	70,035	70,035
5225	Printing	49	400	200	400	400
5501	Telephone	4,330	4,500	5,451	5,500	5,528
5502	Electricity	66,475	80,232	88,143	89,465	91,585
5503	Natural Gas	897	1,086	1,101	1,118	1,144
5504	Water	7,698	9,534	7,033	7,138	7,307
Total Materials & Services		\$319,863	\$337,804	\$325,015	\$336,555	\$338,898
5611	Warehouse Services	\$5,914	\$6,500	\$6,500	\$6,500	\$6,500
5621	Information Technology Allocation	77,676	77,851	77,851	78,060	79,440
5641	Fleet Rental Allocation	141,948	137,200	137,200	77,880	77,880
5642	Fleet Maintenance Allocation	16,831	17,542	16,268	16,320	16,320
Total Internal Services		\$242,368	\$239,093	\$237,819	\$178,760	\$180,140
Total Operating Expenditures		\$6,432,123	\$6,372,845	\$6,463,873	\$6,472,729	\$6,692,135
7101	Bond Principal	\$173,762	-	-	-	-
7102	Bond Interest	-	-	-	-	-
Total Debt Service		\$173,762	-	-	-	-
Total Expenditures		\$6,605,885	\$6,372,845	\$6,463,873	\$6,472,729	\$6,692,135
Operating Expenditures % Change from 2015/16 Adopted Budget					1.6%	5.0%
Source of Funds						
General Fund		\$6,605,885	\$6,372,845	\$6,463,873	\$6,472,729	\$6,692,135
Total Sources		\$6,605,885	\$6,372,845	\$6,463,873	\$6,472,729	\$6,692,135

Fire Department | Prevention

Program Overview

The major function of the Fire Prevention Division is to provide life/safety for the City of Manhattan Beach by adopting and enforcing Fire and Public Safety Codes, thereby reducing the number of fires and fire loss in the community and ensuring a safer environment to live, work, and play. Fire Prevention supports the pillar of Excellent City Services Provided by an Aligned and Committed Workforce, and our role is accomplished by performing annual business inspections, plan checks, construction inspections and issuing permits for all manner of public safety requirements.



The Fire Prevention Division also reaches out to the community through Public Education programs, including our new “Senior Outreach and Smoke Detector Program”. This program, in partnership with Parks and Recreation’s Older Adults Program, lets seniors know they are valued and that the community is there for them with services and resources that they might not be aware of.



Fire Prevention staff, in partnership with MBS Media Campus employees, work closely with production companies on a daily basis to ensure that even the most unbelievable special effects are safe and compliant with Fire and Public Safety Codes and watched over by Fire Safety Officers when needed.

Objectives FY 2016/17 & FY 2017/18

- Enhance customer service by creating inter-agency processes for events involving the beach
- Improve efficacy of fire alarm systems and monitoring at all city facilities.

Major Service Delivery Changes

The Fire Prevention Division will create a fire permit program to ensure permitted operations are completed, documented, and issued to new and existing businesses. The Division will study and consider implementing a residential fire sprinkler inspection program. Once a residential sprinkler system is install, there is no process for the Fire Prevention Division to ensure the maintenance and readiness of these critical life safety systems.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Fire Captain/Paramedic	1	1	1	1
Firefighter/Paramedic (assigned as Fire Inspector)	1	1	1	1
Total	2	2	2	2

Fire Department | Prevention

Prevention Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4102 Sworn Salaries	\$379,808	\$342,807	\$382,348	\$347,083	\$351,766
4103 Part-time Salaries	58,955	42,043	71,043	42,051	42,051
4111 Overtime Regular Employees	1,648	-	850	1,000	1,000
4112 Overtime Sworn Employees	25,260	36,176	36,176	38,040	41,600
4115 Cooperative Resources	38,583	91,200	56,000	87,000	87,000
4116 Training & Special Detail	-	-	-	-	3,000
4201 Group Medical Insurance	29,718	37,099	35,959	39,672	42,698
4202 Medicare Contributions	4,653	3,161	4,430	6,686	6,753
4206 Medical Retirement Contributions	1,536	1,536	1,536	1,536	1,536
4211 PERS Regular Contribution	924	-	4,500	4,206	4,206
4212 PERS Sworn Contribution	79,557	82,561	87,569	102,959	115,401
Total Salaries & Benefits	\$620,641	\$636,583	\$680,411	\$670,233	\$697,011
5101 Contract Services	\$28,699	\$33,000	\$33,000	\$33,100	\$33,100
5202 Membership & Dues	845	1,235	1,235	1,325	1,325
5203 Reference Materials	3,168	2,250	2,250	2,250	2,250
5204 Conferences & Meetings	53	-	100	-	-
5205 Training, Conferences & Meetings	6,978	17,600	21,600	20,600	20,600
5206 Uniforms/Safety Equip	4,203	4,200	5,000	5,900	4,700
5210 Computer Supplies & Software	-	-	222	-	-
5217 Departmental Supplies	4,374	2,200	2,200	3,500	3,500
5225 Printing	480	750	750	750	750
5501 Telephone	1,251	1,400	1,327	1,400	1,407
Total Materials & Services	\$50,051	\$62,635	\$67,684	\$68,825	\$67,632
5621 Information Technology Allocation	\$29,124	\$29,194	\$29,194	\$29,280	\$29,820
5641 Fleet Rental Allocation	17,652	14,910	14,910	15,120	15,120
5642 Fleet Maintenance Allocation	6,997	18,413	17,070	12,840	12,840
Total Internal Services	\$53,773	\$62,517	\$61,174	\$57,240	\$57,780
Total Operating Expenditures	\$724,465	\$761,735	\$809,269	\$796,298	\$822,423
7101 Bond Principal	\$18,546	-	-	-	-
7102 Bond Interest	-	-	-	-	-
Total Debt Service	\$18,546	-	-	-	-
Total Expenditures	\$743,011	\$761,735	\$809,269	\$796,298	\$822,423
Operating Expenditures % Change from 2015/16 Adopted Budget				4.5%	8.0%
Source of Funds					
General Fund	\$743,011	\$761,735	\$809,269	\$796,298	\$822,423
Total Sources	\$743,011	\$761,735	\$809,269	\$796,298	\$822,423

Fire Department | Emergency Medical Services

Program Overview

Nearly 65 percent of the Department's responses are requests for emergency medical assistance. The Emergency Medical Services Division provides Advanced Life Support (ALS) and Basic Life Support (BLS) to all residents and visitors in need of emergency care. ALS refers to treatment of unstable patients, using advanced techniques and equipment, by a team of paramedics. ALS care is provided on scene and during transport to the appropriate hospital. BLS refers to treatment of stable patients that require basic care and transportation to a hospital.



All Firefighters, Fire Engineers and Fire Captains are licensed paramedics (ALS).

All Reserve Firefighters are certified emergency medical technicians. When two Fire Reserves are on the daily roster they staff the BLS ambulance while two Firefighter Paramedics staff an ALS ambulance. The Division provides ALS and BLS transportation with Fire Department personnel in Fire Department ambulances. This deployment offers flexibility in utilization of Department resources.

Objectives FY 2016/17 & FY 2017/18

- Provide BLS ambulance service everyday 24/7.
- Meet or exceed standards for on-scene and transport times for trauma, stroke and cardiac patients.
- Reduce wait times at local hospitals for patients needing emergency room admittance and Manhattan Beach paramedics
- Improve multi-department communication to enhance medical services provided.

Major Service Delivery Changes

The Los Angeles County Emergency Medical Services Agency is serving as the fire department's Medical Director. The County has notified the City that they will no longer provide medical director oversight of our EMS program as of July 1, 2016. The Fire Department is developing a shared cost contract with El Segundo and Hermosa Beach through the South Bay Regional Public Communications Authority for a Medical Director. There are numerous benefits to contracting with a physician to be our City's Medical Director. Some benefits include on-site storage and distribution of controlled medications, medical surveillance of our paramedics exposed to blood-borne pathogens, pilot program development and oversight, training, dispatch instructions and policies, and many more.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Fire Battalion Chief	1	1	1	1
Firefighter/Paramedic	6	6	6	6
Total	7	7	7	7

Fire Department | Emergency Medical Services

Emergency Medical Services		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4102	Sworn Salaries	\$837,996	\$873,312	\$879,157	\$900,192	\$915,689
4112	Overtime Sworn Employees	244,183	193,063	334,000	299,442	307,120
4114	Overtime Special Events	4,013	4,925	2,900	5,616	5,760
4115	Cooperative Resources	21,763	54,720	24,720	56,160	57,600
4116	Training & Special Detail	4,292	20,520	20,520	23,400	24,000
4201	Group Medical Insurance	86,955	106,927	102,864	100,121	107,680
4202	Medicare Contributions	13,606	12,715	18,113	13,114	13,338
4206	Medical Retirement Contributions	4,548	4,548	4,548	4,548	4,548
4212	PERS Sworn Contribution	161,088	215,859	218,036	251,660	279,337
Total Salaries & Benefits		\$1,378,442	\$1,486,589	\$1,604,858	\$1,654,253	\$1,715,073
5101	Contract Services	\$35,331	\$44,200	\$44,200	\$82,300	\$83,300
5202	Membership & Dues	-	-	-	310	310
5203	Reference Materials	-	-	-	600	600
5205	Training, Conferences & Meetings	1,000	7,200	7,200	12,100	12,100
5206	Uniforms/Safety Equip	3,779	3,600	5,600	6,650	6,650
5214	Employee Awards & Events	51	-	-	-	-
5217	Departmental Supplies	72,553	79,500	72,000	74,150	74,150
Total Materials & Services		\$112,713	\$134,500	\$129,000	\$176,110	\$177,110
5621	Information Technology Allocation	\$19,416	\$19,463	\$19,463	\$19,500	\$19,860
5641	Fleet Rental Allocation	117,936	117,940	117,940	119,760	119,760
5642	Fleet Maintenance Allocation	14,939	19,657	18,230	18,300	18,300
Total Internal Services		\$152,291	\$157,060	\$155,633	\$157,560	\$157,920
Total Operating Expenditures		\$1,643,446	\$1,778,149	\$1,889,491	\$1,987,923	\$2,050,103
7101	Bond Principal	\$43,097	-	-	-	-
7102	Bond Interest	-	-	-	-	-
Total Debt Service		\$43,097	-	-	-	-
Total Expenditures		\$1,686,543	\$1,778,149	\$1,889,491	\$1,987,923	\$2,050,103
Operating Expenditures % Change from 2015/16 Adopted Budget					11.8%	15.3%
Source of Funds						
General Fund		\$1,686,543	\$1,778,149	\$1,889,491	\$1,987,923	\$2,050,103
Total Sources		\$1,686,543	\$1,778,149	\$1,889,491	\$1,987,923	\$2,050,103

Fire Department | Support Services

Program Overview

The Support Services Division encompasses Emergency Preparedness, Community Emergency Response Team (CERT), Reserve Firefighter volunteer program, Communications, and Public Education.

Support Services work with community partners to deliver comprehensive information on earthquake, tsunami, and other natural and man-made disasters. This ensures the community is prepared to respond, mitigate and recover from these events in a timely and economic matter by reducing recovery time in case of a disaster.

Throughout the year, the Support Services Division creates opportunities to train citizens in Emergency Preparedness and response through CERT, Map Your Neighborhood and other volunteer organizations.



Objectives FY 2016/17 & FY 2017/18

- Standardize radio communication procedures for RCC and area Fire Departments
- Conduct City wide earthquake drill with map your neighborhood and CERT
- Ensure all City employees complete required ICS training
- Conduct training for new Department Operation Center at Public Works

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Fire Battalion Chief	1	1	1	1

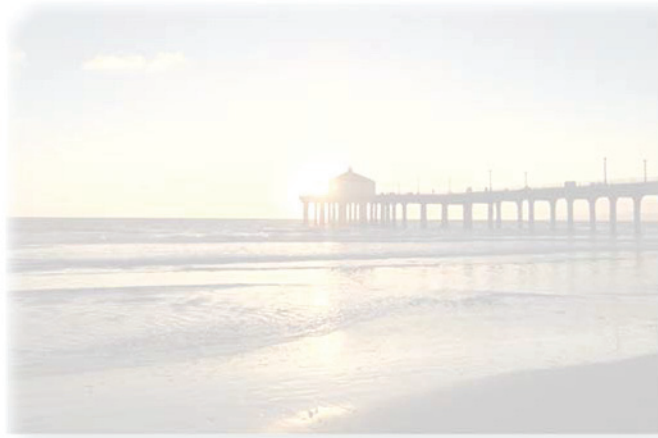
Fire Department | Support Services

Support Services Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	-	-	\$76	-	-
4102 Sworn Salaries	\$273,303	\$207,215	201,721	\$209,025	\$215,203
4103 Part-time Salaries	7,966	65,000	40,000	65,000	66,000
4112 Overtime Sworn Employees	13,897	42,970	23,100	39,624	40,640
4201 Group Medical Insurance	19,556	19,104	33,379	18,406	19,804
4202 Medicare Contributions	3,162	3,014	3,128	-	-
4212 PERS Sworn Contribution	64,460	55,276	48,469	39,927	41,050
Total Salaries & Benefits	\$382,344	\$392,579	\$349,873	\$371,982	\$382,697
5101 Contract Services	\$60,009	\$78,960	\$94,960	\$82,320	\$86,320
5107 Physical/Psych Exams	-	6,400	6,400	6,400	6,400
5109 Background Investigations	5,200	23,200	17,000	23,200	23,200
5201 Office Supplies	-	-	-	1,000	1,000
5204 Conferences & Meetings	-	750	750	-	-
5205 Training, Conferences & Meetings	4,175	25,350	20,450	32,650	32,650
5206 Uniforms/Safety Equip	32,004	24,350	24,340	24,350	24,350
5207 Advertising	364	-	-	-	-
5210 Computer Supplies & Software	1,743	-	-	-	-
5214 Employee Awards & Events	-	1,000	1,000	-	-
5217 Departmental Supplies	60,593	72,270	72,270	74,820	79,620
5225 Printing	1,098	1,500	1,500	1,500	1,500
Total Materials & Services	\$165,186	\$233,780	\$238,670	\$246,240	\$255,040
Total Operating Expenditures	\$547,530	\$626,359	\$588,543	\$618,222	\$637,737
6141 Computer Equipment & Software	-	-	\$27,556	-	-
Total Capital Projects & Equipment	-	-	\$27,556	-	-
Total Expenditures	\$547,530	\$626,359	\$616,099	\$618,222	\$637,737
Operating Expenditures % Change from 2015/16 Adopted Budget				-1.3%	1.8%
Source of Funds					
General Fund	\$547,530	\$626,359	\$616,099	\$618,222	\$637,737
Total Sources	\$547,530	\$626,359	\$616,099	\$618,222	\$637,737



Community Development





City of Manhattan Beach Community Development Department

**Director of
Community
Development**

ADMINISTRATION

Department
Administration
~
Training
~
Budget
Development

PLANNING

Advance Planning /
Special Studies
~
Current
Planning
~
Plan Review
~
Planning
Commission

BUILDING

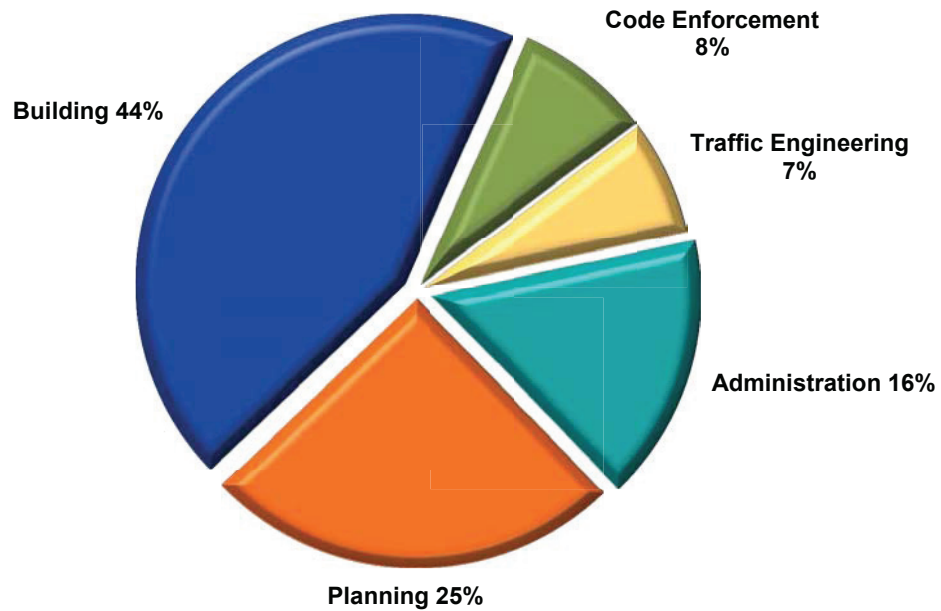
Building Plan
Check
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Building Permits
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Building
Inspection
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Code Enforcement
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Board of Building
Appeals

**TRAFFIC
ENGINEERING**

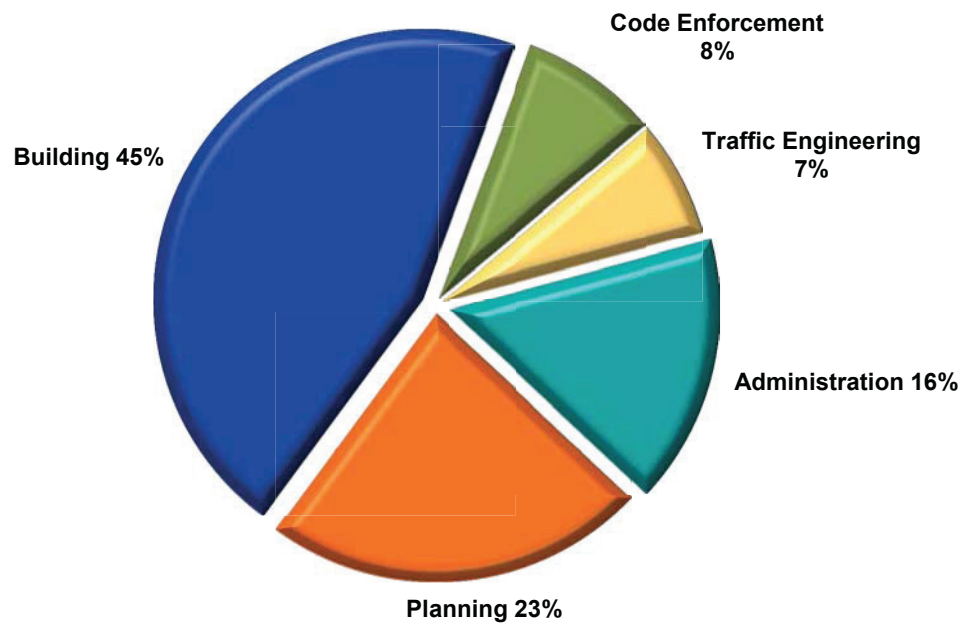
Traffic & Parking
Requests / Studies
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Right-of-Way
Permits
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Transportation
Planning
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Parking & Public
Improvements
Commission

Community Development Department

FY 2016/17
Department Expenditure by Program



FY 2017/18
Department Expenditure by Program



Community Development Department

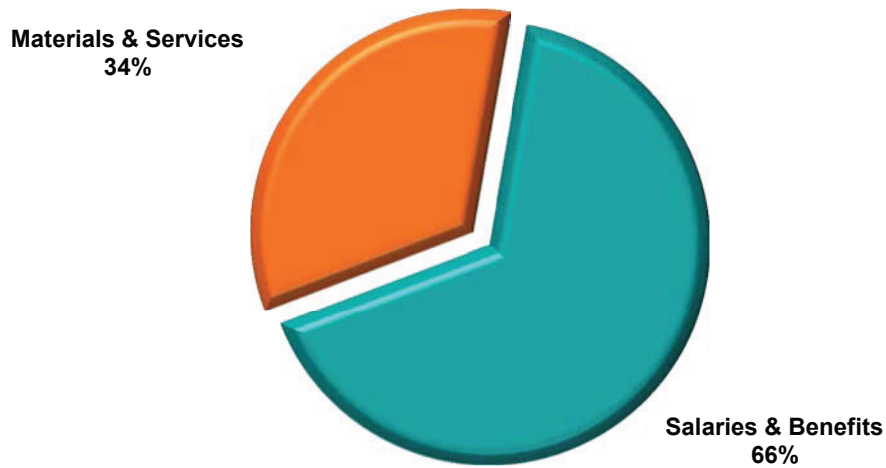


Program Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Administration	\$858,645	\$1,121,220	\$1,164,877	\$728,494	\$739,878
Planning	1,079,349	915,621	1,243,464	1,133,819	1,052,082
Building	1,846,195	1,909,885	1,782,355	1,977,712	2,073,806
Code Enforcement	238,248	371,101	295,803	369,688	378,180
Traffic Engineering	316,969	312,896	326,320	315,118	320,075
Total	\$4,339,406	\$4,630,723	\$4,812,819	\$4,524,832	\$4,564,021

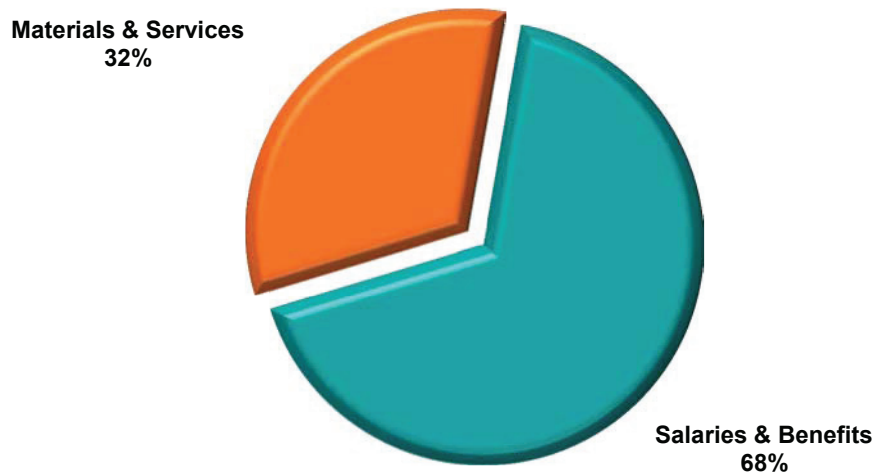
Program Revenues	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Building Permits	\$1,315,549	\$1,809,000	\$1,940,000	\$2,131,800	\$2,238,300
Other Permits	748,323	713,030	746,160	805,690	845,890
Plan Check Fees	1,410,029	1,824,000	1,173,000	1,267,000	1,330,400
Plan Filing & Report Fees	345,300	362,000	487,800	515,100	533,600
Total	\$3,819,201	\$4,708,030	\$4,346,960	\$4,719,590	\$4,948,190
Full-Time Positions	22	24	24	24	24

Community Development Department

FY 2016/17
Department Expenditure by Category



FY 2017/18
Department Expenditure by Category



Category Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Salaries & Benefits	\$2,655,006	\$2,895,870	\$2,711,627	\$3,003,474	\$3,080,730
Materials & Services	1,684,400	1,655,032	2,029,371	1,519,358	1,483,291
Capital Outlay	-	79,821	71,821	2,000	-
Total	\$4,339,406	\$4,630,723	\$4,812,819	\$4,524,832	\$4,564,021



Community Development Department

Mission

To preserve and enhance the quality and harmony of our community's neighborhoods and commercial areas by providing superior building, planning, code enforcement, right-of-way and traffic engineering services

Department Overview

The Community Development Department is responsible for reviewing all private development proposals, issuing permits, preparing ordinances related to land use and building regulations, code enforcement services and parking and transportation review and analysis. The Department's four Divisions which include Administration, Planning, Building & Safety and Traffic Engineering are aligned and committed to provide exemplary municipal services related to:

- Current and Advanced Planning
- Plan Review
- Building Plan Check
- Building Permits
- Building Inspection
- Residential and Commercial Code Enforcement Services
- Transportation Planning
- Right-of-Way Permits

The Community Development Department maintains unprecedented and continued growth in building activity and revenues. In FY 2016, the Building division issued over \$100 million in Building Permits. With a sustained increase in development and building activity, construction is expected to increase eight percent in FY 2017. The demand for departmental services is continuous throughout the day with nearly 80 customers visiting the public counter, and the issuance of over 2,400 various permits this last year.

As one of the busiest counters at City Hall, the Community Development Department works collaboratively with internal and external customers and strives to provide a seamless development review process for our residents and the construction community. Our dedicated staff of 22 full-time and three part-time professionals work as a team to ensure that all services are provided in an effective and efficient manner and exemplary customer service is our main goal.

Accomplishment Highlights FY 2015/16

Administration

- Completed a comprehensive evaluation of the development review process to enhance and streamline service deliverables
 - Anticipated adoption of the 2016 Mobility Plan Update to replace the Circulation Plan within the General Plan
 - Initiated the preparation of a Downtown Specific Plan to provide a framework to preserve the Downtown's small town character and ensure its future economic viability (Adoption tentatively scheduled for FY 2016)
-

Planning

- Adopted Municipal Code and Local Coastal Program Amendments to regulate Vacation rentals to protect our small town atmosphere and new appeal processes to embrace meaningful resident engagement
- Adopted Municipal Code and Local Coastal Program Amendments to regulate Medical Marijuana to provide a healthy environment for the community
- Adopted new Historic Preservation Codes

Building

- Implemented the Construction Management and Parking Plan (CMPP), designed to reduce traffic and parking congestion, and facilitate implementation of Construction Rules
- Re-focused the scope and streamlined the implementation plan for the Accela Automation permit processing software solution

Code Enforcement

- Hired and trained a new Code Enforcement Officer to enforce the City's regulations to maintain the community's high living standards
- Reduced the number of construction-related complaints (ex: noise, tree protection, parking issues, fencing, debris)
- Acknowledged and confirmed complaints received within one business day, and conducted initial inspections in a timely manner
- Proactively assisted residents and builders to remedy violation issues

Traffic Engineering

- Managed two Safe Routes to School projects and two Highway Safety Grant projects
- Designed and began construction of a new westbound bike lane on Rosecrans Avenue
- Increased efficiency in completing traffic requests from an average of 16 days to 10 days
- Updated the Downtown Parking Management Plan as part of the Downtown Specific Plan
- Implemented user fees for discretionary traffic and parking reviews and appeals
- Assumed management of traffic signal maintenance

Program Overview

Administration oversees and provides support to three other divisions within the department which include Planning, Building & Safety and Traffic Engineering. Administration aims to provide effective and efficient management of the department in order to achieve individual program goals. Responsibilities include payroll, accounting, budget management, records management coordination, and support services to the Planning Commission, Parking and Public Improvements Commission, Historic Preservation and Board of Building Appeals. In addition, the department manages special projects, the yearly budget process, provides valuable support to the City’s wellness program (MB FIT), which promotes the well-being of City Employees through fitness classes and other activities that support a healthy and balanced lifestyle.



Objectives FY 2016/17 & FY 2017/18

- Prioritize and implement various recommendations from the comprehensive Development Review Process Report.
- Implement an all-inclusive plan to digitize all finalized building and planning records to be compatible with integration into Accela Automation to provide efficiencies for public records access
- Establish a department-wide performance measurement system to track performance against industry standards and foster continuous improvement
- Implement various recommendations in the Downtown Specific Plan
- Continue to build and maintain personal interactions with residents, community stakeholders and organizations for meaningful civic engagement and outreach
- Seek opportunities to educate and train staff on efficient and effective customer service skills and techniques.

Major Service Delivery Changes

In FY 2016, a Historic Preservation program was approved and funded in the Administration budget. Beginning FY 2017, the majority of the program related expenditures have been transferred to the Planning program budget with the exception of training/conferences and other Commission related expenses.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Director	1	1	1	1
Senior Management Analyst ¹	-	1	1	1
Executive Secretary	1	1	1	1
Total	2	3	3	3

¹ Position transferred from Traffic Engineering Division in FY 2015-2016.

Part-time hours proposed total 2,028 hours in FY 2016/17 and FY 2017/18.

Community Development Department | Administration

Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$313,485	\$324,886	\$366,236	\$336,996	\$345,812
4103 Part-time Salaries	31,961	99,070	79,370	40,723	40,723
4111 Overtime Regular Employees	412	800	-	850	850
4201 Group Medical Insurance	20,578	38,027	39,462	39,731	42,441
4202 Medicare Contributions	4,510	5,161	5,425	5,561	5,689
4203 Unemployment	684	480	480	480	480
4204 401A Plan City Contributions	7,666	11,192	11,886	11,667	12,016
4205 Worker's Compensation	6,060	-	-	4,260	4,440
4206 Medical Retirement Contributions	2,796	2,796	2,796	2,796	2,796
4211 PERS Regular Contribution	33,494	46,214	50,368	51,802	57,148
Total Salaries & Benefits	\$421,646	\$528,626	\$556,023	\$494,866	\$512,395
5101 Contract Services	\$134,311	\$308,520	\$350,224	\$35,400	\$40,400
5104 Computer Contract Services	101,366	72,800	72,611	35,000	40,800
5108 Legal Services	-	4,000	-	-	-
5201 Office Supplies	4,314	5,500	5,000	7,100	7,100
5202 Membership & Dues	700	2,790	2,790	2,310	2,350
5203 Reference Materials	579	780	780	540	600
5204 Conferences & Meetings	3,899	14,000	11,800	-	-
5205 Training, Conferences & Meetings	-	750	750	15,950	15,950
5206 Uniforms/Safety Equip	-	-	-	500	-
5207 Advertising	-	3,100	5,562	1,000	1,000
5208 Postage	200	275	331	300	300
5210 Computer Supplies & Software	-	18,983	979	18,983	250
5212 Office Equip Maintenance	-	325	200	325	325
5214 Employee Awards & Events	-	500	500	500	500
5217 Departmental Supplies	4,308	5,345	6,751	5,450	4,450
5225 Printing	101	4,225	1,500	250	250
5501 Telephone	1,341	1,500	1,422	1,500	1,508
Total Materials & Services	\$251,119	\$443,393	\$461,200	\$125,108	\$115,783
5611 Warehouse Services	\$775	\$1,300	\$750	\$1,300	\$1,300
5621 Information Technology Allocation	58,260	68,119	68,119	68,280	69,480
5631 Insurance Allocation	103,680	55,620	55,620	13,860	15,480
5651 Building & Operations Allocation	23,164	24,162	23,165	25,080	25,440
Total Internal Services	\$185,880	\$149,201	\$147,654	\$108,520	\$111,700
Total Operating Expenditures	\$858,645	\$1,121,220	\$1,164,877	\$728,494	\$739,878
Operating Expenditures % Change from 2015/16 Adopted Budget				-35.0%	-34.0%
Source of Funds					
General Fund	\$858,645	\$1,121,220	\$1,164,877	\$728,494	\$739,878
Total Sources	\$858,645	\$1,121,220	\$1,164,877	\$728,494	\$739,878

Program Overview

The core services provided by the Planning Division include the review of all discretionary land use applications such as use permits, variances, and coastal permits, as well as updates to the General Plan, Zoning Map, Municipal Code and the Local Coastal Program. Planning reviews plan checks and permits to ensure conformance with local zoning and State regulations including the California Environmental Quality Act (CEQA). The City has a certified Local Coastal Program so we are able to generally issue our own coastal permits instead of relying on the California Coastal Commission. Planning prides itself on quality customer service, working on balanced, creative solutions to help homeowners, business owners, neighbors, architects, and contractors achieve their goals while complying with the City's regulations.



Objectives FY 2016/17 & FY 2017/18

- Complete initial plan checks application reviews within six weeks to provide high quality service
- Implement the newly adopted Historic Preservation program with assistance from consultants
- Provide oversight for development of the Manhattan Village Mall Enhancement Project to ensure clear communication and that all required conditions are complied with
- Implement Downtown Specific Plan as it relates to Planning and submit Amendments to the California Coastal Commission for review and action
- Implement recommendations from the Development Process Review Report
- Provide support to other divisions and departments, as well as facilitate progress on key economic development projects.

Major Service Delivery Changes

Currently, there are two part-time Administrative Clerk positions within the Planning Division. Consolidating the two part-time positions to one full-time Administrative Clerk position allows the Department and Division to maximize staff knowledge and experience, increasing the value of their training, responsibilities and impact of their position. Overall, this position will create a long-term benefit for the organization, and provide staff the support needed to provide excellent customer service. Two other service delivery changes include the transfer of the Historic Preservation program related expenditures from Administration to the Planning program budget, and an expansion of staff time to provide assistance with the implementation of Accela Automation.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Planning Manager	1	1	1	1
Associate Planner	2	2	2	2
Assistant Planner	3	3	3	3
Total	6	6	6	6

Part-time hours proposed total 2,550 hours in FY 2016/17.

Community Development Department | Planning

Planning Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$524,712	\$513,693	\$539,257	\$523,500	\$533,184
4103 Part-time Salaries	10,477	17,200	17,200	47,750	48,700
4111 Overtime Regular Employees	1,815	5,508	2,000	8,240	4,000
4201 Group Medical Insurance	71,661	71,327	71,611	57,146	61,253
4202 Medicare Contributions	7,634	7,619	7,590	7,846	7,732
4204 401A Plan City Contributions	3,134	3,104	3,173	3,132	3,226
4206 Medical Retirement Contributions	6,432	6,432	6,432	6,432	6,432
4211 PERS Regular Contribution	59,801	65,603	68,582	71,684	79,511
Total Salaries & Benefits	\$685,666	\$690,486	\$715,845	\$725,729	\$744,037
5101 Contract Services	\$212,552	\$19,300	\$329,440	\$190,500	\$90,500
5202 Membership & Dues	1,560	2,365	2,365	2,500	2,500
5203 Reference Materials	234	200	200	550	550
5204 Conferences & Meetings	3,410	3,000	1,500	-	-
5205 Training, Conferences & Meetings	-	2,340	2,340	5,200	5,300
5207 Advertising	7,115	4,000	3,000	6,600	5,500
5208 Postage	1,705	1,800	1,683	1,800	1,800
5217 Departmental Supplies	3,297	-	-	-	-
5225 Printing	414	250	350	4,250	2,250
5501 Telephone	2,771	2,950	2,796	2,950	2,965
Total Materials & Services	\$233,056	\$36,205	\$343,674	\$214,350	\$111,365
5621 Information Technology Allocation	\$67,968	\$68,119	\$68,119	\$68,340	\$69,540
5651 Building & Operations Allocation	92,659	120,811	115,826	125,400	127,140
Total Internal Services	\$160,627	\$188,930	\$183,945	\$193,740	\$196,680
Total Operating Expenditures	\$1,079,349	\$915,621	\$1,243,464	\$1,133,819	\$1,052,082
Operating Expenditures % Change from 2015/16 Adopted Budget				23.8%	14.9%
Source of Funds					
General Fund	\$1,079,349	\$915,621	\$1,243,464	\$1,133,819	\$1,052,082
Total Sources	\$1,079,349	\$915,621	\$1,243,464	\$1,133,819	\$1,052,082

Community Development Department | Code Enforcement

Program Overview

The core services provided by Code Enforcement is to ensure compliance with City construction rules, Municipal Codes, and applicable health and safety codes to protect the welfare of the community. The Code Enforcement program includes a Residential Construction Officer and two Code Enforcement Officers who are responsible for conducting inspections of reported violations, addressing violations and working with involved parties to resolve issues, and most importantly, educating involved parties to ensure future compliance. The Residential Construction Officer (RCO) has successfully reduced a number of construction related complaints by acting as a liaison between residents and builders to resolve construction related concerns.



Code Enforcement Officers work cooperatively with property owners, residents, the construction community and businesses to initially gain code compliance which ultimately results in maintaining the community's high living standards and quality of life for the City's residents and merchants.

Objectives FY 2016/17 & FY 2017/18

- Maintaining a two-day turnaround to address code violations upon intake
- Proactively working with residents and the construction community to address all construction related problems, (traffic congestion, parking, noise, smoking, and dust control)
- Continuing to conduct multiple daily inspections of areas with high volume construction activity (hot spots)

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Code Enforcement Officer	2	3	3	3

Part-time hours proposed total 1,560 hours in FY 2016/17.

Community Development Department | Code Enforcement

Code Enforcement Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$160,334	\$202,947	\$162,914	\$223,196	\$226,544
4103 Part-time Salaries	-	29,550	19,833	31,325	31,325
4111 Overtime Regular Employees	29	-	-	-	-
4201 Group Medical Insurance	24,680	36,180	25,401	39,000	40,898
4202 Medicare Contributions	2,267	2,943	2,222	3,236	3,285
4206 Medical Retirement Contributions	2,172	2,172	2,172	2,172	2,172
4211 PERS Regular Contribution	18,391	26,075	20,931	36,239	39,475
Total Salaries & Benefits	\$207,874	\$299,867	\$233,473	\$335,168	\$343,699
5202 Membership & Dues	\$75	\$475	\$300	\$255	\$255
5203 Reference Materials	-	275	275	275	275
5204 Conferences & Meetings	1,254	1,000	1,000	-	-
5205 Training, Conferences & Meetings	149	1,200	1,200	2,400	2,400
5206 Uniforms/Safety Equip	1,034	1,665	1,665	2,500	2,500
5208 Postage	396	480	449	500	500
5217 Departmental Supplies	-	100	150	600	200
5225 Printing	1,945	2,600	2,000	2,000	2,000
5501 Telephone	223	250	237	250	251
Total Materials & Services	\$5,076	\$8,045	\$7,276	\$8,780	\$8,381
5621 Information Technology Allocation	\$19,416	\$19,463	\$19,463	\$19,500	\$19,860
5641 Fleet Rental Allocation	4,464	4,460	4,460	4,500	4,500
5642 Fleet Maintenance Allocation	1,418	1,866	1,731	1,740	1,740
Total Internal Services	\$25,298	\$25,789	\$25,654	\$25,740	\$26,100
Total Operating Expenditures	\$238,248	\$333,701	\$266,403	\$369,688	\$378,180
6131 Vehicles	-	\$35,000	\$27,000	-	-
6141 Computer Equipment & Software	-	2,400	2,400	-	-
Total Capital Projects & Equipment	-	\$37,400	\$29,400	-	-
Total Expenditures	\$238,248	\$371,101	\$295,803	\$369,688	\$378,180
Operating Expenditures % Change from 2015/16 Adopted Budget				10.8%	13.3%
Source of Funds					
General Fund	\$238,248	\$371,101	\$295,803	\$369,688	\$378,180
Total Sources	\$238,248	\$371,101	\$295,803	\$369,688	\$378,180

Program Overview

The Traffic Engineering Division is responsible for all parking and traffic-related services in the public rights-of-way. This Division is headed by a licensed Traffic Engineer to ensure that safety and liability issues are thoroughly analyzed before implementing any traffic control measures. The Traffic Engineer's duties include reviewing traffic requests; implementing traffic control measures; enhancing pedestrian and bicycle facilities, as well as conducting various transportation and parking studies to improve overall circulation throughout the City. The Division administers and manages various traffic engineering projects and programs, including Safe Routes to School grants, Active Transportation Programs, and other regional transportation projects.

The Traffic Engineer works closely with the Planning Division and Public Works Department to address potential parking and traffic concerns related to public and private development, and also with the Police Department to ensure all streets are properly signed for enforcement, as well as to maintain the safety and welfare of the community. In addition, the Traffic Engineer provides staff support to the Parking and Public Improvements Commission, and prepares traffic related reports for the City Council. The Division is highly customer-service oriented with daily interaction at the public counter, on-site, via email and by phone related to parking and traffic concerns.



Objectives FY 2016/17 & FY 2017/18

- Meet or exceed schedule to complete traffic projects and work program directives approved by the City Council
- Provide exemplary citizen responsiveness and process traffic and parking requests in a timely manner
- Pursue transportation related grant funding
- Pursue implementation of the Downtown Specific Plan and Mobility Plan traffic and parking strategies and recommendations
- Prepare and adopt an Active Transportation Implementation Plan that reflects and supports the community's healthy and active lifestyle.

Major Service Delivery Changes

The Traffic Engineering Division increased its efficiency in reviewing traffic and parking requests as well as approvals for traffic control plans, PODs permits, construction loading zones, and oversized vehicle permits. The Division assumed management of the City's traffic signal system.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Traffic Engineer	1	1	1	1
Senior Management Analyst ¹	1	-	-	-
Total	2	1	1	1

¹ Position transferred to Administration Division in FY 2015-2016.

Community Development Department | Traffic Engineering

Traffic Engineering Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$164,264	\$121,005	\$132,876	\$122,057	\$125,626
4201 Group Medical Insurance	27,375	16,576	17,463	18,129	19,526
4202 Medicare Contributions	2,291	1,754	1,823	1,770	1,821
4204 401A Plan City Contributions	7,154	5,306	5,423	5,353	5,513
4206 Medical Retirement Contributions	1,044	1,044	1,044	1,044	1,044
4211 PERS Regular Contribution	18,229	15,150	15,620	16,385	18,377
Total Salaries & Benefits	\$220,357	\$160,835	\$174,249	\$164,738	\$171,908
5101 Contract Services	\$69,727	\$130,400	\$129,400	\$130,400	\$130,400
5202 Membership & Dues	729	850	850	850	850
5203 Reference Materials	-	1,380	1,380	600	600
5204 Conferences & Meetings	2,035	4,480	4,480	-	-
5205 Training, Conferences & Meetings	80	620	580	3,400	1,000
5207 Advertising	1,617	2,500	1,600	1,500	1,500
5209 Tools & Minor Equip	-	250	250	1,500	1,500
5217 Departmental Supplies	153	-	-	-	-
5225 Printing	1,616	500	2,500	1,000	1,000
5501 Telephone	1,232	1,350	1,290	1,350	1,357
Total Materials & Services	\$77,189	\$142,330	\$142,330	\$140,600	\$138,207
5611 Warehouse Services	\$7	-	\$10	-	-
5621 Information Technology Allocation	19,416	9,731	9,731	9,780	9,960
Total Internal Services	\$19,423	\$9,731	\$9,741	\$9,780	\$9,960
Total Operating Expenditures	\$316,969	\$312,896	\$326,320	\$315,118	\$320,075
Operating Expenditures % Change from 2015/16 Adopted Budget				0.7%	2.3%
Source of Funds					
General Fund	\$316,969	\$312,896	\$326,320	\$315,118	\$320,075
Total Sources	\$316,969	\$312,896	\$326,320	\$315,118	\$320,075



Program Overview

The core services provided by the Building and Safety Division include regulating building construction activity through plan review, permit processing, inspection and education to protect the health, safety and welfare of the community. The Building Division staff review plans for compliance with all applicable local and State codes. Building Inspectors perform daily inspections throughout the construction life-cycle to ensure conformity with approved plans, codes and regulations.

The Permit Processing Center serves as a “one-stop shop” for permit issuance for all construction activity throughout the City, as well as permits for the Public Works Department and Fire Department. The Division’s staff is known for providing excellent customer service to residents, business owners and the construction community. Such services include intake and plan review, building and planning permit issuance, scheduling and documentation of inspections, and all other matters related to construction activity. The Division also assists customers with accessing digitized records and producing records requests.



Objectives FY 2016/17 & FY 2017/18

- Implement recommendations from the Development Review Process Report
- Complete initial plan checks application reviews within a timely manner
- Perform all inspections by the next business day
- Facilitate progress on key economic development projects

Major Service Delivery Changes

The Community Development Department will continue to implement an upgrade from the existing Permits Plus system to Accela Automation. This web-based system will greatly enhance overall customer service for external and internal users by streamlining permit processing, plan checking, inspections and other land management services. Accela Automation is targeted for completion in FY 2017. Staff time has been expanded in FY 2017 for programming and testing of this new software solution. While staffing expenditures remain in each individual program budget, expenditures related to implementation of Accela have been allocated in Administration Contract Services.

In fall 2015, the Community Development Department conducted a comprehensive study to evaluate the development review process. The purpose of this evaluation was to identify opportunities to improve efficiency, effectiveness and customer service. The study recommended a part-time Plan Check position to mainly perform over-the-counter plan checks. This position would reduce our current Inspectors workload that has grown to handle these functions, enabling the Inspectors to focus on conducting more inspections in the field. The budget for Contract Services (5101) was increased to accommodate the recommended part-time Plan Check hours.

These enhancements are critical to achieve optimal efficiency in the development review process and facilitate continued exemplary services to the community.

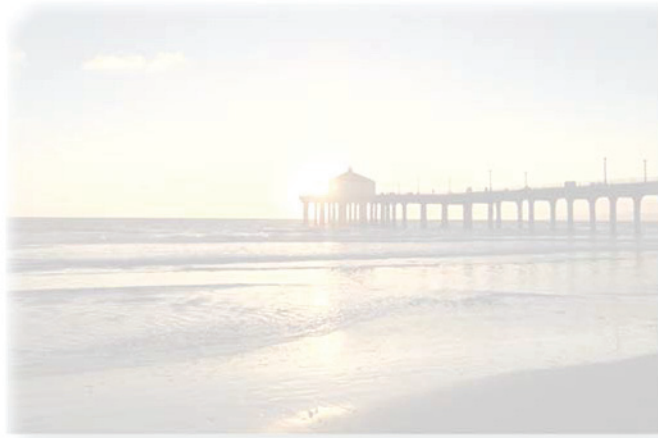
Community Development Department | Building & Safety

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Building Inspector	1	1	1	1
Building Official	1	1	1	1
Permits Technician	2	2	2	2
Plan Check Engineer	-	1	1	1
Principal Building Inspector/Safety	1	1	1	1
Secretary	1	1	1	1
Senior Building Inspector/Safety	2	2	2	2
Senior Permits Technician	1	1	1	1
Senior Plan Check Engineer	1	1	1	1
Total	10	11	11	11

Part-time hours proposed total 520 hours in FY 2016/17.

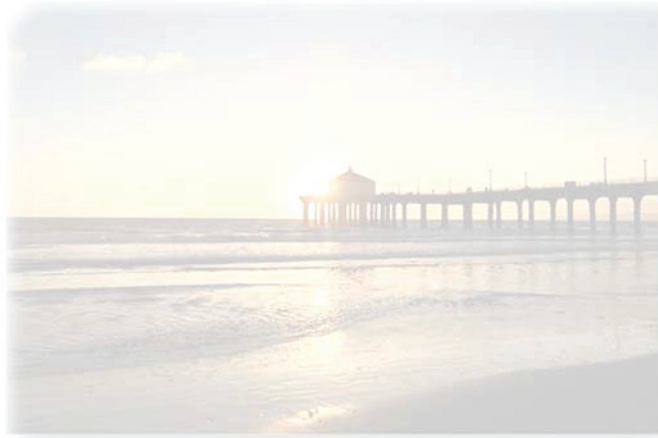
Community Development Department | Building & Safety

Building & Safety Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$845,323	\$929,936	\$791,358	\$946,404	\$964,171
4103 Part-time Salaries	28,535	10,500	10,500	10,442	10,442
4111 Overtime Regular Employees	5,876	3,600	14,000	22,900	8,180
4201 Group Medical Insurance	110,871	119,701	103,193	142,329	150,390
4202 Medicare Contributions	12,524	13,824	11,013	14,173	14,430
4204 401A Plan City Contributions	6,690	6,616	3,724	8,545	8,801
4206 Medical Retirement Contributions	9,648	9,648	9,648	9,648	9,648
4211 PERS Regular Contribution	99,997	122,231	88,601	128,532	142,628
Total Salaries & Benefits	\$1,119,464	\$1,216,056	\$1,032,037	\$1,282,972	\$1,308,691
5101 Contract Services	\$452,842	\$382,560	\$455,000	\$444,100	\$516,495
5202 Membership & Dues	1,575	2,510	2,100	950	950
5203 Reference Materials	882	2,000	300	2,600	-
5204 Conferences & Meetings	8,078	5,900	2,900	-	-
5205 Training, Conferences & Meetings	4,635	11,200	11,200	11,200	11,200
5206 Uniforms/Safety Equip	2,342	3,500	3,500	3,500	3,500
5208 Postage	1,705	1,800	1,683	1,800	1,800
5210 Computer Supplies & Software	2,308	1,500	1,100	1,250	1,250
5217 Departmental Supplies	676	250	250	1,000	500
5225 Printing	6,519	10,000	5,000	6,000	6,000
5501 Telephone	3,575	3,800	3,602	3,800	3,820
Total Materials & Services	\$485,138	\$425,020	\$486,635	\$476,200	\$545,515
5621 Information Technology Allocation	\$97,104	\$97,313	\$97,313	\$97,620	\$99,300
5641 Fleet Rental Allocation	16,752	16,750	16,750	4,020	4,020
5642 Fleet Maintenance Allocation	11,913	15,676	14,538	14,580	14,580
5651 Building & Operations Allocation	115,824	96,649	92,661	100,320	101,700
Total Internal Services	\$241,594	\$226,388	\$221,262	\$216,540	\$219,600
Total Operating Expenditures	\$1,846,195	\$1,867,464	\$1,739,934	\$1,975,712	\$2,073,806
6141 Computer Equipment & Software	-	\$42,421	\$42,421	\$2,000	-
Total Capital Projects & Equipment	-	\$42,421	\$42,421	\$2,000	-
Total Expenditures	\$1,846,195	\$1,909,885	\$1,782,355	\$1,977,712	\$2,073,806
Operating Expenditures % Change from 2015/16 Adopted Budget				5.8%	11.0%
Source of Funds					
General Fund	\$1,846,195	\$1,909,885	\$1,782,355	\$1,977,712	\$2,073,806
Total Sources	\$1,846,195	\$1,909,885	\$1,782,355	\$1,977,712	\$2,073,806



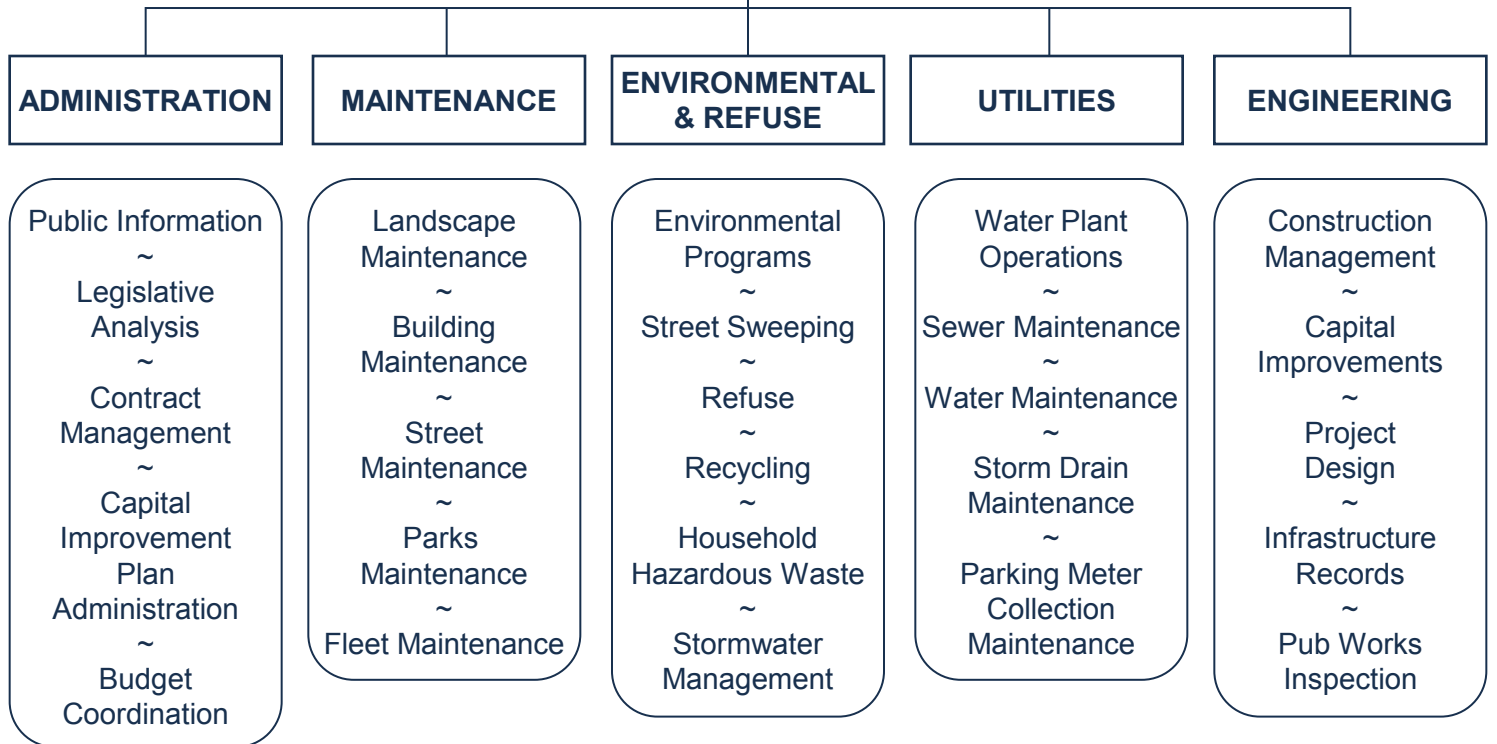
Public Works





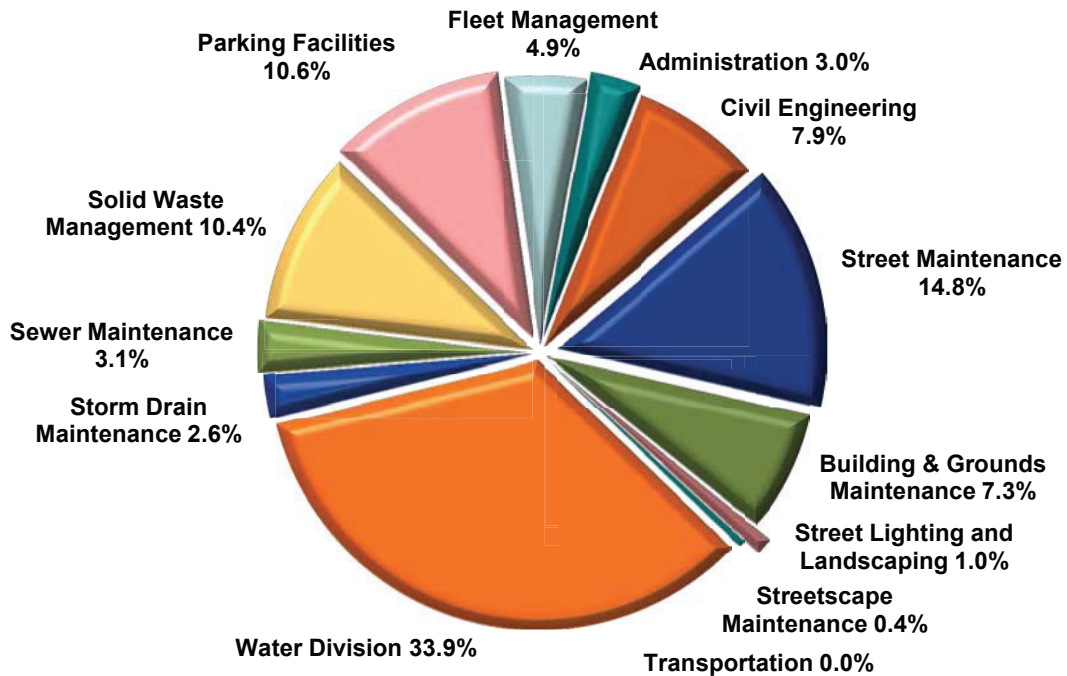
City of Manhattan Beach Public Works Department

**Director of
Public Works**

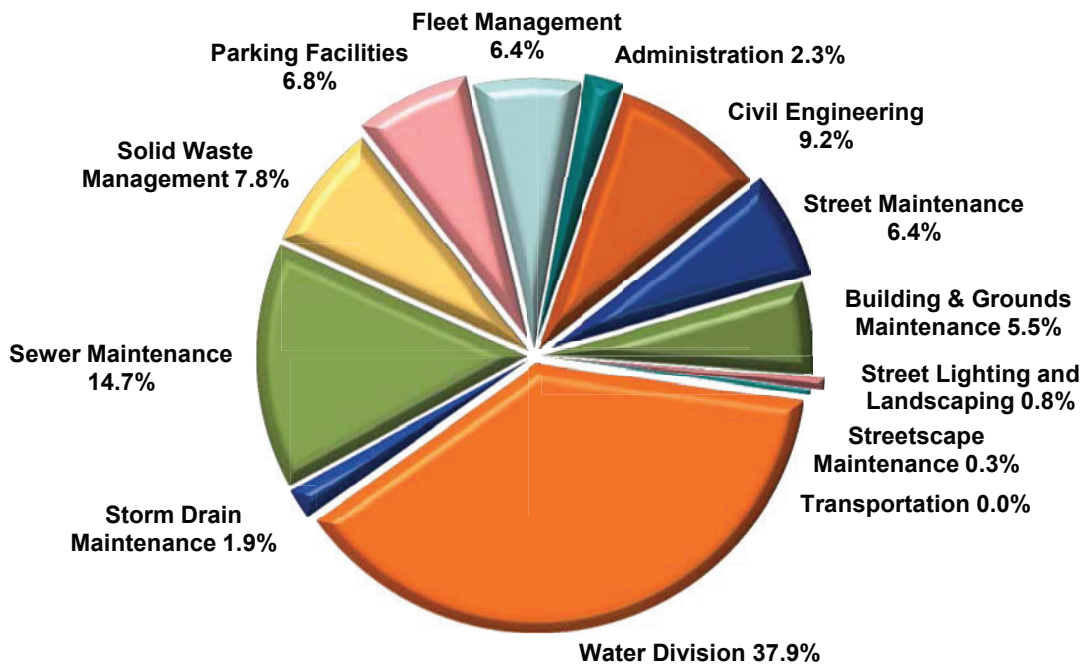


Public Works Department

FY 2016/17
Department Expenditure by Program



FY 2017/18
Department Expenditure by Program



Public Works Department

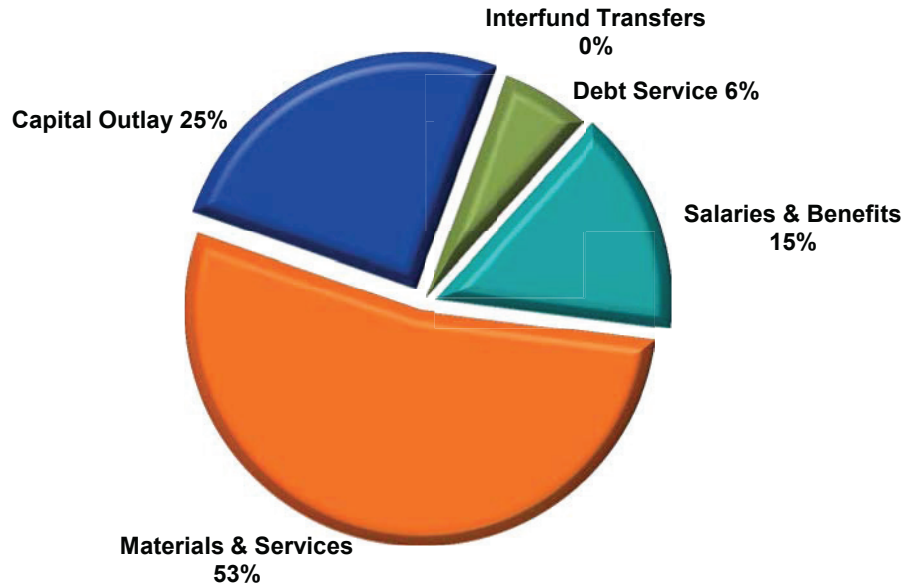


Program Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Administration	\$1,638,445	\$1,598,874	\$1,431,240	\$1,270,302	\$1,306,195
Civil Engineering	3,102,859	8,965,501	3,644,992	3,331,662	5,277,055
Street Maintenance	4,051,773	7,578,761	3,872,582	6,215,938	3,652,050
Building & Grounds Maintenance	2,952,516	2,965,220	2,854,995	3,068,125	3,166,115
Transportation	9,948	11,100	62,571	11,300	11,300
Street Lighting and Landscaping	420,176	424,304	419,626	423,477	432,217
Streetscape Maintenance	213,876	190,525	185,864	180,070	187,577
Water Division	10,445,301	13,545,860	11,679,271	14,271,425	21,758,570
Storm Drain Maintenance	667,623	1,722,344	1,156,891	1,100,267	1,086,718
Sewer Maintenance	1,623,815	2,462,565	1,484,312	1,300,567	8,462,328
Environmental & Refuse	4,009,445	4,267,893	3,992,177	4,374,947	4,460,444
Parking Facilities	3,316,743	6,221,291	4,525,468	4,463,264	3,925,506
Fleet Management	1,966,328	1,869,019	2,315,665	2,046,195	3,675,071
Total	\$34,418,849	\$51,823,257	\$37,625,654	\$42,057,540	\$57,401,147

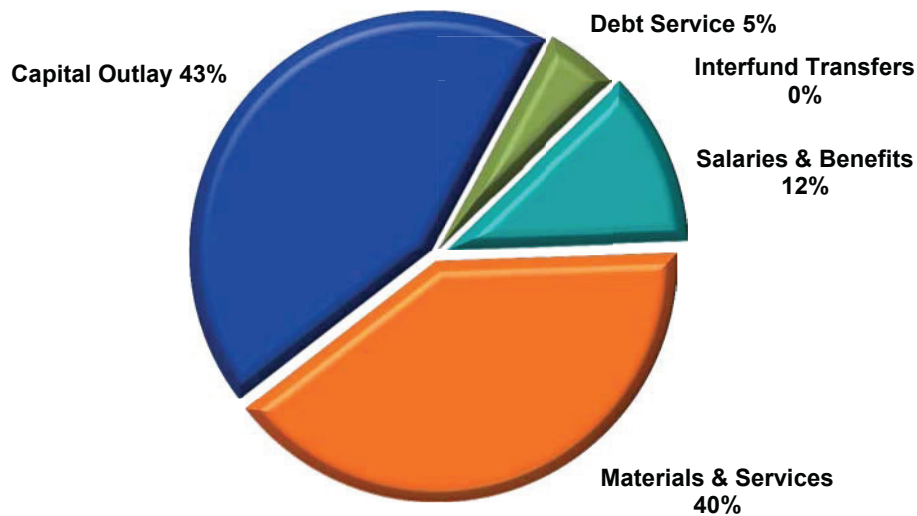
Enterprise Revenues	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Water	\$16,298,725	\$16,063,977	\$14,928,000	\$14,897,000	\$14,994,500
Stormwater	360,025	353,406	356,262	354,300	2,409,300
Wastewater	3,613,357	3,543,910	3,375,500	3,358,500	3,378,300
Refuse	4,077,437	4,190,074	4,219,786	4,282,562	4,313,026
Parking	2,586,147	2,503,797	2,590,797	2,593,000	2,597,000
State & County Lots	1,398,607	1,426,274	1,407,000	1,408,100	1,407,100
Total	\$28,334,298	\$28,081,438	\$26,877,345	\$26,893,462	\$29,099,226
Full-Time Positions	56	56	56	56	56

Public Works Department

FY 2016/17
Department Expenditure by Category



FY 2017/18
Department Expenditure by Category



Category Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Salaries & Benefits	\$5,779,482	\$6,336,895	\$6,059,960	\$6,454,834	\$6,692,025
Materials & Services	20,841,774	21,608,542	21,731,445	22,413,709	23,026,363
Capital Outlay	5,195,904	21,290,557	7,243,587	10,621,131	24,900,376
Debt Service	2,580,301	2,568,210	2,571,609	2,549,859	2,764,376
Interfund Transfers	21,388	19,053	19,053	18,007	18,007
Total	\$34,418,849	\$51,823,257	\$37,625,654	\$42,057,540	\$57,401,147

Mission

To create a safe, clean and well maintained environment for our community through responsive customer service and effective management of the City's infrastructure.

Department Overview

Public Works is one of the City's largest departments, responsible for the operation and maintenance of all public infrastructure located in the public-right-of-way and City properties. Public Works is composed of five divisions including Administration, Engineering, Utilities, Maintenance, and Environmental Programs. In general, Administration manages the day-to-day departmental operations such as payroll, tracking of service requests, clerical, and overall customer service. Engineering develops and manages the City's Capital Improvement Plan. Utilities division operates and maintains the City's sewer, storm drain, and water systems. Maintenance oversees the upkeep of City streets, parks, facilities, fleet, and street sweeping. Environmental Programs implements the City's goals towards sustainability including energy efficiency and environmental policies. Environmental Programs also oversees the City's refuse contract, which includes waste hauling and the City's recycling programs in conformance with State laws.

This department is essential to the quality of life experienced by the Manhattan Beach community. Standard elements of urban living such as access to high quality running water, a reliable sewer system, well-maintained roads and cleanliness through convenient refuse and street sweeping programs are crucial. A superior level of service is provided by the Public Works Department and its contractors, which sets Manhattan Beach apart from other communities.

Accomplishment Highlights FY 2015/16

Utilities Division

- The National Pollution Discharge Elimination System Permit mandated Enhanced Watershed Management and Coordinated Integrated Management Programs were completed and approved by the Regional Water Quality Control Board.
- The City's water 120 mile distribution system was flushed using a patented process that eliminates wasting water that is normally flushed into the City's storm drains. The process pumps water through a trailer mounted filtration system, disinfects it and recirculates the water back into the water distribution system.

Maintenance Division

- Street Maintenance Division completed Section 3 concrete repairs, including four ADA ramps.
- Street Maintenance crews built two concrete bench alcoves on Fourth and Sixth Streets between the Strand and Bike path. Donated benches with their associated plaques have been installed at both locations.
- The City contracted with West Coast Arborists to provide comprehensive tree care and manage an online maintenance history of the tree inventory.
- All street trees under City maintenance were inspected and trimmed as needed.
- Newly created position of Urban Forester was filled. This position has assumed overall oversight responsibility for all trees in the City.

Public Works

- First draft of the Urban Forest Master Plan was completed.
- Crews have completed the work on the street name sign replacement project.
- Facilities crews remodeled the Management Services space at City Hall area, which included programmable LED lighting to maximize efficiency and control in the remodeled space. The project also replaced the existing solid wood doors with full height glass paned door to brighten the work space in the administrative support area.
- Facility crews have installed smart TVs throughout the various departments and buildings in the City, including the power and data required to support the devices.
- Facility crews remodeled the Public Works Training Room, installing title 24 compliant LED lighting, new ceiling tiles, new carpet squares and applied a fresh coat of paint.
- Public Safety provided smart TVs and related equipment for the purpose of upgrading the Public Works training room into a functional Department Operational Center during minor and major emergency events.
- Southern California Edison light surveys and County traffic light surveys were conducted.
- Metlox Plaza lighting converted to LEDs and additional lighting added.
- 11 vehicles were purchased and put into service.

Engineering Division

- The vacant City Engineer position was filled.
- More than 13 Capital Improvement projects were completed including the Sepulveda Water Main, Strand Wall Enhancement, Section 2 and 3 Water Pipe Replacement, Sepulveda Boulevard / Marine Intersection Improvements, City Yard Cover, and Downtown Crosswalk Replacement projects.
- Initiated the concept of as-needed engineering contracts to help streamline the consultant procurement process and expedite completion of capital improvement projects.
- Coordinated with SCE on their 4KV to 16KV Electrical infrastructure Project that encompassed almost two thirds of the City.
- Coordinated with Southern California Gas Company on the installation of their smart meters to allow residents to more closely monitor and track their gas usage.

Environmental Programs

- The City maintained its Platinum Level status in the South Bay Cities Council of Governments' Energy Leader Program. Only three out of 15 South Bay Cities earned this status.
- City of Manhattan Beach achieved Spotlight Awards in Agency Greenhouse Gas Reductions (9%) and Community Greenhouse Gas Reductions (9%). City also received recognition in the Sustainability Best Practices category and achieved the Platinum Level Spotlight Award.
- On July 7, 2015 City Council adopted a contract amendment with Waste Management to offer a permanent food waste recycling program to both businesses and residential community.
- The City Council expanded upon the Breathe Free MB program by adopting Ordinance No. 15-0019 on October 20, 2015 to institute a smoke-free multi-unit housing program. On December 1, 2015, the City Council also adopted a Tobacco Retail Permit program to help combat youth smoking and limit the sale of flavored tobacco products.
- In 2015, the City welcomed 5 new businesses to its Green Business program, and awarded certificates for their efforts to incorporate sustainability in their business practices. The City also congratulated

Grades of Green for receiving the 2015 South Bay Business Environmental Coalition SEED award in Innovation.

- City participates in the South Bay Clean Power working group. The group has partnered with LA County to explore the feasibility of initiating a CCA program in the region, and expects the results by May 2016. A Community Choice Aggregation program would bring sustainable energy alternatives to the community and ties into the City's greenhouse gas emissions reduction goals, and efforts to update its Climate Action Plan.
- Staff submitted an application to evaluate the purchase of streetlights from SCE.
- The City issued an RFP for a comprehensive energy audit to determine steps to make infrastructure and buildings more energy efficient, and consider the use of renewable energy and energy storage at city facilities.
- Promoted water conservation and sustainable landscaping continued through free classes offered by the Manhattan Beach Botanical Garden. Outreach also encompassed SoCal Water Smart rebates to encourage replacement of lawns with drought tolerant landscaping (until funding was exhausted) and rain barrels.
- In addition to annual participation of the City's environmental programs in Hometown Fair and the Earth Day Celebration at Polliwog Park, the City also staffed an environmental booth at several Farmers Market events, hosted an Earth Day beach cleanup with the MB Library and Surf rider Foundation, and promoted the annual Solar Homes Tour.

Public Works | Administration

Program Overview

The responsibilities within the Administration Division include customer service; preparing department billing and payroll; filing and management of Public Works grants; managing government contracts; and providing administrative support to the various functions of the Public Works Department. The Department's budget and the City's Capital Improvement Plan documents are created by Administrative staff and managed by the respective Public Works Divisions.



Objectives FY 2016/17 & FY 2017/18

- Continue to provide superior service to the community
- Deliver overall direction and leadership for the variety of Public Works services provided to the residents
- Ensure compliance with County, State and Federal requirements

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Director	1	1	1	1
Utilities Manager	1	1	1	1
Wastewater & Electrical Supervisor	1	1	1	1
Maintenance Superintendent	1	1	1	1
Environmental Programs Manager ¹	1	1	-	-
Senior Management Analyst (Refuse/Admin)	0.25	0.25	0.25	0.25
Senior Management Analyst (Engineering/Admin)	0.50	0.50	0.50	0.50
Executive Secretary	1	1	1	1
Total	6.75	6.75	5.75	5.75

¹ Position transferred to Environmental Programs and Refuse in FY 2016/17.

Part-time hours proposed total 500 hours in FY 2016/17 and 500 hours in FY 2017/18.

Public Works | Administration

Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$890,370	\$832,941	\$826,111	\$699,653	\$719,297
4103 Part-time Salaries	16,826	33,950	25,000	21,000	22,000
4111 Overtime Regular Employees	241	500	200	250	250
4201 Group Medical Insurance	94,041	94,824	89,842	85,233	91,380
4202 Medicare Contributions	12,882	12,308	11,401	10,340	10,624
4203 Unemployment	684	480	480	480	480
4204 401A Plan City Contributions	31,288	32,220	27,499	23,778	24,492
4205 Worker's Compensation	29,400	840	840	1,320	1,320
4206 Medical Retirement Contributions	8,736	8,736	8,736	8,736	8,736
4211 PERS Regular Contribution	91,579	104,909	98,046	94,525	105,878
Total Salaries & Benefits	\$1,176,048	\$1,121,708	\$1,088,155	\$945,315	\$984,457
5101 Contract Services	\$30,829	\$30,764	\$30,000	\$16,230	\$16,230
5201 Office Supplies	11,291	10,500	10,500	10,800	11,100
5202 Membership & Dues	4,780	4,939	4,780	790	825
5203 Reference Materials	62	300	150	100	200
5204 Conferences & Meetings	5,552	4,500	4,000	-	-
5205 Training, Conferences & Meetings	599	500	400	3,200	3,300
5207 Advertising	11,408	12,000	13,000	200	200
5208 Postage	193	190	178	200	200
5210 Computers, Supplies & Software	3,021	2,245	100	1,000	500
5214 Employee Awards & Events	2,323	500	500	1,000	1,000
5217 Departmental Supplies	28,466	25,000	25,000	4,850	4,850
5225 Printing	427	150	1,100	450	450
5501 Telephone	7,766	8,300	7,974	8,000	8,040
5502 Electricity	30,536	33,663	31,642	32,116	32,877
5503 Natural Gas	6,177	7,523	6,447	6,544	6,699
Total Materials & Services	\$143,430	\$141,074	\$135,771	\$85,480	\$86,471
5611 Warehouse Services	\$1,495	\$1,500	\$1,500	\$1,500	\$1,500
5621 Information Technology Allocation	87,384	87,582	87,582	87,840	89,340
5631 Insurance Allocation	32,760	74,340	74,340	99,360	103,620
5641 Fleet Rental Allocation	18,204	14,570	14,570	12,480	12,480
5642 Fleet Maintenance Allocation	11,913	11,073	10,269	10,320	10,320
Total Internal Services	\$151,757	\$189,065	\$188,261	\$211,500	\$217,260
Total Operating Expenditures	\$1,471,234	\$1,451,847	\$1,412,187	\$1,242,295	\$1,288,188
6141 Computer Equipment & Software	-	\$10,000	-	\$10,000	-
6212 CIP Bldg & Facilities - CYr	145,822	117,974	-	-	-
Total Capital Projects & Equipment	\$145,822	\$127,974	-	\$10,000	-
9101 Transfers Out	\$21,388	\$19,053	\$19,053	\$18,007	\$18,007
Total Transfers	\$21,388	\$19,053	\$19,053	\$18,007	\$18,007
Total Expenditures	\$1,638,445	\$1,598,874	\$1,431,240	\$1,270,302	\$1,306,195
Operating Expenditures % Change from 2015/16 Adopted Budget				-14.4%	-11.3%
Source of Funds					
General Fund	\$1,492,622	\$1,480,900	\$1,431,240	\$1,270,302	\$1,306,195
Capital Improvement	145,822	117,974	-	-	-
Total Sources	\$1,638,445	\$1,598,874	\$1,431,240	\$1,270,302	\$1,306,195

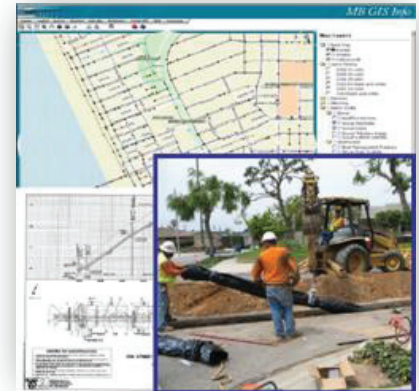
Public Works | Civil Engineering

Program Overview

The Engineering Division of the Public Works Department is tasked with improving the City's infrastructure and facility assets. The Division completes capital improvement projects to improve City streets, sewers, water mains, storm drains, pump stations, City buildings, parks and other City-owned assets. The Engineering Division also manages traffic signal maintenance, and reviews and inspects private development work in the public right-of-way.

Significant projects to be pursued in Fiscal Year 2016/2017 include the Peck Reservoir Replacement Project, as well as other transportation related improvement projects including the construction of several pedestrian improvement projects, dual left turn lanes on Manhattan Beach Boulevard at Sepulveda Boulevard, and various street resurfacing projects throughout the City.

Design will be initiated for City water system improvements at the Larsson pump station, and Peck Reservoir. Resurfacing of the streets at Manhattan Avenue/Highland Avenue (1st Street to 8th Street) will be performed. Design will start on street improvements for Manhattan Beach Boulevard (Sepulveda Blvd to Aviation Blvd) and Marine (Sepulveda Blvd to Aviation Blvd). Strand Stairs Improvements are under construction with an estimated completion date of November 2016. Design will also start for City sewer system improvements including sewer mains east of Sepulveda Boulevard and upgrades at the Poinsettia lift station site. An annual City facility building rehabilitation project and a City parking structure rehabilitation project will be performed based on findings of assessment studies completed in FY 2013/2014. In addition, construction will begin for the Pier Improvements project which includes rehabilitation of the Roundhouse, comfort station and Pier utilities.



Objectives FY 2016/17 & FY 2017/18

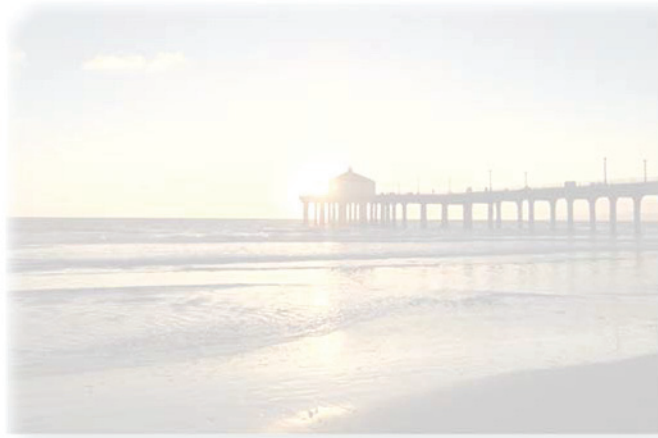
- Implement water and wastewater system improvement projects
- Work with Community Development Department staff to implement community vehicle, bicycle and pedestrian improvements.
- Complete design and begin construction of the Sepulveda Bridge Widening Project
- Provide coordination and oversight of utility undergrounding work including design, construction, assessments and Proposition 218 balloting

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
City Engineer	1	1	1	1
Engineering Technician I/II	1	1	1	1
Principal Civil Engineer	1	1	1	1
Public Works Inspector	1	1	1	1
Secretary	1	1	1	1
Senior Civil Engineer	2	2	2	2
Senior Management Analyst (Engineering/Admin)	0.50	0.50	0.50	0.50
Total	7.50	7.50	7.50	7.50

Part-time hours proposed total 500 hours in FY 2016/17 and 500 hours in FY 2017/18.

Public Works| Civil Engineering

Civil Engineering		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4101	Salaries & Allowances	\$788,601	\$778,596	\$842,077	\$774,040	\$793,887
4103	Part-time Salaries	13,618	12,240	6,000	21,000	21,500
4111	Overtime Regular Employees	58	1,015	1,500	2,240	2,280
4201	Group Medical Insurance	87,189	85,720	93,395	114,604	124,275
4202	Medicare Contributions	11,335	11,500	11,524	11,223	11,511
4204	401A Plan City Contributions	17,673	18,274	17,361	17,664	18,194
4205	Worker's Compensation	-	-	-	1,320	1,320
4206	Medical Retirement Contributions	8,664	8,664	8,664	8,664	8,664
4211	PERS Regular Contribution	87,959	98,937	99,642	105,490	117,848
Total Salaries & Benefits		\$1,015,096	\$1,014,946	\$1,080,163	\$1,056,245	\$1,099,479
5101	Contract Services	\$103,980	\$2,820	\$62,820	\$61,750	\$61,750
5104	Computer Contract Services	-	2,000	7,000	2,000	2,000
5202	Membership & Dues	730	915	915	1,000	1,000
5203	Reference Materials	560	350	200	350	400
5204	Conferences & Meetings	1,653	2,235	1,500	-	-
5205	Training, Conferences & Meetings	423	1,500	1,500	3,760	3,760
5206	Uniforms/Safety Equip	659	604	605	856	900
5207	Advertising	1,595	1,200	1,200	1,200	1,200
5208	Postage	8,118	5,400	5,049	5,200	5,200
5210	Computer Supplies & Software	-	5,000	5,173	2,500	7,700
5212	Office Equip Maintenance	1,700	2,000	2,000	2,000	2,000
5217	Departmental Supplies	4,529	3,010	5,000	5,000	5,250
5225	Printing	3,278	550	550	950	950
5501	Telephone	7,151	7,700	7,299	7,300	7,337
Total Materials & Services		\$134,376	\$35,284	\$100,811	\$93,866	\$99,447
5611	Warehouse Services	\$566	\$650	\$650	\$650	\$650
5621	Information Technology Allocation	77,676	77,851	77,851	78,060	79,440
5641	Fleet Rental Allocation	12,720	13,300	13,300	8,340	8,340
5642	Fleet Maintenance Allocation	4,917	6,469	5,999	6,000	6,000
5651	Building & Operations Allocation	69,494	72,486	69,495	75,240	76,260
Total Internal Services		\$165,374	\$170,756	\$167,295	\$168,290	\$170,690
Total Operating Expenditures		\$1,314,846	\$1,220,986	\$1,348,269	\$1,318,401	\$1,369,616
6141	Computer Equipment & Software	-	-	-	2,000	-
6222	CIP Street Improvement - CYr	822,888	1,960,000	606,880	190,000	1,510,000
6232	CIP Utility Improvements - CYr	-	358,399	458,071	-	-
6252	CIP Landscape & Site - CYr	10,669	1,572,910	109,373	-	-
6263	Infrastructure Improvements	662	2,903,168	172,361	877,000	1,450,000
Total Capital Projects & Equipment		\$834,220	\$6,794,477	\$1,346,685	\$1,069,000	\$2,960,000
7101	Bond Principal	\$545,000	\$565,000	\$565,000	\$585,000	\$615,000
7102	Bond Interest	400,389	376,538	376,538	351,261	324,439
7103	Bond Administration Fee	8,404	8,500	8,500	8,000	8,000
Total Debt Service		\$953,793	\$950,038	\$950,038	\$944,261	\$947,439
Total Expenditures		\$3,102,859	\$8,965,501	\$3,644,992	\$3,331,662	\$5,277,055
Operating Expenditures % Change from 2015/16 Adopted Budget					8.0%	12.2%
Source of Funds						
General Fund		\$1,314,846	\$1,220,986	\$1,348,269	\$1,320,401	\$1,369,616
Prop C		822,888	2,318,399	1,064,951	190,000	1,510,000
Capital Improvement		11,332	4,476,078	281,734	877,000	1,450,000
Special Assessment Redemption Fund		953,793	950,038	950,038	944,261	947,439
Total Sources		\$3,102,859	\$8,965,501	\$3,644,992	\$3,331,662	\$5,277,055



Program Overview

The Street Maintenance Division shifted its pavement marking resource emphasis on annual curb markings, parking lot markings, and modifications to existing inventory, having completed the thermoplastic conversion process. Staff continues to drive repairs by cycling through the established seven maintenance districts whereby every area of the City is routinely inspected for pavement defects, condition of signs and markings, sidewalk displacements and tree related issues.

Staff will continue to target speedy graffiti removal from private property to meet the City's 24 hour abatement window, and ensuring all field staff has supplies and materials on hand to abate minor tagging when encountered

The Fiscal Years 2016/2017 & 2017/2018 initiatives include the continued application of long lasting MMA pavement markings on concrete streets to complement thermoplastic pavement markings on asphaltic surfaces. The budget includes funds for landscaping, tree trimming, street medians maintenance, and supplies such as cement, concrete, asphalt, and other related materials as budgeted in departmental supplies (object 5217).



Objectives FY 2016/17/18

- Maintain thermoplastic markings and continue addition of MMA (meth methacrylate) resin markings to concrete streets to complement pavement marking program.
- Complete Sections 4 and 5 concrete repairs through the identification of displaced sidewalks and the notification of property owners
- Continue gathering metrics for sign inventory to ensure all signs meet standards for reflectivity and project upcoming sign needs for budget forecasting
- Continue view obstruction abatements as part of the sign management program
- Continue working with Traffic Engineer to modify and install signage and markings as directed
- Assist with street improvements for annual slurry program, upcoming sewer and water line replacement projects, and other capital improvement street projects
- Continue Sepulveda sidewalk repairs through the subsidized Caltrans Delegated Maintenance Agreement
- Emphasize speedy response to pothole repairs and other pavement defects
- Provide support for special events, partner with event coordinators to reduce costs, and use the GovOutreach work order system to streamline processes and job costing
- Continue to pursue the use of environmentally sustainable and/or recycled materials.

Major Service Delivery Changes

New in mid-year 2016 is the newly hired Urban Forester. The first draft of the Urban Forest Master Plan recommended a dedicated professional to manage the City's trees and maintain the current tree inventory database. Reassignment of a currently vacant position will allow dedicated tree contract management,

Public Works| Street Maintenance

inspection, risk assessment and resident outreach. The Urban Forester position is a certified arborist with duties that include tree species selection, inspection, trimming, permitting, removals, and any potential utility or hardscape conflicts. Tree management is currently handled by several individuals through the Community Development Department and Public Works.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Maintenance Worker IV	2	2	2	2
Secretary	1	1	1	1
Maintenance Worker III	-	-	-	-
Maintenance Worker I/II	10.5	9.5	9.5	9.5
Urban Forester	-	1	1	1
Total	13.5	13.5	13.5	13.5

Public Works | Street Maintenance

Street Maintenance Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$695,964	\$824,575	\$715,528	\$866,763	\$883,474
4111 Overtime Regular Employees	11,963	9,830	12,700	12,000	12,265
4114 Overtime Special Events	23,144	26,080	26,080	32,655	33,330
4201 Group Medical Insurance	141,664	167,766	143,117	163,493	174,239
4202 Medicare Contributions	9,133	10,739	9,310	11,340	11,546
4203 Unemployment	10,764	7,500	7,500	7,500	7,500
4204 401A Plan City Contributions	4,211	4,158	4,250	6,272	6,460
4205 Worker's Compensation	181,500	-	-	1,320	1,320
4206 Medical Retirement Contributions	15,384	15,384	15,384	15,384	15,384
4211 PERS Regular Contribution	78,529	105,735	90,097	119,063	132,157
Total Salaries & Benefits	\$1,172,255	\$1,171,767	\$1,023,966	\$1,235,790	\$1,277,675
5101 Contract Services	\$286,637	\$253,070	\$352,870	\$263,100	\$275,220
5202 Membership & Dues	-	320	160	320	320
5205 Training, Conferences & Meetings	1,544	2,645	2,000	7,595	7,595
5206 Uniforms/Safety Equip	5,069	6,919	5,884	7,276	7,650
5207 Advertising	696	300	300	300	300
5210 Computer Supplies & Software	5,642	6,590	1,745	3,100	-
5214 Employee Awards & Events	53	-	-	-	-
5217 Departmental Supplies	167,638	139,855	210,774	143,200	152,820
5502 Electricity	36,119	38,788	35,104	35,631	36,475
5504 Water	77,663	65,719	63,572	64,526	66,055
Total Materials & Services	\$581,060	\$514,206	\$672,409	\$525,048	\$546,435
5611 Warehouse Services	\$3,866	\$4,000	\$4,000	\$4,000	\$4,000
5621 Information Technology Allocation	67,968	68,119	68,119	68,280	69,480
5631 Insurance Allocation	302,820	148,980	148,980	316,140	327,780
5641 Fleet Rental Allocation	177,312	182,280	182,280	111,480	111,480
5642 Fleet Maintenance Allocation	103,422	112,393	104,233	115,200	115,200
Total Internal Services	\$655,388	\$515,772	\$507,612	\$615,100	\$627,940
Total Operating Expenditures	\$2,408,704	\$2,201,745	\$2,203,987	\$2,375,938	\$2,452,050
6121 Machinery & Equipment	\$2,000	-	\$120,000	-	-
6222 CIP Street Improvement - CYr	1,641,069	5,377,016	1,548,595	3,840,000	1,200,000
Total Capital Projects & Equipment	\$1,643,069	\$5,377,016	\$1,668,595	\$3,840,000	\$1,200,000
Total Expenditures	\$4,051,773	\$7,578,761	\$3,872,582	\$6,215,938	\$3,652,050
Operating Expenditures % Change from 2015/16 Adopted Budget				7.9%	11.4%
Source of Funds					
General Fund	\$2,410,704	\$2,201,745	\$2,323,987	\$2,375,938	\$2,452,050
Gas Tax Fund	1,585,013	2,752,541	479,372	1,990,000	750,000
Prop C	-	150,000	15,000	-	-
Measure R	-	335,000	88,000	1,185,000	175,000
Capital Improvement Fund	56,056	2,139,475	966,223	665,000	275,000
Total Sources	\$4,051,773	\$7,578,761	\$3,872,582	\$6,215,938	\$3,652,050

Program Overview

The Building and Grounds maintenance services are delivered through a combination of skilled City maintenance employees and competitively bid outside service contracts. This program is responsible for the preparation and maintenance of parks facilities, school athletic fields which are under City control, City Buildings, and select capital improvement projects. This division also provides electrical support to numerous special events such as the Pier lighting, Pier fireworks, Old Hometown Fair, and Earth Day, as well as reviews of all Public Works construction projects that involve electrical systems.



Objectives FY 2016/17 & 2017/18

- Continue to monitor service contracts to ensure quality service is delivered in a timely and cost effective manner
- Assist Engineering Division to ensure Pier and Comfort Station Rehabilitation project flows smoothly and to highest quality standards
- Assist Engineering project team with implementation of rehabilitation and repair projects as identified in the Facilities Assessment
- Continue monitoring all street lighting through routine night inspections and work closely with Southern California Edison to ensure outage notifications and service obligations are met
- Continue partnership with the Manhattan Beach Little League, American Youth Soccer Organization, and MBUSD to continue sustainable maintenance programs and raise level of field playability and aesthetics.
- Continue partnership with various businesses and groups during the year to support the many special events that occur throughout the City, and work on ways to contain event costs
- Ensure Civic Center landscape plantings and maintenance practices complement new County Library.
- Utilize all sustainable environmental practices at the City's disposal to implement City's Green Initiative
- Develop and implement new janitorial maintenance contract to maximize budget savings without compromising sanitary and cleanliness standards
- Renovate Sand Dune Park Restrooms and adjacent area.
- Renovate Manhattan Heights Building 6 Restrooms.

Major Service Delivery Changes

The overall Buildings & Grounds budget will stabilize due to the implementation of the first group of projects identified in the Facilities Assessment Report. In-house painting and Facility CIP projects that include painting will generate cost savings for painting contracts that have been part of the maintenance budget. In addition, the Electrician has been reallocated to more accurately reflect the actual time spent on in-house electrical work.

Public Works | Building & Grounds

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Maintenance Worker IV	1	1	1	1
Building Repair Craftsperson	4	4	4	4
Maintenance Worker I/II	1	1	1	1
Total	6.0	6.0	6.0	6.0

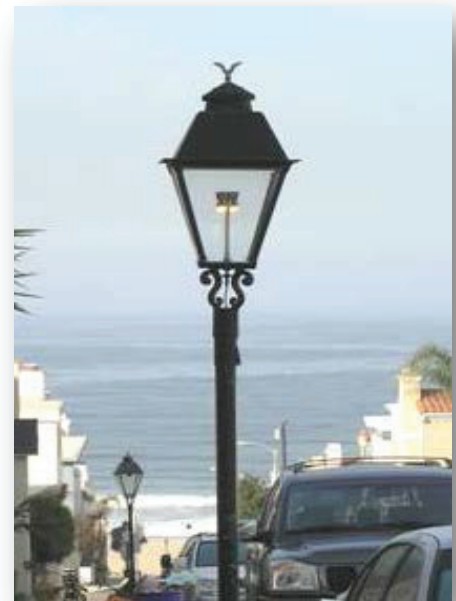
Building & Grounds Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$405,561	\$381,482	\$318,436	\$388,743	\$395,775
4111 Overtime Regular Employees	16,570	7,020	13,936	13,350	13,860
4201 Group Medical Insurance	63,196	63,408	53,490	61,462	65,488
4202 Medicare Contributions	6,053	5,532	4,863	5,637	5,739
4204 401A Plan City Contributions	2,120	2,100	1,145	2,036	2,098
4205 Worker's Compensation	-	360	360	1,320	1,320
4206 Medical Retirement Contributions	5,784	5,784	5,784	5,784	5,784
4211 PERS Regular Contribution	45,419	48,910	39,638	53,438	59,245
Total Salaries & Benefits	\$544,702	\$514,596	\$437,652	\$531,771	\$549,310
5101 Contract Services	\$1,397,013	\$1,439,230	\$1,440,167	\$1,565,465	\$1,627,145
5203 Reference Materials	-	-	315	-	-
5204 Conferences & Meetings	41	-	-	-	-
5205 Training, Conferences & Meetings	1,490	4,500	4,500	4,500	4,500
5206 Uniforms/Safety Equip	3,254	4,070	4,156	4,286	4,500
5207 Advertising	1,985	1,000	50	1,000	1,000
5209 Tools & Minor Equip	-	-	-	-	-
5210 Computer Supplies & Software	8,351	4,973	4,973	8,500	1,000
5217 Departmental Supplies	336,025	279,149	282,020	259,145	270,890
5225 Printing	-	150	150	150	150
5501 Telephone	832	830	1,067	1,100	1,105
5502 Electricity	149,755	159,309	162,921	165,366	169,286
5503 Natural Gas	4,627	6,809	4,680	4,751	4,863
5504 Water	376,860	410,698	374,771	380,391	389,406
Total Materials & Services	\$2,280,231	\$2,310,718	\$2,279,770	\$2,394,654	\$2,473,845
5611 Warehouse Services	\$15,909	\$19,660	\$19,666	\$19,660	\$19,660
5621 Information Technology Allocation	29,124	27,434	27,434	29,280	29,820
5631 Insurance Allocation	4,800	12,300	12,300	2,340	3,060
5641 Fleet Rental Allocation	48,684	48,290	48,290	48,960	48,960
5642 Fleet Maintenance Allocation	27,987	32,222	29,883	41,460	41,460
Total Internal Services	\$126,504	\$139,906	\$137,573	\$141,700	\$142,960
Total Operating Expenditures	\$2,951,438	\$2,965,220	\$2,854,995	\$3,068,125	\$3,166,115
6111 Furniture & Fixtures	1,078	-	-	-	-
Total Capital Projects & Equipment	\$1,078	-	-	-	-
Total Expenditures	\$2,952,516	\$2,965,220	\$2,854,995	\$3,068,125	\$3,166,115
Operating Expenditures % Change from 2015/16 Adopted Budget				3.5%	6.8%
Source of Funds					
General Fund	\$1,446,522	\$1,397,013	\$1,376,661	\$1,479,360	\$1,525,946
Building Maintenance	1,505,994	1,568,207	1,478,334	1,588,765	1,640,169
Total Sources	\$2,952,516	\$2,965,220	\$2,854,995	\$3,068,125	\$3,166,115

Public Works | Street Lighting & Landscaping

Program Overview

In the early 1970's, the City formed several Street Lighting & Landscaping Assessment Districts pursuant to the Landscaping and Lighting Act of 1972. Through an assessment paid by property owners, this program provides for the payment of energy and maintenance costs of one thousand, eight hundred and eighty five (1,885) street lights. The method of assessment, which was approved at the time of the district's formation, is a proportion of the estimated benefit to be received by such lots and parcels. It is collected by Los Angeles County through the property tax rolls, and remitted to the City.

In Fiscal Year 2014/2015, the assessment rate was reviewed and recommendations developed through an assessment engineering study were presented to City Council. There are no expected changes to the assessment in Fiscal Years 2016/2017 & 2017/2018. The General Fund currently subsidizes the current fund in order to cover operating costs.



Objectives FY 2016/17 & FY 2017/18

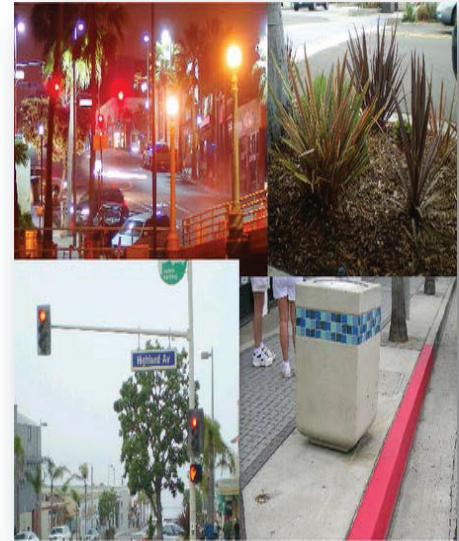
- Continue to seek grant funding to offset energy efficient lighting retrofits costs throughout the City
- Continued use of the Government Outreach web application to manage failed lamp reporting
- Perform quarterly lighting surveys to ensure street lights are working properly
- Continue to retrofit City owned street lighting to LED as parts wear and fail
- Explore purchase of streetlights from SCE as part of City's overall conservation plan

Street Lighting & Landscaping		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
5101	Contract Services	\$6,940	\$11,000	\$14,500	\$11,000	\$11,000
5207	Advertising	-	400	-	400	400
5217	Departmental Supplies	3,951	6,000	6,000	7,500	7,500
5502	Electricity	295,836	298,584	293,549	297,953	305,014
5503	Natural Gas	70,201	72,545	69,802	70,849	72,528
Total Materials & Services		\$376,928	\$388,529	\$383,851	\$387,702	\$396,442
5601	Administrative Service Charge	\$43,248	\$35,775	\$35,775	\$35,775	\$35,775
Total Internal Services		\$43,248	\$35,775	\$35,775	\$35,775	\$35,775
Total Operating Expenditures		\$420,176	\$424,304	\$419,626	\$423,477	\$432,217
Operating Expenditures % Change from 2015/16 Adopted Budget					-0.2%	1.9%
Source of Funds						
Street Lighting & Landscaping		\$272,932	\$270,621	\$270,621	\$270,621	\$270,621
Subsidy from General Fund (Transfer In)		147,244	153,683	149,005	152,856	161,596
Total Sources		\$420,176	\$424,304	\$419,626	\$423,477	\$432,217

Program Overview

Zone 10 of the Manhattan Beach Street Lighting & Landscaping Assessment District was established as a Streetscape District. The method of assessment to the property owners, which was approved at the time of the district's formation, was in proportion to the property's street frontage in the Downtown area. This assessment is collected by Los Angeles County through the property tax rolls and remitted to the City.

In Fiscal Year 2015/2016 the total assessments collected for this zone, which have remained unchanged for several years, will total approximately \$107,500, while total operating expenditures exceed the assessment revenue. The City's General Fund subsidizes this shortfall. An Assessment District vote would be required to correct this imbalance. The Fiscal Year 2015/2016 budget includes power washing, landscape maintenance and pest control which appear under Contract Services (object 5101).



Objectives FY 2016/17 & FY 2017/18

- Work in conjunction with Engineering staff, Downtown Business Association, and all other stakeholders in developing a rehabilitation plan for Downtown Streetscape
- Replace traffic signal poles and signal heads, as required.
- Upgrade illuminated signs with new hangers and convert signage backlighting to energy and maintenance efficient LEDs.
- Ensure high level landscape and custodial maintenance in the Downtown area through continued weekend power washing service during peak season (April through September)
- Continue monitoring maintenance contract

Streetscape Maintenance		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
5101	Contract Services	\$122,857	\$118,555	\$118,555	\$124,500	\$130,730
5217	Departmental Supplies	14,664	18,900	18,900	18,900	19,845
5502	Electricity	10,286	10,875	9,476	9,618	9,846
5504	Water	6,129	6,678	4,323	4,388	4,492
Total Materials & Services		\$153,935	\$155,008	\$151,254	\$157,406	\$164,913
5601	Administrative Service Charge	\$41,988	\$15,364	\$15,364	\$15,364	\$15,364
5611	Warehouse Services	-	345	-	100	100
5641	Fleet Rental Allocation	12,072	12,070	12,070	-	-
5642	Fleet Maintenance Allocation	5,881	7,738	7,176	7,200	7,200
Total Internal Services		\$59,941	\$35,517	\$34,610	\$22,664	\$22,664
Total Operating Expenditures		\$213,876	\$190,525	\$185,864	\$180,070	\$187,577
Operating Expenditures % Change from 2015/16 Adopted Budget					-5.5%	-1.5%
Source of Funds						
Streetlighting & Landscape		\$130,096	\$126,559	\$126,559	\$125,513	\$125,513
Subsidy from General Fund (Transfer In)		83,780	63,966	59,305	54,557	62,064
Total Sources		\$213,876	\$190,525	\$185,864	\$180,070	\$187,577

Program Overview

Administration

The City's water storage and distribution system is comprised of two reservoirs with a combined storage capacity of 10 million gallons; one elevated storage tank with a storage capacity of 300,000 gallons; one imported water connection with the Metropolitan Water District of Southern California with a production capacity of 5,000 gallons per minute; two groundwater wells with a total production capacity of 3,500 gallons per minute; booster stations with a total delivery capacity of 14,800 gallons per minute; two 18 inch emergency water transmission line connections with the City of El Segundo and California Water Service Company; five emergency generators at the wells and booster stations; approximately 112 miles of water distribution pipelines ranging in diameter from 4" to 24"; 1700 gate valves; and 230 backflow devices.



Objectives FY 2016/17 & FY 2017/18

- Provide excellent customer service by way of rapid response to service interruption, water quality inquiries and advance notification of the Water Division's field activities.
- Operate and maintain the water Plant and Distribution systems infrastructure consistent with industry-wide preventative maintenance standards.
- Perform water conservation outreach to the community, emphasizing the need to continue conserving water, and encourage water conservation measures that permanently reduce water in conformance to State mandated levels.
- Maintain reporting requirements to all regulatory agencies, including the Environmental Protection Agency and the State Water Resources Control Board.

Public Works | Water Division

Water Administration Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4220 Accrued Leave	(2,757)	-	-	-	-
Total Salaries & Benefits	(\$2,757)	-	-	-	-
5101 Contract Services	3,149	-	-	-	-
5217 Departmental Supplies	38	-	-	-	-
5231 Bank Service Charge	21,349	25,000	27,000	27,000	27,000
5501 Telephone	2,401	2,400	2,532	2,550	2,563
5503 Natural Gas	1,490	328	286	290	297
Total Materials & Services	\$28,427	\$27,728	\$29,818	\$29,840	\$29,860
5601 Administrative Service Charge	\$1,349,184	\$1,643,157	\$1,643,157	\$1,643,157	\$1,643,157
5611 Warehouse Services	1	-	-	-	-
5621 Information Technology Allocation	-	-	-	-	-
5641 Fleet Rental Allocation	8,172	5,710	5,710	5,820	5,820
5642 Fleet Maintenance Allocation	-	1,866	1,513	1,740	1,740
5651 Building & Operations Allocation	121,546	124,341	119,210	130,740	134,100
Total Internal Services	\$1,478,903	\$1,775,074	\$1,769,590	\$1,781,457	\$1,784,817
Total Operating Expenditures	\$1,504,573	\$1,802,802	\$1,799,408	\$1,811,297	\$1,814,677
6212 CIP Bldg & Facilities - CYr	\$230,132	\$841,228	\$70,773	\$865,000	\$7,800,000
6232 CIP Utility Improvements - CYr	72,675	863,606	114,159	2,670,000	2,670,000
6242 CIP Line Improvements - CYr	1,292,456	1,720,519	1,479,467	-	200,000
Total Capital Projects & Equipment	\$1,595,263	\$3,425,353	\$1,664,399	\$3,535,000	\$10,670,000
7101 Bond Principal	\$117,293	\$117,293	\$117,293	\$123,996	\$127,347
7102 Bond Interest	58,077	53,519	55,864	48,694	44,304
7103 Bond Administration Fee	368	500	400	350	350
Total Debt Service	\$175,738	\$171,312	\$173,557	\$173,040	\$172,001
Total Expenditures	\$3,275,574	\$5,399,467	\$3,637,364	\$5,519,337	\$12,656,678
Operating Expenditures % Change from 2015/16 Adopted Budget				0.5%	0.7%
Source of Funds					
Water	\$3,275,574	\$5,399,467	\$3,637,364	\$5,519,337	\$12,656,678
Total Sources	\$3,275,574	\$5,399,467	\$3,637,364	\$5,519,337	\$12,656,678



Source of Supply

Approximately 72% (1.3 billion gallons) of the City's water supply is provided by the Metropolitan Water District (MWD) and 38% (675 million gallons) is supplied through City-owned groundwater rights in the West Coast Groundwater Basin. The City offsets the cost of higher priced MWD of Southern California water through leasing of less expensive groundwater rights from agencies with surplus groundwater rights, while maintaining high water quality.

Objectives FY 2016/17 & FY 2017/18

- Decrease use of higher-cost imported water.
- Achieve and maintain the State mandated reduction in water demand through a water conservation outreach program to address the current water drought and to comply with the water conservation requirement of the Urban Water Management Plan. The outreach program will include water conservation messages on street banners, billing inserts and mailers, public events and through the City's website.
- The City will collaborate with the West Basin Municipal Water District, Water Replenishment District and Metropolitan Water District in offering water conservation education programs to the public, including drought tolerant plants, irrigation control devices and turf removal.
- The City will pursue options on purchasing groundwater rights from West Basin groundwater agencies that own excess water rights in order to become less reliant on imported water from the Metropolitan Water District.

Water Source of Supply Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
5101 Contract Services	\$4,304,736	\$5,016,013	\$5,016,013	\$5,201,600	\$5,461,475
5202 Membership & Dues	7,286	1,796	1,796	1,899	1,955
5204 Conferences & Meetings	440	-	-	-	-
5205 Training, Conferences & Meetings	205	-	-	-	-
5502 Electricity	1,183	1,348	1,019	1,035	1,060
Total Materials & Services	\$4,313,850	\$5,019,157	\$5,018,828	\$5,204,534	\$5,464,490
Total Operating Expenditures	\$4,313,850	\$5,019,157	\$5,018,828	\$5,204,534	\$5,464,490
6212 CIP Bldg & Facilities - CYr	-	-	-	\$300,000	\$250,000
Total Capital Projects & Equipment	-	-	-	\$300,000	\$250,000
Total Expenditures	\$4,313,850	\$5,019,157	\$5,018,828	\$5,504,534	\$5,714,490
Operating Expenditures % Change from 2015/16 Adopted Budget				3.7%	8.9%
Source of Funds					
Water	\$4,313,850	\$5,019,157	\$5,018,828	\$5,504,534	\$5,714,490
Total Sources	\$4,313,850	\$5,019,157	\$5,018,828	\$5,504,534	\$5,714,490

Pumping & Treatment

All cities and water agencies who own ground water rights pay an administrative assessment fee to the Water Replenishment District (WRD) to preserve the quantity and quality of the ground water basin. The WRD was appointed by the State Water Master to perform these functions. For the City of Manhattan Beach, this payment is found in the “Assessments & Taxes” account 5240.



Objectives FY 2016/17 & FY 2017/18

- In FY 16/17, complete upgrade of the computerized water system control center (Supervisory Control and Data Acquisition) to include radio frequency. Install new water disinfection systems at the water well discharge point to enhance the potency and longevity of the disinfection of the drinking water. Perform selective flushing of the water distribution system to enhance the system wide flushing done in FY15/16.
- Assure that all water quality regulations, monitored by the State Water Resources Control Board, are strictly adhered to through routine testing, annual flushing of the water pipelines and reservoirs, and maintaining appropriate disinfection levels in the water system at all times.
- Maintain normal and emergency water system performance reliability through preventative maintenance practices on pump/wells, motor control centers, automated control valves, emergency generators, critical water system isolation valves and disinfection systems.
- Implement enhanced best management practices, infrastructure improvements and equipment installations that enhance water disinfection effectiveness system wide to assure delivery of high quality water.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Water Distribution Supervisor	0.5	0.5	0.5	0.5
Senior Water Plant Operator	1	1	1	1
Water Plant Operator	1	1	1	1
Electrician	0.35	0.35	0.35	0.35
Total	2.85	2.85	2.85	2.85

Water Pumping & Treatment		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4101	Salaries & Allowances	\$221,323	\$209,975	\$196,746	\$213,614	\$217,499
4111	Overtime Regular Employees	7,766	5,500	5,500	5,615	5,900
4201	Group Medical Insurance	35,074	35,778	32,289	39,492	42,128
4202	Medicare Contributions	3,245	3,044	2,854	3,097	3,154
4204	401A Plan City Contributions	882	1,040	879	1,151	1,186
4206	Medical Retirement Contributions	2,868	2,868	2,868	2,868	2,868
4211	PERS Regular Contribution	23,327	26,926	23,805	29,370	32,564
Total Salaries & Benefits		\$294,485	\$285,131	\$264,941	\$295,207	\$305,298
5101	Contract Services	\$251,189	\$172,393	\$190,022	\$243,661	\$212,095
5104	Computer Contract Services	4,291	6,623	6,623	6,825	7,765
5202	Membership & Dues	855	1,628	1,628	1,380	1,445
5205	Training, Conferences & Meetings	2,781	2,547	2,547	2,561	3,260
5206	Uniforms/Safety Equip	951	1,628	1,628	1,712	1,800
5207	Advertising	140	-	-	-	-
5209	Tools & Minor Equip	3,965	4,200	4,200	950	995
5210	Computer Supplies & Software	3,178	2,618	1,000	-	-
5217	Departmental Supplies	81,113	63,856	63,856	66,001	69,208
5240	Assessments & Taxes	505,833	587,124	520,000	670,404	770,340
5501	Telephone	71,835	71,500	73,605	74,000	74,370
5502	Electricity	258,239	261,557	257,770	261,636	267,837
5504	Water	2,456	-	1,279	1,298	1,329
Total Materials & Services		\$1,184,371	\$1,175,674	\$1,122,879	\$1,329,130	\$1,409,115
5611	Warehouse Services	\$262	\$500	\$600	\$470	\$495
5621	Information Technology Allocation	38,844	38,925	38,925	39,060	39,720
5641	Fleet Rental Allocation	7,764	7,770	7,770	8,340	8,340
5642	Fleet Maintenance Allocation	9,833	11,073	9,194	14,580	14,580
Total Internal Services		\$56,704	\$58,268	\$56,489	\$62,450	\$63,135
Total Operating Expenditures		\$1,538,016	\$1,519,073	\$1,445,588	\$1,688,085	\$1,778,877
6121	Machinery & Equipment	\$49,988	-	-	-	-
6232	CIP Utility Improvements - CYr	375	\$74,550	-	-	-
Total Capital Projects & Equipment		\$50,363	\$74,550	-	-	-
Total Expenditures		\$1,588,379	\$1,593,623	\$1,445,588	\$1,688,085	\$1,778,877
Operating Expenditures % Change from 2015/16 Adopted Budget					11.1%	17.1%
Source of Funds						
Water		\$1,588,379	\$1,593,623	\$1,445,588	\$1,688,085	\$1,778,877
Total Sources		\$1,588,379	\$1,593,623	\$1,445,588	\$1,688,085	\$1,778,877

Water Maintenance

The Water Maintenance division provides daily operations and maintenance of the City's water distribution and delivery systems, including meter replacements, pipe line, service line, fire hydrant, gate valve repairs and installations, and provides reliable fire, business and domestic water service to the community.



Objectives FY 2016/17 & FY 2017/18

- In FY 16/17, install an Automated Meter Reading system to provide real-time water meter consumption data via radio communication that will facilitate and enhance billing accuracy by elimination of the need to perform manual field meter reads and rereads; capture water consumption exceptions and electronically alert customers of possible leaks; enhance water conservation performance through repairs performed by customer that are alerted of possible leaks.
- Perform preventive maintenance/repairs/installations in the following areas: fire hydrants, gate valve exercising, system flushing, small and larger meter testing, backflow and cross connection inspections.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Water Distribution Supervisor	0.5	0.5	0.5	0.5
Water Meter Reader	1	1	1	1
Maintenance Worker I/II	6	6	6	6
Secretary	1	1	1	1
Total	8.5	8.5	8.5	8.5

Public Works | Water Division

Water Maintenance Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$464,734	\$489,579	\$523,399	\$521,422	\$529,817
4111 Overtime Regular Employees	17,614	17,404	17,404	18,876	19,800
4201 Group Medical Insurance	95,350	90,105	105,435	111,486	119,442
4202 Medicare Contributions	6,829	7,099	7,679	7,561	7,682
4204 401A Plan City Contributions	882	1,040	879	1,151	1,186
4205 Worker's Compensation	6,060	116,160	116,160	183,000	190,920
4206 Medical Retirement Contributions	10,140	10,140	10,140	10,140	10,140
4211 PERS Regular Contribution	51,056	62,044	63,124	70,863	78,424
Total Salaries & Benefits	\$652,665	\$793,571	\$844,220	\$924,499	\$957,411
5101 Contract Services	\$109,495	\$33,472	\$54,000	\$34,972	\$36,959
5104 Computer Contract Services	-	3,800	3,800	3,915	4,110
5202 Membership & Dues	210	1,091	1,091	730	730
5203 Reference Materials	597	515	400	530	530
5205 Training, Conferences & Meetings	4,592	7,600	7,600	3,690	3,690
5206 Uniforms/Safety Equip	5,214	5,698	5,698	5,992	5,992
5207 Advertising	494	-	300	300	300
5209 Tools & Minor Equip	7,849	5,700	5,700	3,000	3,000
5210 Computer Supplies & Software	-	3,100	3,100	3,100	-
5217 Departmental Supplies	275,854	319,471	319,471	349,864	362,332
5225 Printing	681	360	100	100	105
5501 Telephone	152	170	161	170	171
5504 Water	33,670	35,994	29,426	29,867	30,575
Total Materials & Services	\$438,808	\$416,971	\$430,847	\$436,230	\$448,494
5611 Warehouse Services	\$2,192	\$2,000	\$2,000	\$2,000	\$2,100
5621 Information Technology Allocation	19,416	19,463	19,463	19,500	19,860
5631 Insurance Allocation	32,760	40,140	40,140	74,880	78,300
5641 Fleet Rental Allocation	73,416	64,950	64,950	48,900	48,900
5642 Fleet Maintenance Allocation	48,241	54,268	51,621	53,460	53,460
Total Internal Services	\$176,025	\$180,821	\$178,174	\$198,740	\$202,620
Total Operating Expenditures	\$1,267,498	\$1,391,363	\$1,453,241	\$1,559,469	\$1,608,525
6121 Machinery & Equipment	-	142,250	124,250	-	-
Total Capital Projects & Equipment	-	\$142,250	\$124,250	-	-
Total Expenditures	\$1,267,498	\$1,533,613	\$1,577,491	\$1,559,469	\$1,608,525
Operating Expenditures % Change from 2015/16 Adopted Budget				12.1%	15.6%
Source of Funds					
Water	\$1,267,498	\$1,533,613	\$1,577,491	\$1,559,469	\$1,608,525
Total Sources	\$1,267,498	\$1,533,613	\$1,577,491	\$1,559,469	\$1,608,525

Public Works | Storm Drain

Program Overview

The Storm Drain system is comprised of: 83,538 ft. of City owned storm lines and 43,805 feet of Los Angeles County owned storm lines; 800 catch basins; eight continuous deflection systems; two dry weather storm water diversions; five storm water sumps; and one lift station.



Objectives FY 2016/17 & FY 2017/18

- As mandated by the new NPDES permit, seek funding to implement the Enhanced Watershed Management Plan that will support the design and construction of storm water capture structures that will reduce trash and pollutants that enter the sea; and identify and mitigate storm system Illicit Discharge and Illicit Connections.
- As mandated by the new NPDES permit, implement the Coordinated Integrated Management Plan to conduct storm water quality runoff monitoring.
- Maintain dry weather diversion sumps to assure dry weather run-off is conveyed away from the ocean and to the Los Angeles Sanitation District in an effort to reduce pollutant conveyance at the shore line.
- Perform maintenance of catch basins, continuous deflector separators, low flow diversions, Marriott Lake and Polliwog Pond to minimize trash conveyance to the sea in compliance with NPDES Total Daily Maximum Load requirements for trash and bacteria.
- Perform Clean Bay Restaurant and Fats/Oils/Grease Programs inspections of 155 food service establishments to minimize sewer line backups that could result in sewer system overflow that may flow to the City's storm water system and cause ocean water contamination.

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Sewer Maintenance Worker	1	1	1	1
Total	1	1	1	1

Storm Drain Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$71,216	\$62,252	\$70,072	\$63,653	\$64,605
4111 Overtime Regular Employees	4,760	4,001	4,001	4,246	4,500
4201 Group Medical Insurance	12,661	13,248	13,540	17,745	19,116
4202 Medicare Contributions	1,098	902	1,071	923	937
4211 PERS Regular Contribution	7,403	7,998	8,425	8,769	9,691
Total Salaries & Benefits	\$97,139	\$88,401	\$97,109	\$95,335	\$98,849
5101 Contract Services	\$487,686	\$821,570	\$720,082	\$588,662	\$569,941
5104 Computer Contract Services	176	2,480	2,480	2,560	2,690
5202 Membership & Dues	-	-	2,837	-	-
5206 Uniforms/Safety Equip	244	1,628	1,628	856	900
5207 Advertising	-	-	300	-	-
5217 Departmental Supplies	7,374	10,836	10,836	12,403	12,800
5225 Printing	3,043	10,000	10,000	5,000	5,525
5502 Electricity	10,717	12,506	9,489	9,632	9,860
5504 Water	11,272	3,000	3,501	3,553	3,637
Total Materials & Services	\$520,511	\$862,020	\$761,153	\$622,666	\$605,353
5601 Administrative Service Charge	-	161,191	161,191	161,191	161,191
5611 Warehouse Services	260	155	155	155	165
5651 Building & Operations Allocation	10,129	10,362	9,934	10,920	11,160
Total Internal Services	\$10,389	\$10,517	\$10,089	\$11,075	\$11,325
Total Operating Expenditures	\$628,040	\$1,122,129	\$1,029,542	\$890,267	\$876,718
6121 Machinery & Equipment	\$39,583	-	-	-	-
6151 Land	-	-	1,688	-	-
6212 CIP Bldg & Facilities - CYr	-	600,215	125,661	210,000	210,000
Total Capital Projects & Equipment	\$39,583	\$600,215	\$127,349	\$210,000	\$210,000
Total Expenditures	\$667,623	\$1,722,344	\$1,156,891	\$1,100,267	\$1,086,718
Operating Expenditures % Change from 2015/16 Adopted Budget				-20.7%	-21.9%
Source of Funds					
Stormwater	\$667,623	\$1,722,344	\$1,156,891	\$1,100,267	\$1,086,718
Total Sources	\$667,623	\$1,722,344	\$1,156,891	\$1,100,267	\$1,086,718

Public Works | Sewer Maintenance

Program Overview

The City's sanitary sewer system is comprised of six pump lift stations that convey sewage out of areas of geographic depression and eighty-six miles of sewer lines.



Objectives FY 2016/17 & FY 2017/18

- In FY 16/17, update the Sewer System Management Plan as required every five years by the Regional Water Quality Control Board.
- Continue on-going preventative maintenance programs on sewer lift station motor/pump control centers and emergency stand-by generators.
- Perform cleaning of entire City sewer collection system (twice per year), monthly cleaning of high sewer volume areas and bi-weekly maintenance at the six sewer lift stations.
- Minimize sewer system overflows through proactive identification and enhanced maintenance of “hot spots”, along with continued implementation of the Fats, Oils and Grease (FOG) inspection program for 155 food service establishments.
- Implement Sewer System Management Plan mandated sewer system overflow prevention measures, including public outreach, root control program, contractor training, staff emergency response plan.

	2014/15	2015/16	2016/17	2017/18
Authorized Full-Time Positions	Adopted	Adopted	Adopted	Approved
Sewer Maintenance Worker	3	3	3	3
Electrician	0.45	0.45	0.45	0.45
Total	3.45	3.45	3.45	3.45

Public Works | Sewer Maintenance

Sewer Maintenance Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$228,696	\$219,528	\$206,408	\$218,538	\$221,809
4111 Overtime Regular Employees	8,784	13,182	13,182	10,376	11,000
4201 Group Medical Insurance	39,498	40,431	38,024	45,151	48,102
4202 Medicare Contributions	2,433	2,280	2,227	2,245	2,279
4205 Worker's Compensation	-	199,380	199,380	105,300	109,860
4206 Medical Retirement Contributions	3,420	3,420	3,420	3,420	3,420
4211 PERS Regular Contribution	25,153	28,205	25,276	30,104	33,272
Total Salaries & Benefits	\$307,985	\$506,426	\$487,917	\$415,134	\$429,741
5101 Contract Services	\$163,179	\$74,780	\$113,326	\$73,192	\$77,940
5104 Computer Contract Services	7,616	7,447	7,447	7,670	8,050
5202 Membership & Dues	-	310	310	326	340
5205 Training, Conferences & Meetings	-	400	400	1,160	2,200
5206 Uniforms/Safety Equip	1,910	3,256	3,256	2,568	2,568
5210 Computer Supplies & Software	-	3,100	-	3,100	-
5217 Departmental Supplies	20,295	23,951	23,951	21,903	23,100
5225 Printing	28	6,085	6,085	9,850	1,155
5231 Bank Service Charge	5,364	8,000	7,000	7,000	7,000
5502 Electricity	20,705	24,819	16,731	16,982	17,384
5504 Water	3,954	2,955	2,876	2,920	2,989
Total Materials & Services	\$223,050	\$155,103	\$181,382	\$146,671	\$142,726
5601 Administrative Service Charge	\$808,128	\$430,226	\$430,226	\$430,226	\$430,226
5611 Warehouse Services	1,439	1,000	1,000	1,000	1,050
5631 Insurance Allocation	4,800	3,960	3,960	2,340	3,060
5641 Fleet Rental Allocation	69,816	67,580	67,580	68,640	68,640
5642 Fleet Maintenance Allocation	21,142	20,080	18,622	18,720	18,720
5651 Building & Operations Allocation	30,387	31,085	29,803	32,700	33,540
Total Internal Services	\$935,712	\$553,931	\$551,191	\$553,626	\$555,236
Total Operating Expenditures	\$1,466,747	\$1,215,460	\$1,220,490	\$1,115,431	\$1,127,703
6121 Machinery & Equipment	\$48,642	-	\$8,500	-	-
6212 CIP Bldg & Facilities - CYr	4,463	472,146	161,217	-	3,250,000
6242 CIP Line Improvements - CYr	17,500	690,721	8,713	100,000	4,000,000
Total Capital Projects & Equipment	\$70,605	\$1,162,867	\$178,430	\$100,000	\$7,250,000
7101 Bond Principal	\$57,707	\$57,707	\$57,707	\$61,004	\$62,653
7102 Bond Interest	28,573	26,331	27,485	23,957	21,797
7103 Bond Administration Fee	184	200	200	175	175
Total Debt Service	\$86,464	\$84,238	\$85,392	\$85,136	\$84,625
Total Expenditures	\$1,623,815	\$2,462,565	\$1,484,312	\$1,300,567	\$8,462,328
Operating Expenditures % Change from 2015/16 Adopted Budget				-8.2%	-7.2%
Source of Funds					
Wastewater	\$1,623,815	\$2,462,565	\$1,484,312	\$1,300,567	\$8,462,328
Total Sources	\$1,623,815	\$2,462,565	\$1,484,312	\$1,300,567	\$8,462,328

Program Overview

The City's Environmental Programs & Refuse Management Divisions focus on energy efficiency and renewable energy, sustainable landscaping and water conservation, and waste reduction with a strong education and outreach program.

Major program initiatives include: energy efficiency strategies, community-wide electric vehicle policy, sustainable landscape efforts to promote water conservation, implementation of policies that impact pollution prevention through ordinances that restrict smoking, polystyrene, and plastic bag use, and compliance with AB 939 through the reduction of waste sent to the landfill through the City's multiple waste reduction and recycling programs.



Objectives FY 2016/17 & FY 2017/18

- Continue to provide superior service to the community
- Continue environmental sustainability initiatives through the City's Environmental Program, with emphasis on energy efficiency and water conservation
- Continue work on Community Choice Aggregation (CCA) programs for transitioning to renewable energy sources
- Remain in compliance with AB 939 State mandates, monitor waste diversion results and report findings to the community
- Collaborate with the Los Angeles Regional Agency to promote waste reduction and the message of "Zero Waste" in order to meet solid waste landfill diversion goals
- Work with the commercial districts to reduce visible trash, develop commercial waste reduction and recycling programs, and ensure businesses receive adequate solid waste services
- Provide information, and manage issues, complaints and service requests in an efficient and professional manner.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Environmental Programs Manager ¹	-	-	1	1
Senior Management Analyst (Refuse/Admin)	0.75	0.75	0.75	0.75
Maintenance Workers I/II	0.5	0.5	0.5	0.5
Total	1.25	1.25	2.25	2.25

¹ Position transferred from Administration in FY 2016/17.

Part-time hours proposed total 960 hours in FY 2016/17 and FY 2017/18.

Public Works | Environmental Programs & Refuse Management

Environmental & Refuse Management Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$87,391	\$101,412	\$76,576	\$214,197	\$219,844
4103 Part-time Salaries	-	-	-	12,960	13,595
4111 Overtime Regular Employees	-	400	-	400	400
4114 Overtime Special Events	3,245	1,000	2,000	1,000	1,000
4201 Group Medical Insurance	12,514	9,233	9,994	23,185	24,902
4202 Medicare Contributions	1,238	1,470	1,060	3,106	3,187
4204 401A Plan City Contributions	2,359	2,892	1,761	7,789	8,024
4206 Medical Retirement Contributions	1,332	1,332	1,332	1,332	1,332
4211 PERS Regular Contribution	9,534	12,067	9,042	28,022	31,361
Total Salaries & Benefits	\$117,612	\$129,806	\$101,765	\$291,992	\$303,645
5101 Contract Services	\$3,439,120	\$3,558,100	\$3,596,000	\$3,739,200	\$3,812,200
5202 Membership & Dues	3,895	4,325	4,325	11,475	11,175
5203 Reference Materials	-	50	-	250	350
5204 Conferences & Meetings	50	1,000	300	-	-
5205 Training, Conferences & Meetings	-	200	-	4,800	4,800
5206 Uniforms/Safety Equip	168	407	100	428	450
5207 Advertising	15,723	10,000	10,000	22,000	22,000
5217 Departmental Supplies	44,188	30,500	30,500	60,500	60,500
5225 Printing	-	1,000	500	2,300	2,300
5231 Bank Service Charge	7,814	10,000	10,000	10,000	10,000
5501 Telephone	307	350	385	400	402
Total Materials & Services	\$3,511,265	\$3,615,932	\$3,652,110	\$3,851,353	\$3,924,177
5601 Administrative Service Charge	\$359,112	\$191,142	\$191,142	\$191,142	\$191,142
5611 Warehouse Services	9,696	17,000	15,000	17,000	17,000
5631 Insurance Allocation	11,760	32,160	32,160	23,460	24,480
Total Internal Services	\$380,568	\$240,302	\$238,302	\$231,602	\$232,622
Total Operating Expenditures	\$4,009,445	\$3,986,040	\$3,992,177	\$4,374,947	\$4,460,444
6212 CIP Bldg & Facilities - CYr	-	\$281,853	-	-	-
Total Capital Projects & Equipment	-	\$281,853	-	-	-
Total Expenditures	\$4,009,445	\$4,267,893	\$3,992,177	\$4,374,947	\$4,460,444
Operating Expenditures % Change from 2015/16 Adopted Budget				9.8%	11.9%
Source of Funds					
General Fund	-	-	-	\$233,389	\$240,112
Refuse	\$4,009,445	\$4,267,893	\$3,992,177	4,141,558	4,220,332
Total Sources	\$4,009,445	\$4,267,893	\$3,992,177	\$4,374,947	\$4,460,444

Program Overview

City Parking Lots & Meters

The Parking Fund includes revenue generated from metered City streets and parking lots, and from the sale of merchant parking permits. These revenues are used to operate and maintain the City's ten public parking lots, which contain 836 spaces and 440 on-street parking meters, as well as maintenance for Metlox Plaza and the Civic Center Plaza.



County Parking Lots

The City operates and maintains two Los Angeles County-owned parking lots. The two County-owned lots are the El Porto parking lot with 231 spaces, and the 27th Street parking lot with 68 spaces. Use of the revenue generated through parking meters and the sale of overnight permits is governed by an agreement with the County of Los Angeles which dictates that the City provides the County with 55% of the gross annual revenue.

State Parking Lots

The City also operates and maintains 118 parking meters at the Upper and Lower Pier parking lots, which are owned by the State of California. Under agreement with the State of California, revenue generated through parking fees and overnight parking permits from the Pier lots may only be used for the operation and maintenance of these parking lots and the comfort station located adjacent to the pier.

Objectives FY 2016/17 & FY 2017/18

- Maximize collections, repair time response and customer service through use of real-time data provided through the existing of 1,800 IPS “smart” meters.
- Repair/replace malfunctioning parking meters within 48 hours of being reported as broken.
- Perform annual preventative maintenance on all parking meters.
- Partner with Metlox LLC in FY 2016/17 to replace the plaza furniture, make modifications to the Metlox Plaza kiln and add festoon lighting
- Resurface the center Metlox sea glass fountain in FY 2016/17
- Partner with Metlox LLC in FY 2017/18 to replace the escalator trellis
- Paint the Metlox Plaza common areas in FY 2017/18

	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Authorized Full-Time Positions				
Meter Repair Worker	2	2	2	2
Electrician	0.2	0.2	0.2	0.2
Total	2.2	2.2	2.2	2.2

Public Works | Parking Facilities

Parking Facilities		2014/15	2015/16	2015/16	2016/17	2017/18
Object	Description	Actual	Adopted	Y/E Est	Adopted	Approved
4101	Salaries & Allowances	\$55,172	\$124,575	\$71,068	\$125,492	\$127,370
4111	Overtime Regular Employees	1,012	4,243	4,403	4,652	4,781
4201	Group Medical Insurance	16,149	32,098	8,942	33,877	35,246
4202	Medicare Contributions	791	1,806	1,013	2,539	2,567
4205	Worker's Compensation	-	46,020	46,020	84,480	88,080
4206	Medical Retirement Contributions	2,292	2,292	2,292	2,292	2,292
4211	PERS Regular Contribution	6,330	15,322	4,403	17,288	19,106
Total Salaries & Benefits		\$81,746	\$226,356	\$138,141	\$270,620	\$279,442
5101	Contract Services	\$898,165	\$751,291	\$751,291	\$854,929	\$889,707
5206	Uniforms/Safety Equip	1,140	1,628	500	1,712	1,712
5217	Departmental Supplies	151,184	153,925	170,877	161,284	149,787
5225	Printing	5,479	3,842	4,015	3,957	4,035
5231	Bank Service Charge	345,050	246,000	357,000	355,000	355,000
5266	DMBBPA Allocation	108,837	109,000	108,000	108,000	108,000
5501	Telephone	4,102	4,170	4,716	4,750	4,774
5502	Electricity	106,774	114,821	106,619	108,219	110,784
5503	Natural Gas	4,146	4,327	3,135	3,182	3,257
5504	Water	34,476	37,998	34,810	35,333	36,170
Total Materials & Services		\$1,659,352	\$1,427,002	\$1,540,963	\$1,636,366	\$1,663,226
5601	Administrative Service Charge	\$310,596	\$517,575	\$517,575	\$517,575	\$517,575
5611	Warehouse Services	8,103	5,045	6,000	5,060	7,090
5621	Information Technology Allocation	9,708	9,731	9,731	9,780	9,960
5641	Fleet Rental Allocation	6,708	6,880	6,880	6,960	6,960
5642	Fleet Maintenance Allocation	10,495	13,810	12,807	12,840	12,840
Total Internal Services		\$345,610	\$553,041	\$552,993	\$552,215	\$554,425
Total Operating Expenditures		\$2,086,708	\$2,206,399	\$2,232,097	\$2,459,201	\$2,497,093
6212	CIP Bldg & Facilities - CYr	\$48,636	\$2,731,500	\$1,082,422	\$854,500	\$275,000
6222	CIP Street Improvement - CYr	18,025	118,629	46,186	-	-
Total Capital Projects & Equipment		\$66,661	\$2,850,129	\$1,128,608	\$854,500	\$275,000
7101	Bond Principal	\$395,000	\$395,000	\$395,000	\$410,000	\$430,000
7102	Bond Interest	333,863	318,463	318,463	302,363	286,213
7103	Bond Administration Fee	1,263	1,300	1,300	1,200	1,200
7402	Interfund Loans Interest	1,968	-	-	-	-
Total Debt Service		\$732,093	\$714,763	\$714,763	\$713,563	\$717,413
7301	Land Leases	\$431,280	\$450,000	\$450,000	\$436,000	\$436,000
Total Property & Equipment Leases		\$431,280	\$450,000	\$450,000	\$436,000	\$436,000
Total Expenditures		\$3,316,743	\$6,221,291	\$4,525,468	\$4,463,264	\$3,925,506
Operating Expenditures % Change from 2015/16 Adopted Budget					11.5%	13.2%
Source of Funds						
Parking Meter		\$2,233,511	\$3,597,542	\$2,914,210	\$3,353,910	\$2,652,919
County Parking Lots		533,822	634,698	636,051	611,997	619,727
State Pier & Parking		549,410	1,989,051	975,207	497,358	652,859
Total Sources		\$3,316,743	\$6,221,291	\$4,525,468	\$4,463,264	\$3,925,506

Program Overview

The Fleet Management Division implements Clean Air programs as part of its fleet operations and ensures that the City does its part to reduce pollution and improve air quality. The program is handled as a user-pay system with repairs charged to the departments for services rendered. The budget includes funds for fuel; tank/dispensing systems maintenance, hazardous waste disposal, major automotive and specialized repairs, and other fleet related costs (object 5101).

Personnel assigned to Fleet Management include an Equipment Maintenance Supervisor and two Mechanics. The General Services Division of the Finance Department supports the fleet by managing the vehicle replacement fund and the auto parts warehouse. Fleet Management also maintains an inventory of commonly used tools and parts for quick and efficient repair of the fleet.

All government agencies located in the South Coast Air Quality Management District (SCAQMD) with a fleet of 15 or more non-emergency vehicles must comply with the SCAQMD 1190 Series Rules. Agencies must purchase alternative fuel vehicles (AFV) or low emission vehicles for new additions and the replacement of light and medium-duty, non-emergency vehicles. The AB2766 Subvention Fund can be used to offset the differential cost of these AFV. As of spring 2016, thirty-seven alternative fuel vehicles and equipment have been purchased. This includes a mix of compressed natural gas, propane, electric, and hybrid technologies.

Objectives FY 2016/17 & FY17/18

- Continue to develop an enhanced Fleet Replacement Program and forecast vehicle replacement needs through Fiscal Year 2017/2018
- Maintain GPS Vehicle Tracking system to maintain efficient and effective use of vehicles through reduced fuel consumption and lower mileage for a cleaner environment
- Continue to “right size” the fleet through annual fleet utilization monitoring and sharing of vehicles
- Complete repairs in a timely and cost effective manner
- Utilize preventative maintenance services to maximize the useful life of vehicles and recoup the highest resale value
- Complete Fleet and Fuel management software upgrades to further enhance cost analysis and performance.
- Continue to formulate vehicle and equipment specifications that will meet the needs, environmental priorities and safety standards of the City
- Train fleet services staff on alternative fueled vehicle repairs to provide a higher level of support in efforts to promote a clean environment

Major Service Delivery Changes

There is an increase to Automotive Fuel (5226) to reflect projected rate increases.



Public Works | Fleet Management

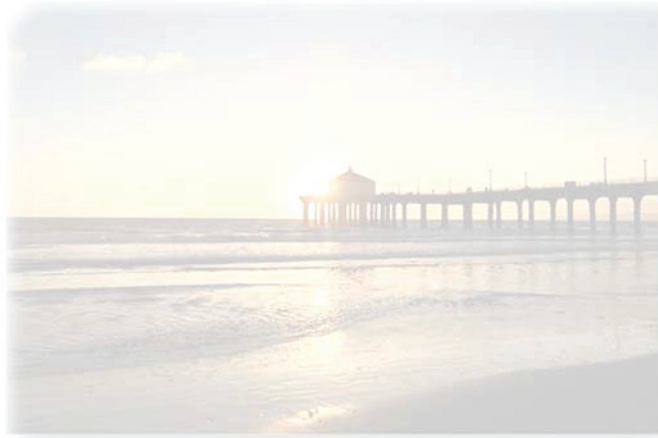
Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
Equipment Maintenance Supervisor	1	1	1	1
Equipment Mechanic I/II	2	2	2	2
Total	3	3	3	3

Fleet Management Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	\$241,608	\$234,743	\$247,021	\$242,448	\$247,349
4111 Overtime Regular Employees	-	2,140	2,140	2,140	2,140
4201 Group Medical Insurance	31,019	31,022	28,438	29,152	31,282
4202 Medicare Contributions	2,182	2,125	2,245	2,226	2,259
4204 401A Plan City Contributions	2,211	2,183	2,266	2,202	2,268
4205 Worker's Compensation	6,060	170,040	170,040	69,420	72,420
4206 Medical Retirement Contributions	3,216	3,216	3,216	3,216	3,216
4211 PERS Regular Contribution	27,330	29,718	31,365	32,920	36,584
Total Salaries & Benefits	\$313,626	\$475,187	\$486,731	\$383,725	\$397,517
5101 Contract Services	\$96,285	\$161,955	\$161,955	\$208,975	\$219,005
5104 Computer Contract Services	1,655	3,600	3,600	4,600	4,830
5202 Membership & Dues	350	350	350	370	390
5204 Conferences & Meetings	-	150	150	-	-
5205 Training, Conferences & Meetings	115	3,760	3,760	3,910	3,965
5206 Uniforms/Safety Equip	2,823	2,476	2,476	2,620	2,790
5209 Tools & Minor Equip	893	1,400	1,400	1,400	1,400
5210 Computer Supplies & Software	9,388	-	19,950	-	-
5211 Automotive Parts	81,355	-	-	-	-
5217 Departmental Supplies	17,020	77,400	77,400	80,850	84,465
5221 Auto Repair	79,635	-	-	-	-
5225 Printing	992	1,400	1,000	1,400	1,465
5226 Auto Fuel	308,896	409,575	325,000	394,675	402,110
Total Materials & Services	\$599,407	\$662,066	\$597,041	\$698,800	\$720,420
5611 Warehouse Services	\$703	\$800	\$800	\$800	\$800
5612 Garage Purchases	35,643	25,000	25,000	25,000	25,000
5631 Insurance Allocation	11,760	10,980	10,980	8,100	9,240
5621 Information Technology Allocation	29,124	27,434	27,434	29,280	29,820
5641 Fleet Rental Allocation	20,976	15,820	15,820	-	-
5642 Fleet Maintenance Allocation	4,917	-	-	-	-
Total Internal Services	\$103,124	\$80,034	\$80,034	\$63,180	\$64,860
Total Operating Expenditures	\$1,016,157	\$1,217,287	\$1,163,806	\$1,145,705	\$1,182,797
6131 Vehicles	\$749,239	\$453,873	\$954,000	\$702,631	\$2,085,376
Total Capital Projects & Equipment	\$749,239	\$453,873	\$954,000	\$702,631	\$2,085,376
7302 Property & Equipment Principal	\$190,595	\$190,595	\$190,595	\$193,718	\$375,803
7303 Property & Equipment Interest	10,338	7,264	7,264	4,141	31,095
Total Debt Service	\$200,933	\$197,859	\$197,859	\$197,859	\$406,898
Total Expenditures	\$1,966,328	\$1,869,019	\$2,315,665	\$2,046,195	\$3,675,071
Operating Expenditures % Change from 2015/16 Adopted Budget				-5.9%	-2.8%
Source of Funds					
Fleet Management	\$1,966,328	\$1,869,019	\$2,315,665	\$2,046,195	\$3,675,071
Total Sources	\$1,966,328	\$1,869,019	\$2,315,665	\$2,046,195	\$3,675,071



Information Technology





City of Manhattan Beach Information Technology Department

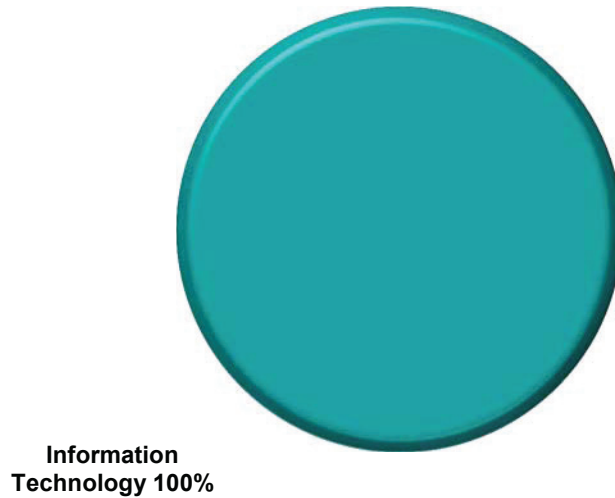
**Director of
Information Technology**

**INFORMATION
TECHNOLOGY**

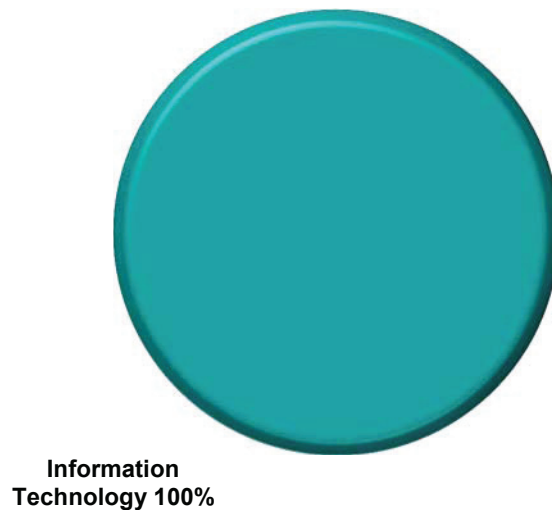
Network
Infrastructure
~
Website Services
~
Network Security
~
Communications
~
Broadcasting &
Audio Visual
~
Hardware &
Software
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Helpdesk
~
Geographic
Information
Systems

Information Technology Department

FY 2016/17 Department Expenditure by Program



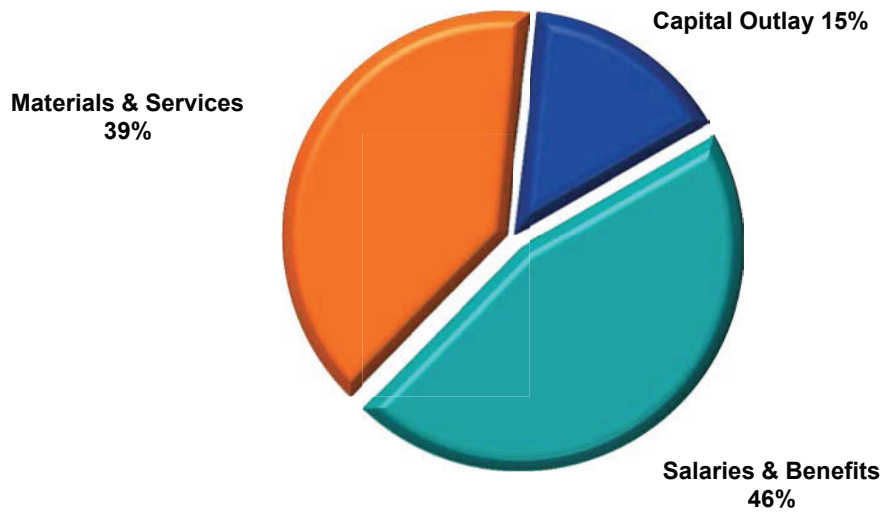
FY 2017/18 Department Expenditure by Program



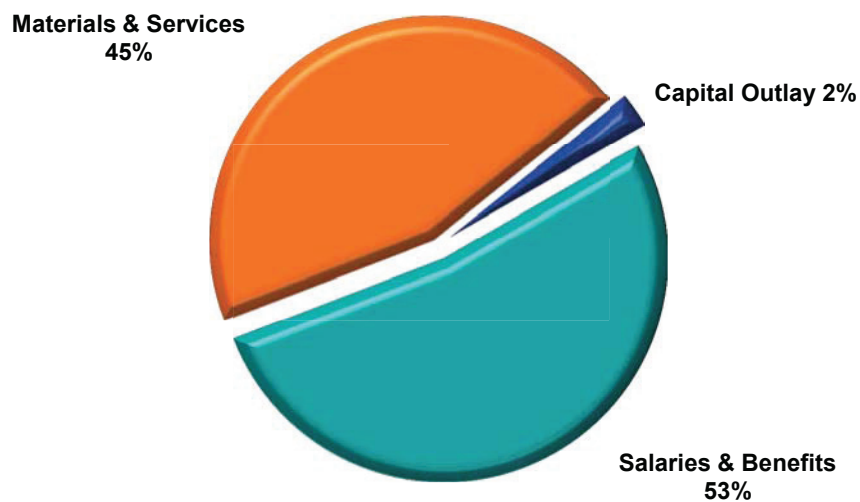
	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Program Expenditures					
Information Technology	1,982,616	2,876,472	2,424,247	2,948,187	2,584,716
Total	\$1,982,616	\$2,876,472	\$2,424,247	\$2,948,187	\$2,584,716
Full-Time Positions	8	9	9	9	9

Information Technology Department

FY 2016/17
Department Expenditure by Category



FY 2017/18
Department Expenditure by Category



Category Expenditures	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Salaries & Benefits	\$1,078,897	\$1,338,336	\$952,366	\$1,344,028	\$1,357,128
Materials & Services	705,148	1,019,172	971,881	1,160,205	1,163,879
Capital Outlay	198,571	518,964	500,000	443,954	63,709
Total	\$1,982,616	\$2,876,472	\$2,424,247	\$2,948,187	\$2,584,716

Information Technology Department

Mission

To promote integrated City-wide communications, provide innovative, problem solving, long-term enterprise technology solutions, accurate geographic information systems (GIS) data, and support current and future technical needs through high quality, cost-effective, collaborative solutions and timely service, digital presence, telecommunications and infrastructure that support effective and efficient decision making throughout the organization.

Department Overview

The Information Technology (IT) Department supports computers, telecommunications, mapping systems and digital presence (website and broadcast of Government Cable channels) for the City. The IT Department is staffed by a hard-working technical team of nine full-time and three part-time professionals.

Accomplishment Highlights FY 2015/16

- From the City's 2013 Information Systems Master Plan (ISMP), thirty-nine projects were identified. Thirty-eight projects were added by the Information Systems Steering Committee. Forty-nine projects have been completed and progress has been made on many of the other plan's objectives. These projects allow City staff to efficiently provide the highest quality of service to its citizens.
- Performed upgrades and enhancements to the City's core network and server infrastructure. Implemented virtualization which allowed for server consolidation, decreased server cost, faster workload deployments, higher performance, increased availability and simplified operations. Network security and redundancy continued to be improved to insure information exists in a protected, safe and stable environment.
- Enhanced and expanded the City's broadcast capability to remote facilities, contributing to the City's efforts towards Open Government. Completed audio equipment upgrades in the Joslyn Center and Police Fire Conference Room which improved broadcast quality. More public meetings are being broadcast and are available for on-demand view from the City's website. City Council and Planning Commission meetings are closed captioned when viewed from the City's website. These services increase opportunities for citizens to participate in local government.
- City's Digital Presence Subcommittee continues to further enhance the City's efforts to connect with citizens through online civic engagement in tools such as Open City Hall, Service Requests Mobile Application, Public Records Request, social media, and online geospatial mapping enhancements contribute to the City's goal of greater transparency and access for its citizens.
- In partnership with City departments, IT implemented an upgraded telecommunications system that is more efficient and reliable. The old telephone system was implemented in 2001 and reached the end of its useful life. The City's outdated phone system has been replaced with ShoreTel Voice over Internet Protocol (VoIP) telecommunication solution after competitive bidding. The new VoIP system is feature rich providing City Staff with new and improved phone functionalities such as call center, Conference Bridge, call recording and enterprise communications.
- IT will continue to advance city communications with the expansion of the Wide Area Network (WAN) which will facilitate disaster recovery and improve network performance. With the expansion of the

WAN, Information Technology implemented public WiFi in select City locations which include but is not limited to, City Hall, City Yard Training Room, Police Fire Conference Room, Manhattan Beach Arts Center, Joslyn Center and Manhattan Heights.



Program Overview

In February 2015, City Council approved the position of the Information Technology Director and the separation of the Information Systems Division from the Finance Department. The Information Technology Department is dedicated to maintaining and improving operations, services and communications through technology, data and voice in support of the City's strategic and operational needs. As a central element of the organization, IT provides support for the City's network environment, operating systems, office automation programs, telecommunication systems, audio visual, Geographic Information Systems (GIS), website, social media, webcast and cable broadcast of Time Warner Channel 8 and Frontier Channel 35 services. The Department is committed to improving fiscal responsibility through collaboration with other departments and organizations to provide effective technical solutions which continuously facilitate and improve the City of Manhattan Beach mission of public service.



Objectives FY 2016/17 & FY 2017/18

- Develop a City wide Fiber Optic Master Plan that will support infrastructure attracting investment and support economic growth. Broadband connectivity may enhance Manhattan Beach's economic development potential by attracting new advanced businesses and providing existing businesses the tools they need to expand. The Fiber Optic Master Plan will be used by the City for the planning, budgeting and implementation of a landmark fiber optic network infrastructure project.
- Continue to implement the Information Systems Master Plan utilizing advanced and fiscally responsible solutions in alignment with City Council's Strategic Plan. In collaboration with City departments, several solutions will be implemented, upgraded or replaced which includes, but is not limited to, permitting solution, document management solution, Enterprise Resource Planning (ERP) and Open Data.
- Support the Open Government initiative by broadcasting City meetings on the City's website and local government cable channels. Implement closed caption service on cable broadcast of Time Warner Channel 8 and Frontier Channel 35.
- Promote e-government, e-commerce, civic engagement and use of social media to further the goals of the City and where appropriate, assure information exists in a protected, safe and stable environment. Continue to contribute to the City's goal of greater transparency, access for its citizens and opportunities for citizens to participate in local government.



Information Technology Department

Major Service Delivery Changes

In February 2015, the City Council approved the addition of an Information Technology Director and the creation of a standalone Information Technology Department. In January 2016, the Information Technology Director was hired. With the arrival of our new IT Director, several exciting projects will be moving ahead, some of which have direct benefits to the community at large. These efforts include Wi-Fi in the parks, community security cameras, implementation of new Land Management/permitting System, Enterprise Resource Planning assessment (HR and Financial system), New Home page for our City's website and other customer -focused applications.

Authorized Full-Time Positions	2014/15 Adopted	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
GIS Analyst	1	1	1	1
GIS Technician	1	1	1	1
Information Systems Manager	1	1	1	1
Information Systems Specialist	3	3	3	3
Information Technology Director	-	1	1	1
Network Administrator	2	2	2	2
Total	8	9	9	9

Information Technology Department

Information Technology Object Description	2014/15 Actual	2015/16 Adopted	2015/16 Y/E Est	2016/17 Adopted	2017/18 Approved
4101 Salaries & Allowances	772,355	928,264	647,410	932,004	952,349
4103 Part-time Salaries	48,664	55,625	48,436	55,625	55,625
4111 Overtime Regular Employees	48,429	65,000	53,515	65,724	36,346
4201 Group Medical Insurance	95,090	120,413	87,971	124,525	131,543
4202 Medicare Contributions	12,461	14,039	10,167	14,430	14,724
4204 401A Plan City Contributions	9,654	17,237	8,157	17,625	18,153
4205 Worker's Compensation	-	13,620	13,620	1,320	1,320
4206 Medical Retirement Contributions	6,360	6,360	6,360	6,360	6,360
4211 PERS Regular Contribution	85,884	117,778	76,730	126,416	140,709
Total Salaries & Benefits	\$1,078,897	\$1,338,336	\$952,366	\$1,344,028	\$1,357,128
5101 Contract Services	64,731	174,749	156,258	125,139	125,139
5104 Computer Contract Services	284,112	329,499	320,497	414,165	415,666
5201 Office Supplies	-	500	575	1,150	1,150
5202 Membership & Dues	844	2,810	2,810	2,810	2,810
5203 Reference Materials	617	700	420	500	500
5204 Conferences & Meetings	5,595	19,555	10,794	-	-
5205 Training, Conferences & Meetings	6,060	15,000	11,175	49,355	49,355
5210 Computer Supplies & Software	272,617	413,316	413,006	485,366	485,366
5212 Office Equip Maintenance	37	2,000	190	1,000	1,000
5213 Computer Maintenance & Repairs	32,277	20,600	14,985	24,340	24,340
5217 Departmental Supplies	993	1,300	3,705	1,300	1,300
5225 Printing	-	-	-	800	800
5501 Telephone	2,324	2,600	2,464	2,500	2,513
Total Materials & Services	\$670,207	\$982,629	\$936,879	\$1,108,425	\$1,109,939
5611 Warehouse Services	195	300	254	300	300
5631 Insurance Allocation	-	-	-	13,860	15,480
5651 Building & Operations Allocation	34,747	36,243	34,748	37,620	38,160
Total Internal Services	\$34,941	\$36,543	\$35,002	\$51,780	\$53,940
Total Operating Expenditures	\$1,784,046	\$2,357,508	\$1,924,247	\$2,504,233	\$2,521,007
6111 Furniture & Fixtures	7,829	-	-	-	-
6141 Computer Equipment & Software	190,742	518,964	500,000	443,954	63,709
Total Capital Projects & Equipment	\$198,571	\$518,964	\$500,000	\$443,954	\$63,709
Total Expenditures	\$1,982,616	\$2,876,472	\$2,424,247	\$2,948,187	\$2,584,716
Operating Expenditures % Change from 2015/16 Adopted Budget				6.2%	6.9%
Source of Funds					
General Fund	\$299,961	\$344,104	\$287,007	\$360,519	\$313,569
Information Technology Fund	\$1,682,655	\$2,532,368	\$2,137,240	\$2,587,668	\$2,271,147
Total Sources	\$1,982,616	\$2,876,472	\$2,424,247	\$2,948,187	\$2,584,716



Five Year Forecast



FIVE YEAR FORECAST ASSUMPTIONS - FY 2016-2017 THROUGH 2020-2021

MAJOR ASSUMPTIONS

General Fund

Revenues

- * Property taxes are forecast at 4% growth annually.
- * Sales taxes are forecast at 2.05% growth annually.
- * Business License Taxes are forecast at 1% growth annually.
- * Hotel Bed Taxes are forecast at 4% growth annually. Beginning in FY 2017-2018, an additional \$500,000 of General Fund revenue has been allocated to the CIP Fund every year.
- * Building permits and Plan Check fees are expected to increase 3% annually.
- * Parking Citations are expected to remain flat after 2015-2016 increase.
- * Interest Income conservatively projected to increase 0.5% per year beginning FY 2019.
- * Parks & Recreation Fees are expected to increase by 2% per year.
- * Administrative Service Charge to reimburse the General Fund for overhead costs is expected to be flat.
- * No State takeaways are projected.
- * Remaining revenues are forecast at 2% growth annually.

Expenditures

- * Modest Salary and benefit adjustments are provided for after expiration of existing MOU's in FY 2018-2019. Step increases continue.
- * Budget Years FY 2016-2017 and FY 2017-2018 include an across-the-board staffing vacancy funding reduction which is continued in the outlying years. The vacancy reduction (4%) totaled \$1.56 million in FY 2016-2017 and \$1.61 million in FY 2017-2018.
- * Medical increases were estimated at 6% per year based on recent trends.
- * Workers Compensation costs were maintained at \$3.4 million per year.
- * School Agreement budgeted in line with contract (FY 2016-17 = \$574,000; FY 2017-18 = \$582,000). Increases in subsequent years budgeted at 2%.
- * PERS costs are escalated in line with rate forecasts from an independent actuarial study. In addition to normal contributions and payments specifically to pay down the City's unfunded actuarial liability, an additional \$500,000 has been budgeted every year for the establishment of an irrevocable pension trust.
- * Line items including material & supplies, contract services, utilities, internal services, etc. (unless otherwise noted) are adjusted annually by 2.0%.
- * Election costs of \$100,000 scheduled in the odd years.
- * Council Contingency was maintained at \$100,000.

Street Lighting Fund

- * Assessments remain unchanged (Prop 218 vote required to change).
- * General Fund continues to subsidize this program through transfers.
- * Utility costs, which make up a large portion of the cost of this program, are estimated to increase by 2.5% annually.

Streets & Highways Fund

- * Assumes all projects listed in Proposed FY 2017-2021 Capital Improvement Plan are funded using pay-as-you-go financing from existing revenue streams and fund reserves.

Prop A Fund

- * Assumes transfer from Measure R Fund every year to help fund Dial-A-Ride services.

FIVE YEAR FORECAST ASSUMPTIONS - FY 2016-2017 THROUGH 2020-2021

Prop C Fund

* Assumes all projects listed in Proposed FY 2017-2021 Capital Improvement Plan are funded using pay-as-you-go financing from existing revenue streams and fund reserves.

Measure R Fund

* Assumes all projects listed in Proposed FY 2017-2021 Capital Improvement Plan are funded using pay-as-you-go financing from existing revenue streams and fund reserves.

* Assumes transfer to Prop A Fund to help fund Dial-A-Ride services.

Capital Improvement Fund

* Assumes all projects listed in Proposed FY 2017-2021 Capital Improvement Plan are funded using pay-as-you-go financing from existing revenue streams and fund reserves.

* Deferred Maintenance Reserve initiated in FY 2016-2017 (Project Expenditure Appropriations TBD). Beginning in FY 2017-2018, an additional \$500,000 of General Fund revenue has been allocated to the CIP Fund every year.

Water Fund

* Assumed MWD rates increase by 5% in the outlying years.

* Consumption rates assumed to remain level with the current year.

* Assumes all projects listed in Proposed FY 2017-2021 Capital Improvement Plan are funded using pay-as-you-go financing from existing revenue streams and fund reserves.

Storm Water Fund

***Assumes Stormwater Assessments are increased in FY2017-2018 to meet expenditures (Prop 218 vote required).**

* Mandated projects expected in the future.

Waste Water Fund

* Consumption rates reflect conservation efforts.

* Assumes all projects listed in Proposed FY 2017-2021 Capital Improvement Plan are funded using pay-as-you-go financing from existing revenue streams and fund reserves.

Refuse Fund

* Revenues estimated to coincide with contract rates as a pass through, plus other program related expenses.

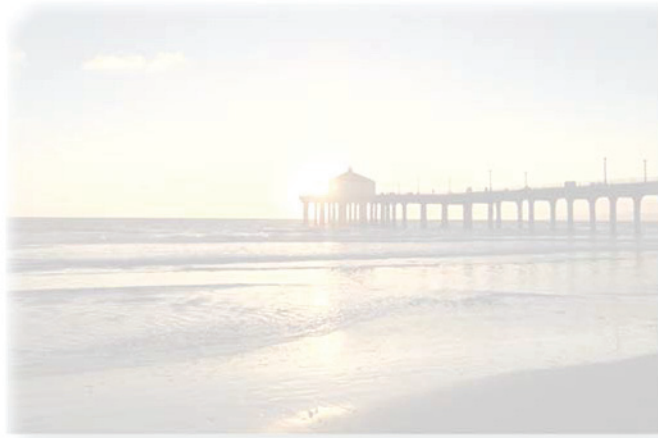
Parking Funds

* \$.50/hr dedicated from on-street meters to CIP fund remains in place.

* Assumes all projects listed in Proposed FY 2017-2021 Capital Improvement Plan are funded using pay-as-you-go financing from existing revenue streams and fund reserves.

Insurance Reserve Fund

* Insurance Reserve Unreserved Balance is utilized to cover long-term liabilities, which totaled approximately \$4.15 million on June 30, 2015. As a result, transfers from the General Fund were scheduled over a three year period (FY2016, FY2017 & FY2018) to provide sufficient capital.



GENERAL FUND FIVE YEAR FORECAST SUMMARY - FY 2016-2017 THROUGH 2020-2021

Year	Revenues	Change	%	Expenditures	Change	%	Surplus/ (Deficit)	Year-end Fund Balance	Reserves	Unreserved Fund Balance	Use of Reserves	Net General Fund Transfers
FY 2016-2017 ¹	\$67,822,465	\$4,169,965	6.6%	\$67,406,040	\$3,840,878	6.0%	\$416,425	\$16,643,652	\$15,345,376	\$1,298,276	-	(\$1,372,193)
FY 2017-2018	\$69,733,976	\$1,911,511	2.8%	\$69,571,459	\$2,165,419	3.2%	\$162,517	\$16,094,282	\$15,844,155	\$250,127	-	(\$711,887)
FY 2018-2019 ²	\$72,962,317	\$3,228,341	4.6%	\$71,227,496	\$1,656,037	2.4%	\$1,734,821	\$17,783,709	\$17,783,709	-	\$461,790	(\$45,394)
FY 2019-2020	\$72,863,024	(\$99,293)	-0.1%	\$73,263,999	\$2,036,504	2.9%	(\$400,975)	\$17,336,774	\$17,336,774	-	\$854,236	(\$45,960)
FY 2020-2021	\$74,902,352	\$2,039,329	2.8%	\$75,018,919	\$1,754,919	2.4%	(\$116,566)	\$17,173,929	\$17,173,929	-	\$513,829	(\$46,279)
											\$1,829,855	(\$2,221,713)

¹ Changes from FY 2015-2016 Adopted Budget.

² FY 2018-2019 Includes loan payoff revenue estimate of \$2,070,137.

General Fund One-Time Expenditures include:		FY2017	FY2018
Capital Purchases			
Furniture		\$400	
I.T. Projects			
ERP Solution		178,585	750,000
Net new workstation (Rec Coordinator)		2,000	
Community Cameras		400,000	
Fire Radios			80,000
Work Order Mgmt System Enhancements		10,000	
Misc. Computer Equipment		6,000	
GIS Enhancements		55,136	
	Subtotal	651,721	
	Subtotal	\$652,121	\$830,000
Other One-time Purchases			
Performance Evaluation and Mgmt Training		\$25,000	
Customer Service Training		25,000	
Historic Preservation Inventory		100,000	
Accela Mobile Devices		18,733	
	Subtotal	\$168,733	-
	Total	\$820,854	\$830,000

FIVE YEAR FORECAST

FY 2016-2017 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2016 Opening Balance ¹	2016-2017 Estimated Revenues	2016-2017 Operating Expenditures	2016-2017 Capital Equip & Projects ²	2016-2017 Debt Service Payments ²	2016-2017 Total Expenditures	2016-2017 Fund Balance Before Xfers	2016-2017 Fund Transfers	06/30/2017 Total Fund Balance	06/30/2017 Reserves & Designations	06/30/2017 Unreserved Balance
General Fund Undesignated	\$3,087,377	\$67,822,465	(\$66,082,305)	(\$652,121)	(\$671,614)	(\$67,406,040)	\$3,503,802	(\$833,334)	\$1,298,276		\$1,298,276
<i>Transfer from County Lots Parking Fund</i>								186,503			
<i>Transfer from Information Technology Fund</i>								561,684			
<i>Transfer to Street Lighting Fund</i>								(207,413)			
<i>Transfer to Stormwater Fund</i>								(745,967)			
<i>Transfer to Insurance Reserve Fund</i>								(667,000)			
<i>Transfer to Capital Improvements Fund</i>								(500,000)			
<i>Financial Policy Designation</i>	12,713,032						12,713,032	768,176	13,481,208	13,481,208	
<i>Reserve for Economic Uncertainty</i>	1,799,010						1,799,010	65,158	1,864,168	1,864,168	
<i>Debt Service Reserve</i>	-						-	-	-	-	
Total General Fund Balance	\$17,599,419	\$67,822,465	(\$66,082,305)	(\$652,121)	(\$671,614)	(\$67,406,040)	\$18,015,844	(\$1,372,193)	\$16,643,652	\$15,345,376	\$1,298,276
Special Revenue Funds											
Street Lighting & Landscape	-	\$396,134	(\$603,547)	-	-	(\$603,547)	(\$207,413)	\$207,413	-		-
Gas Tax	1,217,156	784,911	-	(1,990,000)	-	(1,990,000)	12,067		\$12,067		\$12,067
Asset Forfeiture & Safety Grants	651,637	58,300	(186,920)	-	-	(186,920)	523,017		523,017		523,017
Police Safety Grants	142,584	101,400	(105,000)	-	-	(105,000)	138,984		138,984		138,984
Federal & State Grants	(22,488)	-	-	-	-	-	(22,488)		(22,488)		(22,488)
Prop A	-	680,260	(871,193)	-	-	(871,193)	(190,933)	190,933	-		-
Prop C	652,737	673,521	-	(190,000)	-	(190,000)	1,136,258		1,136,258		1,136,258
AB 2766	200,007	50,412	(11,300)	-	-	(11,300)	239,119		239,119		239,119
Measure R	1,107,394	421,111	-	(1,185,000)	-	(1,185,000)	343,505	(190,933)	152,572		152,572
Total Special Revenue Funds Balance	\$3,949,027	\$3,166,049	(\$1,777,960)	(\$3,365,000)	-	(\$5,142,960)	\$1,972,116	\$207,413	\$2,179,529	-	\$2,179,529
Capital Project Funds											
Capital Improvement Fund	\$3,151,271	\$1,568,304	-	(\$1,542,000)	(\$766,538)	(\$2,308,538)	\$2,411,037	\$500,000	\$2,911,037	\$500,000	\$2,411,037
Underground Utility Construction Fund	592,049	1,800	-	-	-	-	593,849		593,849		593,849
Total Capital Project Funds Balance	\$3,743,320	\$1,570,104	-	(\$1,542,000)	(\$766,538)	(\$2,308,538)	\$3,004,886	\$500,000	\$3,504,886	\$500,000	\$3,004,886
Enterprise Funds											
Water	\$23,758,817	\$14,897,000	(\$10,263,385)	(\$3,835,000)	(\$173,040)	(\$14,271,425)	\$24,384,391	\$15,317	\$24,399,708	\$3,478,808	\$20,920,900
Stormwater*	-	354,300	(890,267)	(210,000)	-	(1,100,267)	(745,967)	745,967	-	-	-
Wastewater	5,544,307	3,358,500	(1,115,431)	(100,000)	(85,136)	(1,300,567)	7,602,240	-	7,602,240	400,189	7,202,051
Refuse*	529,547	4,282,562	(4,141,558)	-	-	(4,141,558)	670,551	-	670,551	670,551	-
Parking*	1,019,179	2,593,000	(1,825,847)	(814,500)	(713,563)	(3,353,910)	258,269	2,561	260,830	260,830	-
County Parking Lots	-	798,500	(175,997)	-	(436,000)	(611,997)	186,503	(186,503)	-	-	-
State Pier & Parking	916,332	609,600	(457,358)	(40,000)	-	(497,358)	1,028,574	-	1,028,574	152,453	876,121
Enterprise Fund Reserves:											
North Manhattan Beach BID Reserve	518,896						518,896	-	518,896	518,896	
Total Enterprise Funds Balance	\$32,287,078	\$26,893,462	(\$18,869,842)	(\$4,999,500)	(\$1,407,739)	(\$25,277,081)	\$33,903,459	\$577,342	\$34,480,801	\$5,481,728	\$28,999,073

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FIVE YEAR FORECAST

FY 2016-2017 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2016 Opening Balance ¹	2016-2017 Estimated Revenues	2016-2017 Operating Expenditures	2016-2017 Capital Equip & Projects ²	2016-2017 Debt Service Payments ²	2016-2017 Total Expenditures	2016-2017 Fund Balance Before Xfers	2016-2017 Fund Transfers	06/30/2017 Total Fund Balance	06/30/2017 Reserves & Designations	06/30/2017 Unreserved Balance
Internal Service Funds											
Insurance Reserve ³	\$4,040,091	\$6,869,640	(\$6,555,285)	-	-	(\$6,555,285)	\$4,354,446	\$672,106	\$5,026,552	\$2,000,000	\$3,026,552
Information Technology ⁴	1,153,569	2,293,140	(2,198,850)	(388,818)	-	(2,587,668)	859,041	(600,000)	259,041		259,041
Fleet Management	2,226,392	2,232,420	(1,145,705)	(702,631)	(197,859)	(2,046,195)	2,412,617	7,666	2,420,283		2,420,283
Building Maintenance & Operations	3,464	1,858,135	(1,849,132)	-	-	(1,849,132)	12,467	7,666	20,133		20,133
Total Insurance Service Funds Balance	\$7,423,516	\$13,253,335	(\$11,748,973)	(\$1,091,449)	(\$197,859)	(\$13,038,281)	\$7,638,571	\$87,438	\$7,726,009	\$2,000,000	\$5,726,009
Trust & Agency Funds											
Underground Assessment Fund	\$1,848,423	\$965,000		-	(\$944,261)	(\$944,261)	\$1,869,162		\$1,869,162	\$1,869,162	
Pension Trust	263,936	173,000	(233,400)	-	-	(233,400)	203,536		203,536	203,536	
Total Trust Agency Funds Balance	\$2,112,359	\$1,138,000	(\$233,400)	-	(\$944,261)	(\$1,177,661)	\$2,072,698	-	\$2,072,698	\$2,072,698	-
Grand Total	\$67,114,719	\$113,843,415	(\$98,712,479)	(\$11,650,070)	(\$3,988,011)	(\$114,350,560)	\$66,607,574	-	\$66,607,574	\$25,399,802	\$41,207,772

* Not meeting current Financial Reserve Policy.

¹ 07/01/2016 Opening Balances include 2015-2016 Full-Year Estimates and Committed Capital Projects/Grants.

² For detail, see Capital Budget Summary section and Appendix Schedule of Debt Service & Lease Payments.

³ Insurance Reserve Unreserved Balance is utilized to cover long-term liabilities, which totaled approximately \$4.15 million on June 30, 2015. As a result, transfers from the General Fund were scheduled over a three year period (FY2016, FY2017 & FY2018) to provide sufficient capital.

⁴ Funds receiving transfer of excess fund balance from Information Technology Fund: General Fund, Insurance Reserve, Water, Parking, Fleet Maintenance and Building & Operations.

FIVE YEAR FORECAST

FY 2017-2018 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2017 Opening Balance ¹	2017-2018 Estimated Revenues	2017-2018 Operating Expenditures	2017-2018 Capital Equip & Projects ²	2017-2018 Debt Service Payments ²	2017-2018 Total Expenditures	2017-2018 Fund Balance Before Xfers	2017-2018 Fund Transfers	06/30/2018 Total Fund Balance	06/30/2018 Reserves & Designations	06/30/2018 Unreserved Balance
General Fund Undesignated	\$1,298,276	\$69,733,976	(\$67,916,112)	(\$830,000)	(\$825,347)	(\$69,571,459)	\$1,460,793	(\$498,779)	\$250,127		\$250,127
<i>Transfer from County Lots Parking Fund</i>	-							178,773			
<i>Transfer to Street Lighting Fund</i>	-							(223,660)			
<i>Transfer to Stormwater Fund</i>	-							-			
<i>Transfer to Insurance Reserve Fund</i>	-							(667,000)			
<i>Transfer to Capital Improvements Fund</i>	-							-			
<i>Financial Policy Designation</i>	13,481,208						13,481,208	433,084	13,914,292	13,914,292	
<i>Reserve for Economic Uncertainty</i>	1,864,168						1,864,168	65,695	1,929,863	1,929,863	
<i>Debt Service Reserve</i>	-						-		-	-	
Total General Fund Balance	\$16,643,652	\$69,733,976	(\$67,916,112)	(\$830,000)	(\$825,347)	(\$69,571,459)	\$16,806,169	(\$711,887)	\$16,094,282	\$15,844,155	\$250,127
Special Revenue Funds											
Street Lighting & Landscape	-	\$396,134	(\$619,794)	-	-	(\$619,794)	(\$223,660)	\$223,660	-		-
Gas Tax	\$12,067	784,911	-	(750,000)	-	(750,000)	46,978		\$46,978		\$46,978
Asset Forfeiture & Safety Grants	523,017	958,300	(190,440)	(900,000)	(193,722)	(1,284,162)	197,155		197,155		197,155
Police Safety Grants	138,984	101,400	(105,000)	-	-	(105,000)	135,384		135,384		135,384
Federal & State Grants	(22,488)	-	-	-	-	-	(22,488)		(22,488)		(22,488)
Prop A	-	680,260	(899,903)	-	-	(899,903)	(219,643)	219,643	-		-
Prop C	1,136,258	1,393,521	-	(1,510,000)	-	(1,510,000)	1,019,779		1,019,779		1,019,779
AB 2766	239,119	50,412	(11,300)	-	-	(11,300)	278,231		278,231		278,231
Measure R	152,572	421,111		(175,000)	-	(175,000)	398,683	(219,643)	179,040		179,040
Total Special Revenue Funds Balance	\$2,179,529	\$4,786,049	(\$1,826,437)	(\$3,335,000)	(\$193,722)	(\$5,355,159)	\$1,610,419	\$223,660	\$1,834,079	-	\$1,834,079
Capital Project Funds											
Capital Improvement Fund	\$2,911,037	\$2,126,804	-	(\$1,725,000)	(\$767,362)	(\$2,492,362)	2,545,479	-	\$2,545,479	\$1,000,000	\$1,545,479
Underground Utility Construction Fund	593,849	1,800	-	-	-	-	595,649		595,649		595,649
Total Capital Project Funds Balance	\$3,504,886	\$2,128,604	-	(\$1,725,000)	(\$767,362)	(\$2,492,362)	\$3,141,128	-	\$3,141,128	\$1,000,000	\$2,141,128
Enterprise Funds											
Water	\$24,399,708	\$14,994,500	(\$10,666,569)	(\$10,920,000)	(\$172,001)	(\$21,758,570)	\$17,635,639	-	17,635,639	\$3,612,857	\$14,022,782
Stormwater	-	2,409,300	(876,718)	(210,000)	-	(1,086,718)	1,322,582	-	1,322,582	292,239	1,030,343
Wastewater	7,602,240	3,378,300	(1,127,703)	(7,250,000)	(84,625)	(8,462,328)	2,518,212	-	2,518,212	404,109	2,114,102
Refuse*	670,551	4,313,026	(4,220,332)	-	-	(4,220,332)	763,245		763,245	763,245	-
Parking*	260,830	2,597,000	(1,835,506)	(100,000)	(717,413)	(2,652,919)	204,911		204,911	204,911	-
County Parking Lots	-	798,500	(183,727)	-	(436,000)	(619,727)	178,773	(178,773)	-		-
State Pier & Parking	1,028,574	608,600	(477,859)	(175,000)	-	(652,859)	984,314		984,314	159,286	825,028
Enterprise Fund Reserves:											
North Manhattan Beach BID Reserve	518,896						518,896		518,896	518,896	
Total Enterprise Funds Balance	\$34,480,801	\$29,099,226	(\$19,388,416)	(\$18,655,000)	(\$1,410,039)	(\$39,453,455)	\$24,126,572	(\$178,773)	\$23,947,799	\$5,955,544	\$17,992,255

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FIVE YEAR FORECAST

FY 2017-2018 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2017 Opening Balance ¹	2017-2018 Estimated Revenues	2017-2018 Operating Expenditures	2017-2018 Capital Equip & Projects ²	2017-2018 Debt Service Payments ²	2017-2018 Total Expenditures	2017-2018 Fund Balance Before Xfers	2017-2018 Fund Transfers	06/30/2018 Total Fund Balance	06/30/2018 Reserves & Designations	06/30/2018 Unreserved Balance
Internal Service Funds											
Insurance Reserve ³	\$5,026,552	\$7,147,960	(\$7,052,669)	-	-	(\$7,052,669)	\$5,121,843	667,000	\$5,788,843	\$2,000,000	\$3,788,843
Information Technology	259,041	2,333,880	(2,207,438)	(63,709)	-	(2,271,147)	321,774	-	321,774	-	321,774
Fleet Management	2,420,283	3,433,420	(1,182,797)	(2,085,376)	(406,898)	(3,675,071)	2,178,632	-	2,178,632	-	2,178,632
Building Maintenance & Operations	20,133	1,893,969	(1,900,736)	-	-	(1,900,736)	13,366	-	13,366	-	13,366
Total Insurance Service Funds Balance	\$7,726,009	\$14,809,229	(\$12,343,641)	(\$2,149,085)	(\$406,898)	(\$14,899,624)	\$7,635,614	\$667,000	\$8,302,614	\$2,000,000	\$6,302,614
Trust & Agency Funds											
Underground Assessment Fund	\$1,869,162	\$965,000	-	-	(\$947,439)	(\$947,439)	\$1,886,723	-	\$1,886,723	\$1,886,723	-
Pension Trust	203,536	182,000	(243,900)	-	-	(243,900)	141,636	-	141,636	141,636	-
Total Trust Agency Funds Balance	\$2,072,698	\$1,147,000	(\$243,900)	-	(\$947,439)	(\$1,191,339)	\$2,028,359	-	\$2,028,359	\$2,028,359	-
Grand Total - Adopted Budget	\$66,607,574	\$121,704,084	(\$101,718,505)	(\$26,694,085)	(\$4,550,807)	(\$132,963,397)	\$55,348,261	-	\$55,348,261	\$26,828,058	\$28,520,203

* Not meeting current Financial Reserve Policy.

¹ 07/01/2016 Opening Balances include 2015-2016 Full-Year Estimates and Committed Capital Projects/Grants.

² For detail, see Capital Budget Summary section and Appendix Schedule of Debt Service & Lease Payments.

³ Insurance Reserve Unreserved Balance is utilized to cover long-term liabilities, which totaled approximately \$4.15 million on June 30, 2015. As a result, transfers from the General Fund were scheduled over a three year period (FY2016, FY2017 & FY2018) to provide sufficient capital.

FIVE YEAR FORECAST

FY 2018-2019 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2018 Opening Balance ¹	2018-2019 Estimated Revenues	2018-2019 Operating Expenditures	2018-2019 Capital Equip & Projects ²	2018-2019 Debt Service Payments ²	2018-2019 Total Expenditures	2018-2019 Fund Balance Before Xfers	2018-2019 Fund Transfers	06/30/2019 Total Fund Balance	06/30/2019 Reserves & Designations	06/30/2019 Unreserved Balance
General Fund Undesignated	\$250,127	\$72,962,317	(\$69,945,013)	(\$200,000)	(\$1,082,483)	(\$71,227,496)	1,984,948	(\$2,401,344)	(\$461,790)		-
<i>Transfer from County Lots Parking Fund</i>	-							189,181			
<i>Transfer to Street Lighting Fund</i>	-							(234,575)			
<i>Transfer to Stormwater Fund</i>								-			
<i>Transfer to Capital Improvements Fund</i>								-			
<i>Financial Policy Designation</i>	\$13,914,292						13,914,292	331,207	14,245,499	14,245,499	
<i>Reserve for Economic Uncertainty</i>	1,929,863						1,929,863	2,070,137	4,000,000	3,538,210	
<i>Debt Service Reserve</i>	-						-	-	-	-	
Total General Fund Balance	\$16,094,282	\$72,962,317	(\$69,945,013)	(\$200,000)	(\$1,082,483)	(\$71,227,496)	\$17,829,103	(\$45,394)	\$17,783,709	\$17,783,709	-
Special Revenue Funds											
Street Lighting & Landscape	-	\$396,584	(\$631,159)	-	-	(\$631,159)	(\$234,575)	\$234,575	-		-
Gas Tax	\$46,978	799,785	-	(750,000)	-	(750,000)	96,762		\$96,762		\$96,762
Asset Forfeiture & Safety Grants	197,155	58,342	(143,910)	-	-	(143,910)	111,586		111,586		111,586
Police Safety Grants	135,384	101,407	(107,100)	-	-	(107,100)	129,691		129,691		129,691
Federal & State Grants	(22,488)	-	-	-	-	-	(22,488)		(22,488)		(22,488)
Prop A	-	690,589	(927,798)	-	-	(927,798)	(237,209)	237,209	-		-
Prop C	1,019,779	591,874	-	-	-	-	1,611,653		1,611,653		1,611,653
AB 2766	278,231	50,421	(11,300)	-	-	(11,300)	317,352		317,352		317,352
Measure R	179,040	429,331	-	-	-	-	608,371	(237,209)	371,162		371,162
Total Special Revenue Funds Balance	\$1,834,079	\$3,118,332	(\$1,821,267)	(\$750,000)	-	(\$2,571,267)	\$2,381,143	\$234,575	\$2,615,718	-	\$2,615,718
Capital Project Funds											
Capital Improvement Fund	\$2,545,479	\$2,191,444	-	(\$1,325,000)	(\$772,663)	(\$2,097,663)	\$2,639,260	-	\$2,639,260	\$1,500,000	\$1,139,260
Underground Utility Construction Fund	595,649	1,809	-	-	-	-	597,458		597,458		597,458
Total Capital Project Funds Balance	\$3,141,128	\$2,193,253	-	(\$1,325,000)	(\$772,663)	(\$2,097,663)	\$3,236,718	-	\$3,236,718	\$1,500,000	\$1,736,718
Enterprise Funds											
Water	\$17,635,639	\$15,001,375	(\$11,030,749)	(\$6,475,000)	(\$170,827)	(\$17,676,576)	\$14,960,438	-	\$14,960,438	\$3,733,859	\$11,226,579
Stormwater	1,322,582	2,409,347	(895,394)	(712,700)	-	(1,608,094)	2,123,835	-	2,123,835	298,465	1,825,371
Wastewater	2,518,212	3,380,986	(1,142,694)	(2,400,000)	(84,048)	(3,626,742)	2,272,456	-	2,272,456	408,914	1,863,542
Refuse*	763,245	4,376,088	(4,303,132)	-	-	(4,303,132)	836,202		836,202	836,202	-
Parking*	204,911	2,645,085	(1,864,011)	(25,000)	(710,663)	(2,599,674)	250,323		250,323	250,323	-
County Parking Lots	-	814,470	(187,109)	-	(438,180)	(625,289)	189,181	(189,181)	-		-
State Pier & Parking	984,314	620,510	(485,966)	-	-	(485,966)	1,118,858		1,118,858	161,989	956,870
Enterprise Fund Reserves:											
North Manhattan Beach BID Reserve	518,896						518,896		518,896	518,896	
Total Enterprise Funds Balance	\$23,947,799	\$29,247,861	(\$19,909,054)	(\$9,612,700)	(\$1,403,718)	(\$30,925,472)	\$22,270,188	(\$189,181)	\$22,081,007	\$6,208,646	\$15,872,362

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FIVE YEAR FORECAST
FY 2018-2019 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2018 Opening Balance ¹	2018-2019 Estimated Revenues	2018-2019 Operating Expenditures	2018-2019 Capital Equip & Projects ²	2018-2019 Debt Service Payments ²	2018-2019 Total Expenditures	2018-2019 Fund Balance Before Xfers	2018-2019 Fund Transfers	06/30/2019 Total Fund Balance	06/30/2019 Reserves & Designations	06/30/2019 Unreserved Balance
Internal Service Funds											
Insurance Reserve ³	\$5,788,843	\$7,274,006	(\$7,199,006)	-	-	(\$7,199,006)	\$5,863,843		\$5,863,843	\$2,000,000	\$3,863,843
Information Technology	321,774	2,461,812	(2,261,812)	(200,000)	-	(2,461,812)	321,774		321,774		321,774
Fleet Management	2,178,632	2,233,420	(1,208,339)	(750,000)	(258,297)	(2,216,636)	2,195,416		2,195,416		2,195,416
Building Maintenance & Operations	13,366	1,942,694	(1,942,694)	-	-	(1,942,694)	13,366		13,366		13,366
Total Insurance Service Funds Balance	\$8,302,614	\$13,911,932	(\$12,611,851)	(\$950,000)	(\$258,297)	(\$13,820,148)	\$8,394,398	-	\$8,394,398	\$2,000,000	\$6,394,398
Trust & Agency Funds											
Underground Assessment Fund	\$1,886,723	\$965,000	-	-	(\$939,047)	(\$939,047)	\$1,912,676		\$1,912,676	\$1,912,676	
Pension Trust	141,636	182,070	(243,900)	-	-	(243,900)	79,806		79,806	79,806	
Total Trust Agency Funds Balance	\$2,028,359	\$1,147,070	(\$243,900)	-	(\$939,047)	(\$1,182,947)	\$1,992,482	-	\$1,992,482	\$1,992,482	-
Grand Total - Adopted Budget	\$55,348,261	\$122,580,765	(\$104,531,086)	(\$12,837,700)	(\$4,456,208)	(\$121,824,993)	\$56,104,033	-	\$56,104,033	\$29,484,837	\$26,619,196

* Not meeting current Financial Reserve Policy.

¹ 07/01/2016 Opening Balances include 2015-2016 Full-Year Estimates and Committed Capital Projects/Grants.

² For detail, see Capital Budget Summary section and Appendix Schedule of Debt Service & Lease Payments.

³ Insurance Reserve Unreserved Balance is utilized to cover long-term liabilities, which totaled approximately \$4.15 million on June 30, 2015. As a result, transfers from the General Fund were scheduled over a three year period (FY2016, FY2017 & FY2018) to provide sufficient capital.

FIVE YEAR FORECAST

FY 2019-2020 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2019 Opening Balance ¹	2019-2020 Estimated Revenues	2019-2020 Operating Expenditures	2019-2020 Capital Equip & Projects ²	2019-2020 Debt Service Payments ²	2019-2020 Total Expenditures	2019-2020 Fund Balance Before Xfers	2019-2020 Fund Transfers	06/30/2020 Total Fund Balance	06/30/2020 Reserves & Designations	06/30/2020 Unreserved Balance
General Fund Undesignated	-	\$72,863,024	(\$71,983,649)	(\$200,000)	(\$1,080,351)	(\$73,263,999)	(400,975)	(\$407,301)	(\$854,236)		-
<i>Transfer from County Lots Parking Fund</i>	-							199,746			
<i>Transfer to Street Lighting Fund</i>	-							(245,706)			
<i>Transfer to Stormwater Fund</i>	-							-			
<i>Transfer to Capital Improvements Fund</i>	-							-			
<i>Financial Policy Designation</i>	14,245,499						14,245,499	407,301	14,652,800	14,652,800	
<i>Reserve for Economic Uncertainty</i>	3,538,210						3,538,210		3,538,210	2,683,974	
<i>Debt Service Reserve</i>	-						-		-	-	
Total General Fund Balance	\$17,783,709	\$72,863,024	(\$71,983,649)	(\$200,000)	(\$1,080,351)	(\$73,263,999)	\$17,382,733	(\$45,960)	\$17,336,774	\$17,336,774	-
Special Revenue Funds											
Street Lighting & Landscape	-	\$397,046	(\$642,752)	-	-	(\$642,752)	(\$245,706)	\$245,706	-		-
Gas Tax	\$96,762	814,954	-	(790,000)	-	(790,000)	121,717		\$121,717		\$121,717
Asset Forfeiture & Safety Grants	111,586	58,383	(131,447)	-	-	(131,447)	38,523		38,523		38,523
Police Safety Grants	129,691	101,414	(109,242)	-	-	(109,242)	121,863		121,863		121,863
Federal & State Grants	(22,488)	-	-	-	-	-	(22,488)		(22,488)		(22,488)
Prop A	-	701,075	(952,738)	-	-	(952,738)	(251,662)	251,662	-		-
Prop C	1,611,653	600,350	-	-	-	-	2,212,003		2,212,003		2,212,003
AB 2766	317,352	50,430	(11,300)	-	-	(11,300)	356,482		356,482		356,482
Measure R	371,162	437,714	-	-	-	-	808,876	(251,662)	557,213		557,213
Total Special Revenue Funds Balance	\$2,615,718	\$3,161,366	(\$1,847,478)	(\$790,000)	-	(\$2,637,478)	\$3,139,607	\$245,706	\$3,385,312	-	\$3,385,312
Capital Project Funds											
Capital Improvement Fund	\$2,639,260	\$2,258,385	-	(\$1,650,000)	(\$772,438)	(\$2,422,438)	\$2,475,207	-	\$2,475,207	\$2,000,000	\$475,207
Underground Utility Construction Fund	597,458	1,818	-	-	-	-	599,276		599,276		599,276
Total Capital Project Funds Balance	\$3,236,718	\$2,260,203	-	(\$1,650,000)	(\$772,438)	(\$2,422,438)	\$3,074,483	-	\$3,074,483	\$2,000,000	\$1,074,483
Enterprise Funds											
Water	\$14,960,438	\$15,008,222	(\$11,408,674)	(\$6,475,000)	(\$172,855)	(\$18,056,529)	\$11,912,131	-	11,912,131	\$3,860,510	8,051,622
Stormwater	2,123,835	2,409,393	(914,679)	(712,700)	-	(1,627,379)	2,905,850	-	2,905,850	304,893	2,600,957
Wastewater	2,272,456	3,383,674	(1,158,752)	(2,150,000)	(85,045)	(3,393,797)	2,262,333	-	2,262,333	414,599	1,847,734
Refuse*	836,202	4,440,091	(4,386,749)	-	-	(4,386,749)	889,544		889,544	889,544	-
Parking*	250,323	2,694,115	(1,893,377)	(225,000)	(714,963)	(2,833,340)	111,098		111,098	111,098	-
County Parking Lots	-	830,759	(190,643)	-	(440,371)	(631,013)	199,746	(199,746)	-		-
State Pier & Parking	1,118,858	632,640	(494,318)	-	-	(494,318)	1,257,180		1,257,180	164,773	1,092,408
Enterprise Fund Reserves:											
North Manhattan Beach BID Reserve	518,896						518,896		518,896	518,896	
Total Enterprise Funds Balance	\$22,081,007	\$29,398,894	(\$20,447,191)	(\$9,562,700)	(\$1,413,233)	(\$31,423,124)	\$20,056,777	(\$199,746)	\$19,857,031	\$6,264,312	\$13,592,719

FIVE YEAR FORECAST
FY 2019-2020 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2019 Opening Balance ¹	2019-2020 Estimated Revenues	2019-2020 Operating Expenditures	2019-2020 Capital Equip & Projects ²	2019-2020 Debt Service Payments ²	2019-2020 Total Expenditures	2019-2020 Fund Balance Before Xfers	2019-2020 Fund Transfers	06/30/2020 Total Fund Balance	06/30/2020 Reserves & Designations	06/30/2020 Unreserved Balance
Internal Service Funds											
Insurance Reserve ³	\$5,863,843	\$7,423,328	(\$7,348,328)	-	-	(\$7,348,328)	\$5,938,843	-	\$5,938,843	\$2,000,000	\$3,938,843
Information Technology	321,774	2,518,094	(2,318,094)	(200,000)	-	(2,518,094)	321,774	-	321,774	-	321,774
Fleet Management	2,195,416	2,233,420	(1,234,664)	(750,000)	(258,297)	(2,242,961)	2,185,875	-	2,185,875	-	2,185,875
Building Maintenance & Operations	13,366	1,986,462	(1,986,462)	-	-	(1,986,462)	13,366	-	13,366	-	13,366
Total Insurance Service Funds Balance	\$8,394,398	\$14,161,304	(\$12,887,548)	(\$950,000)	(\$258,297)	(\$14,095,845)	\$8,459,857	-	\$8,459,857	\$2,000,000	\$6,459,857
Trust & Agency Funds											
Underground Assessment Fund	\$1,912,676	\$965,000	-	-	(\$948,000)	(\$948,000)	\$1,929,676	-	\$1,929,676	\$1,929,676	-
Pension Trust	79,806	182,140	(215,900)	-	-	(215,900)	46,047	-	46,047	46,047	-
Total Trust Agency Funds Balance	\$1,992,482	\$1,147,140	(\$215,900)	-	(\$948,000)	(\$1,163,900)	\$1,975,723	-	\$1,975,723	\$1,975,723	-
Grand Total - Adopted Budget	\$56,104,033	\$122,991,932	(\$107,381,766)	(\$13,152,700)	(\$4,472,319)	(\$125,006,785)	\$54,089,180	-	\$54,089,180	\$29,576,808	\$24,512,371

* Not meeting current Financial Reserve Policy.

¹ 07/01/2016 Opening Balances include 2015-2016 Full-Year Estimates and Committed Capital Projects/Grants.

² For detail, see Capital Budget Summary section and Appendix Schedule of Debt Service & Lease Payments.

³ Insurance Reserve Unreserved Balance is utilized to cover long-term liabilities, which totaled approximately \$4.15 million on June 30, 2015. As a result, transfers from the General Fund were scheduled over a three year period (FY2016, FY2017 & FY2018) to provide sufficient capital.

FIVE YEAR FORECAST

FY 2020-2021 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

	07/01/2020 Opening Balance ¹	2020-2021 Estimated Revenues	2020-2021 Operating Expenditures	2020-2021 Capital Equip & Projects ²	2020-2021 Debt Service Payments ²	2020-2021 Total Expenditures	2020-2021 Fund Balance Before Xfers	2020-2021 Fund Transfers	06/30/2021 Total Fund Balance	06/30/2021 Reserves & Designations	06/30/2021 Unreserved Balance
General Fund Undesignated	-	\$74,902,352	(\$73,721,068)	(\$200,000)	(\$1,097,850)	(\$75,018,919)	(\$116,566)	(\$350,984)	(\$513,829)		-
<i>Transfer from County Lots Parking Fund</i>	-							210,779			
<i>Transfer to Street Lighting Fund</i>	-							(257,057)			
<i>Transfer to Stormwater Fund</i>	-							-			
<i>Transfer to Capital Improvements Fund</i>	-							-			
<i>Financial Policy Designation</i>	\$14,652,800						14,652,800	350,984	15,003,784	15,003,784	
<i>Reserve for Economic Uncertainty</i>	2,683,974						2,683,974		2,683,974	2,170,145	
<i>Debt Service Reserve</i>	-						-		-	-	
Total General Fund Balance	\$17,336,774	\$74,902,352	(\$73,721,068)	(\$200,000)	(\$1,097,850)	(\$75,018,919)	\$17,220,208	(\$46,279)	\$17,173,929	\$17,173,929	-
Special Revenue Funds											
Street Lighting & Landscape	-	\$397,519	(\$654,576)	-	-	(\$654,576)	(\$257,057)	\$257,057	-		-
Gas Tax	\$121,717	830,425	-	(750,000)	-	(750,000)	202,142		\$202,142		\$202,142
Asset Forfeiture & Safety Grants	38,523	58,425	(92,344)	-	-	(92,344)	4,604		4,604		4,604
Police Safety Grants	121,863	101,421	(111,427)	-	-	(111,427)	111,857		111,857		111,857
Federal & State Grants	(22,488)	-	-	-	-	-	(22,488)		(22,488)		(22,488)
Prop A	-	711,721	(973,406)	-	-	(973,406)	(261,685)	261,685	-		-
Prop C	2,212,003	608,951	-	-	-	-	2,820,954		2,820,954		2,820,954
AB 2766	356,482	50,439	(11,300)	-	-	(11,300)	395,622		395,622		395,622
Measure R	557,213	446,264	-	-	-	-	1,003,477	(261,685)	741,792		741,792
Total Special Revenue Funds Balance	\$3,385,312	\$3,205,166	(\$1,843,052)	(\$750,000)	-	(\$2,593,052)	\$3,997,426	\$257,057	\$4,254,483	-	\$4,254,483
Capital Project Funds											
Capital Improvement Fund	\$2,475,207	\$2,327,713	-	(\$1,275,000)	(\$771,763)	(\$2,046,763)	\$2,756,157	-	\$2,756,157	\$2,500,000	\$256,157
Underground Utility Construction Fund	599,276	1,827	-	-	-	-	601,103		601,103		601,103
Total Capital Project Funds Balance	\$3,074,483	\$2,329,540	-	(\$1,275,000)	(\$771,763)	(\$2,046,763)	\$3,357,260	-	\$3,357,260	\$2,500,000	\$857,260
Enterprise Funds											
Water	\$11,912,131	\$15,015,193	(\$11,795,291)	-	(\$172,350)	(\$11,967,641)	\$14,959,683	-	\$14,959,683	\$3,989,214	\$10,970,469
Stormwater	2,905,850	2,409,440	(933,725)	(712,700)	-	(1,646,425)	3,668,865	-	3,668,865	311,242	3,357,624
Wastewater	2,262,333	3,386,413	(1,172,941)	(1,950,000)	(85,075)	(3,208,016)	2,440,730	-	2,440,730	419,339	2,021,391
Refuse*	889,544	4,505,054	(4,470,967)	-	-	(4,470,967)	923,631		923,631	923,631	-
Parking*	111,098	2,744,124	(1,922,539)	-	(714,200)	(2,636,739)	218,482		218,482	218,482	-
County Parking Lots	-	847,375	(194,023)	-	(442,573)	(636,596)	210,779	(210,779)	-		-
State Pier & Parking	1,257,180	645,010	(502,613)	-	-	(502,613)	1,399,577		1,399,577	167,538	1,232,039
Enterprise Fund Reserves:											
North Manhattan Beach BID Reserve	518,896						518,896		518,896	518,896	
Total Enterprise Funds Balance	\$19,857,031	\$29,552,608	(\$20,992,099)	(\$2,662,700)	(\$1,414,198)	(\$25,068,997)	\$24,340,643	(\$210,779)	\$24,129,864	\$6,548,341	\$17,581,523

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FIVE YEAR FORECAST
FY 2020-2021 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES

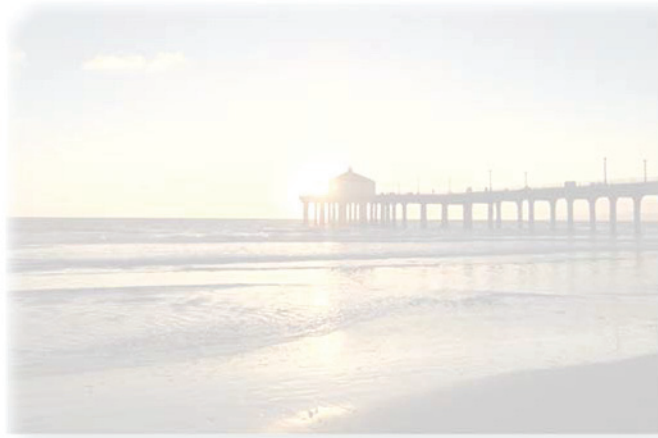
	07/01/2020 Opening Balance ¹	2020-2021 Estimated Revenues	2020-2021 Operating Expenditures	2020-2021 Capital Equip & Projects ²	2020-2021 Debt Service Payments ²	2020-2021 Total Expenditures	2020-2021 Fund Balance Before Xfers	2020-2021 Fund Transfers	06/30/2021 Total Fund Balance	06/30/2021 Reserves & Designations	06/30/2021 Unreserved Balance
Internal Service Funds											
Insurance Reserve ³	\$5,938,843	\$7,572,210	(\$7,497,210)	-	-	(\$7,497,210)	\$6,013,843		\$6,013,843	\$2,000,000	\$4,013,843
Information Technology	321,774	2,567,767	(2,367,767)	(200,000)	-	(2,567,767)	321,774		321,774		321,774
Fleet Management	2,185,875	2,233,420	(1,259,018)	(750,000)	(258,296)	(2,267,314)	2,151,981		2,151,981		2,151,981
Building Maintenance & Operations	13,366	2,027,737	(2,027,737)	-	-	(2,027,737)	13,366		13,366		13,366
Total Insurance Service Funds Balance	\$8,459,857	\$14,401,134	(\$13,151,731)	(\$950,000)	(\$258,296)	(\$14,360,027)	\$8,500,963	-	\$8,500,963	\$2,000,000	\$6,500,963
Trust & Agency Funds											
Underground Assessment Fund	\$1,929,676	\$965,000	-	-	(\$948,000)	(\$948,000)	\$1,946,676		\$1,946,676	\$1,946,676	
Pension Trust	46,047	182,211	(215,900)	-	-	(215,900)	12,358		12,358	12,358	
Total Trust Agency Funds Balance	\$1,975,723	\$1,147,211	(\$215,900)	-	(\$948,000)	(\$1,163,900)	\$1,959,034	-	\$1,959,034	\$1,959,034	-
Grand Total - Adopted Budget	\$54,089,180	\$125,538,011	(\$109,923,851)	(\$5,837,700)	(\$4,490,107)	(\$120,251,658)	\$59,375,533	-	\$59,375,533	\$30,181,303	\$29,194,229

* Not meeting current Financial Reserve Policy.

¹ 07/01/2016 Opening Balances include 2015-2016 Full-Year Estimates and Committed Capital Projects/Grants.

² For detail, see Capital Budget Summary section and Appendix Schedule of Debt Service & Lease Payments.

³ Insurance Reserve Unreserved Balance is utilized to cover long-term liabilities, which totaled approximately \$4.15 million on June 30, 2015. As a result, transfers from the General Fund were scheduled over a three year period (FY2016, FY2017 & FY2018) to provide sufficient capital.



Capital Budget Summary



SCHEDULE OF CAPITAL PROJECTS BY FUND & TYPE

	Prior Year	Budget	Proposed 5-Year CIP				TOTAL
	Appropriation ¹	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	Five-Year
CIP Project Funding Summary							
Streets & Highways Fund	3,196,124	1,990,000	750,000	750,000	790,000	750,000	8,226,124
Prop C Fund	20,813,130	190,000	1,510,000	-	-	-	22,513,130
Measure R Fund	1,986,910	1,185,000	175,000	-	-	-	3,346,910
CIP Fund	9,491,381	1,542,000	1,725,000	1,325,000	1,650,000	1,275,000	17,008,381
Water Fund	5,046,780	3,835,000	10,920,000	6,475,000	6,475,000	-	32,751,780
Stormwater Fund	1,097,475	210,000	210,000	712,700	712,700	712,700	3,655,575
Wastewater Fund	2,772,835	100,000	7,250,000	2,400,000	2,150,000	1,950,000	16,622,835
Refuse Fund	150,000	-	-	-	-	-	150,000
Parking Fund	776,515	814,500	100,000	25,000	225,000	-	1,941,015
State Pier & Parking Lot Fund	1,363,190	40,000	175,000	-	-	-	1,578,190
	\$46,694,340	\$9,906,500	\$22,815,000	\$11,687,700	\$12,002,700	\$4,687,700	\$107,793,940

¹ Prior Year Appropriation column includes estimated carryover funding that will be expended as multi-year projects progress. Reported carryover funds reflect the amount of fund balance previously committed to projects in prior year adopted budgets. In the Five Year Forecast, Opening Fund Balances include assumptions for Committed Capital Project expenditures and, where applicable, anticipated grant revenue.

SCHEDULE OF CAPITAL PROJECTS BY FUND & TYPE

	Prior Year	Budget	Proposed 5-Year CIP				TOTAL
	Appropriation ¹	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	Five-Year
Streets & Highways Fund							
Streets-Concrete Repairs							
Annual Curb, Gutter and Ramp Replacement	263,254	365,000	365,000	365,000	365,000	365,000	2,088,254
Parkview Sidewalk Project	130,000	-	-	-	-	-	130,000
Streets-Concrete Repairs Total	\$393,254	\$365,000	\$365,000	\$365,000	\$365,000	\$365,000	\$2,218,254
Streets-Pavement Projects							
Annual Slurry Seal Program	385,000	385,000	385,000	385,000	385,000	385,000	2,310,000
Annual Slurry Seal Program (Areas 2 & 3)	485,050	-	-	-	-	-	485,050
Manhattan Ave/Highland Ave Improvement Project	702,805	-	-	-	-	-	702,805
Morningside Drive	75,000	-	-	-	-	-	75,000
Street Resurfacing Project: Rosecrans Avenue	250,000	-	-	-	-	-	250,000
Street Resurfacing: Blanche, Marine & 27th	75,000	300,000	-	-	-	-	375,000
Street Resurfacing: MB Blvd from Sepulveda to Aviation	96,415	900,000	-	-	-	-	996,415
Street Resurfacing: Oak, Redondo & 11th	250,000	-	-	-	-	-	250,000
Triennial Pavement Management System Update	-	40,000	-	-	40,000	-	80,000
Streets-Pavement Projects Total	\$2,319,270	\$1,625,000	\$385,000	\$385,000	\$425,000	\$385,000	\$5,524,270
Streets-Capacity Improvements							
22 Intersection Pedestrian Improvements (HSIP Grant)	248,065	-	-	-	-	-	248,065
Sepulveda & 8th St Intersection Improvements (HSIP Grant)	235,535	-	-	-	-	-	235,535
Streets-Capacity Improvements Total	\$483,600	-	-	-	-	-	\$483,600
Streets & Highways Total	\$3,196,124	\$1,990,000	\$750,000	\$750,000	\$790,000	\$750,000	\$8,226,124

Estimated Total Ending Fund Balance	\$12,067	\$46,978	\$96,762	\$121,717	\$202,142
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**See Five Year Forecast for Estimated Revenues, Expenditures, and Reserves*

Prop C Fund

Streets-Pavement Projects							
Street Resurfacing: Marine from Sepulveda to Aviation	-	100,000	700,000	-	-	-	800,000
Streets-Pavement Projects Total	-	\$100,000	\$700,000	-	-	-	\$800,000
Streets-Capacity Improvements							
Dual LT Lanes on MBB at Sepulveda (Meas R SB Grant)	1,362,420	-	-	-	-	-	1,362,420
Sepulveda Bridge (Measure R South Bay Grant)	9,100,000	-	-	-	-	-	9,100,000
Sepulveda Bridge Widening (MTA Call Grant)	6,813,315	-	-	-	-	-	6,813,315
Sepulveda Bridge Widening Prop C Local	3,360,290	-	-	-	-	-	3,360,290
Sepulveda Bridge Widening (Safetee-Lu Earmark Grant)	177,105	-	-	-	-	-	177,105
Sepulveda Intersection Improvements	-	90,000	810,000	-	-	-	900,000
Streets-Capacity Improvements Total	\$20,813,130	\$90,000	\$810,000	-	-	-	\$21,713,130
Prop C Total	\$20,813,130	\$190,000	\$1,510,000	-	-	-	\$22,513,130

Estimated Total Ending Fund Balance	\$1,136,258	\$1,019,779	\$1,611,653	\$2,212,003	\$2,820,954
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**See Five Year Forecast for Estimated Revenues, Expenditures, and Reserves*

SCHEDULE OF CAPITAL PROJECTS BY FUND & TYPE

	Prior Year	Budget	Proposed 5-Year CIP				TOTAL
	Appropriation ¹	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	Five-Year
Measure R							
Streets-Pavement Projects							
Street Resurfacing Project: 1100 Block of 3rd St	-	350,000	-	-	-	-	350,000
Street Resurfacing: Liberty Village	-	800,000	-	-	-	-	800,000
Streets-Pavement Projects Total	-	\$1,150,000	-	-	-	-	\$1,150,000
Streets-Capacity Improvements							
Aviation at Artesia, SB to WB Right-Turn Lane (Meas R SB Gr	1,499,220	-	-	-	-	-	1,499,220
Protected LT Lanes: MBB at Peck Ave	-	35,000	175,000	-	-	-	210,000
Streets-Capacity Improvements Total	\$1,499,220	\$35,000	\$175,000	-	-	-	\$1,709,220
Streets-Pedestrian Improvements							
Highland & 38th Improvements	159,710	-	-	-	-	-	159,710
Raised Median Construction: MBB, West of Aviation	146,490	-	-	-	-	-	146,490
Signalized Crosswalk: MBB at Target Driveway	181,490	-	-	-	-	-	181,490
Streets-Pedestrian Improvements Total	\$487,690	-	-	-	-	-	\$487,690
Measure R Total	\$1,986,910	\$1,185,000	\$175,000	-	-	-	\$3,346,910
Estimated Total Ending Fund Balance		\$152,572	\$179,040	\$371,162	\$557,213	\$741,792	

¹See Five Year Forecast for Estimated Revenues, Expenditures, and Reserves

SCHEDULE OF CAPITAL PROJECTS BY FUND & TYPE

	Prior Year	Budget	Proposed 5-Year CIP				TOTAL
	Appropriation ¹	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	Five-Year
CIP Fund							
Facilities Projects							
Begg Field Synthetic Turf & Light Fixture Replacement	1,332,000	-	-	-	-	-	1,332,000
Ceramics Studio Renovation	-	267,000	-	-	-	-	267,000
Community Development Front Counter & Office Remodel	70,000	150,000	-	-	-	-	220,000
Energy Efficiency Implementation Study/Plan	100,000	-	-	-	-	-	100,000
Engineering Division Space Planning	35,000	250,000	-	-	-	-	285,000
Facility Improvements	1,482,980	-	1,000,000	1,000,000	1,000,000	1,000,000	5,482,980
Fiber Master Plan	-	150,000	-	-	-	-	150,000
Field Netting at Dorsey, Live Oak and Manhattan Heights	150,000	-	-	-	-	-	150,000
Fire Station 2 Design Development	320,500	-	-	-	-	-	320,500
Fire Station Security Card Installation	40,000	-	-	-	-	-	40,000
Human Resources Offices Reconfiguration & Improvements	132,000	-	-	-	-	-	132,000
Install Fitness Station and Surfacing at Miraposa Fitness Station	55,000	-	-	-	-	-	55,000
Live Oak Fiber Connectivity for Tennis Office via Joslyn Center	35,420	-	-	-	-	-	35,420
Management Services Welcome Center & Remodel	95,015	-	-	-	-	-	95,015
Marine Ave Park Baseball Field Synthetic Turf	148,075	-	-	-	-	-	148,075
Park Master Plan	100,000	-	-	-	-	-	100,000
Replace Light Fixtures at Manhattan Village Field	100,230	-	-	-	-	-	100,230
Replacement/Upgrade Fire Station 1 Diesel Exhaust Removal	30,000	-	-	-	-	-	30,000
Veterans Parkway Landscape/Hardscape	432,825	-	-	-	-	-	432,825
Village Field Replacement Turf	-	60,000	450,000	-	-	-	510,000
Wayfinding Sign Program	1,200	-	-	-	-	-	1,200
Skate Spot	300,000	-	-	-	-	-	300,000
Facilities Projects Total	\$4,960,245	\$877,000	\$1,450,000	\$1,000,000	\$1,000,000	\$1,000,000	\$10,287,245
Streets-Miscellaneous							
Downtown Streetscape Improvements: Traffic Signal Pole Repl	1,099,740	-	-	-	-	-	1,099,740
LED Traffic Safety Lighting	77,000	-	-	-	-	-	77,000
Sepulveda Blvd Multi-Modal Streetscape Plan	-	150,000	-	-	-	-	150,000
Traffic Signal Battery Back-Up Installation	-	110,000	-	-	-	-	110,000
Traffic Signal Preemption Devices	75,000	75,000	75,000	75,000	-	-	300,000
Streets-Miscellaneous Total	\$1,251,740	\$335,000	\$75,000	\$75,000	-	-	\$1,736,740
Streets-Capacity Improvements							
Sepulveda/Oak Neighborhood Intrusion Study	-	50,000	-	-	-	-	50,000
Streets-Capacity Improvements Total	-	\$50,000	-	-	-	-	\$50,000
Streets-Pedestrian Improvements							
CDBG Access Ramp Construction	312,830	100,000	100,000	100,000	100,000	100,000	812,830
Cycle 10 Safe Routes to School Program	497,500	-	-	-	-	-	497,500
Cycle 3 Safe Routes to School Program	464,595	-	-	-	-	-	464,595
Non-Motorized Transportation Crosswalks, Bike Lanes, Etc.	193,130	100,000	100,000	100,000	100,000	100,000	693,130
Non-Motorized Transportation Project: Rosecrans Ave Bike Lar	160,810	-	-	-	-	-	160,810
Ocean Drive Walkstreet Crossing	-	-	-	50,000	450,000	-	500,000
Strand Bikeway Pier Undercrossing	-	-	-	-	-	75,000	75,000
Strand Stairs - Construction	1,650,531	-	-	-	-	-	1,650,531
Veterans Parkway Pedestrian Access Master Plan	-	80,000	-	-	-	-	80,000
Streets-Pedestrian Improvements Total	\$3,279,396	\$280,000	\$200,000	\$250,000	\$650,000	\$275,000	\$4,934,396
CIP Fund Total	\$9,491,381	\$1,542,000	\$1,725,000	\$1,325,000	\$1,650,000	\$1,275,000	\$17,008,381
Estimated Total Ending Fund Balance		\$2,911,037	\$2,545,479	\$2,639,260	\$2,475,207	\$2,756,157	

¹See Five Year Forecast for Estimated Revenues, Expenditures, and Reserves

SCHEDULE OF CAPITAL PROJECTS BY FUND & TYPE

	Prior Year	Budget	Proposed 5-Year CIP				TOTAL
	Appropriation ¹	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	Five-Year
Water Fund							
Water Projects							
Block 35 Ground Level Reservoir Replacement	-	-	300,000	3,700,000	3,700,000	-	7,700,000
Chloramination System at Wells 11 & 15	302,875	-	-	-	-	-	302,875
Larsson Street Booster Station Improvement	745,500	-	-	-	-	-	745,500
Paint Block 35 Elevated Tank	498,740	365,000	-	-	-	-	863,740
Peck Ground Level Reservoir Replacement	1,500,000	500,000	7,500,000	-	-	-	9,500,000
Pipe Replacement & Fire Hydrant Install (Areas 2 & 3)	1,627,010	-	-	-	-	-	1,627,010
Pipe Replacement & Fire Hydrant Install (Areas 5, 6 & 7)	100,000	-	-	-	-	-	100,000
Redrill & Equip Well 15	-	300,000	250,000	-	-	-	550,000
Utility Radio Telemetry	272,655	-	-	-	-	-	272,655
Water Meter Upgrade and Automation	-	2,670,000	2,670,000	-	-	-	5,340,000
Well Collection Line from Well 11A to Block 35	-	-	200,000	2,775,000	2,775,000	-	5,750,000
Water Projects Total	\$5,046,780	\$3,835,000	\$10,920,000	\$6,475,000	\$6,475,000	-	\$32,751,780
Water Total	\$5,046,780	\$3,835,000	\$10,920,000	\$6,475,000	\$6,475,000	-	\$32,751,780

Estimated Total Ending Fund Balance	\$24,399,708	\$17,635,639	\$14,960,438	\$11,912,131	\$14,959,683
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*See Five Year Forecast for Estimated Revenues, Expenditures, and Reserves

Stormwater Fund

Stormwater Projects							
Catch Basin Inserts	200,080	210,000	210,000	210,000	210,000	210,000	1,250,080
Storm Drain Repairs	897,395	-	-	502,700	502,700	502,700	2,405,495
Stormwater Projects Total	\$1,097,475	\$210,000	\$210,000	\$712,700	\$712,700	\$712,700	\$3,655,575
Stormwater Total	\$1,097,475	\$210,000	\$210,000	\$712,700	\$712,700	\$712,700	\$3,655,575

Estimated Total Ending Fund Balance	-	\$1,322,582	\$2,123,835	\$2,905,850	\$3,668,865
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*See Five Year Forecast for Estimated Revenues, Expenditures, and Reserves

Wastewater Fund

Wastewater Projects							
Meadows Lift Station Upgrade	-	-	-	-	250,000	1,700,000	1,950,000
Pacific Lift Station Upgrade	-	-	250,000	2,150,000	-	-	2,400,000
Palm Lift Station Upgrade	-	-	-	-	-	250,000	250,000
Poinsettia Sewage Lift Station and Force Main Replacement	300,000	-	3,000,000	-	-	-	3,300,000
Spot Repairs and Rehab of Gravity Sewer Mains (Area 4)	600,000	-	-	-	-	-	600,000
Spot Repairs and Rehab of Gravity Sewer Mains (Area 7)	1,654,040	-	-	-	-	-	1,654,040
Spot Repairs and Rehab of Gravity Sewer Mains (Areas 5 & 7)	125,000	-	1,400,000	-	-	-	1,525,000
Spot Repairs and Rehab of Gravity Sewer Mains (Areas 5,6 & 7)	-	100,000	2,600,000	-	-	-	2,700,000
Utility Radio Telemetry	93,795	-	-	-	-	-	93,795
Voorhees Lift Station Upgrade	-	-	-	250,000	1,900,000	-	2,150,000
Wastewater Projects Total	\$2,772,835	\$100,000	\$7,250,000	\$2,400,000	\$2,150,000	\$1,950,000	\$16,622,835
Wastewater Total	\$2,772,835	\$100,000	\$7,250,000	\$2,400,000	\$2,150,000	\$1,950,000	\$16,622,835

Estimated Total Ending Fund Balance	\$7,602,240	\$2,518,212	\$2,272,456	\$2,262,333	\$2,440,730
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*See Five Year Forecast for Estimated Revenues, Expenditures, and Reserves

SCHEDULE OF CAPITAL PROJECTS BY FUND & TYPE

	Prior Year	Budget					TOTAL
	Appropriation ¹	FY16/17	FY17/18	Proposed 5-Year CIP			
				FY18/19	FY19/20	FY20/21	
Refuse Fund							
Facilities Projects							
City-owned Refuse Enclosure Improvements Design	150,000	-	-	-	-	-	150,000
Facilities Projects Total	\$150,000	-	-	-	-	-	\$150,000
Refuse Total	\$150,000	-	-	-	-	-	\$150,000

Estimated Total Ending Fund Balance \$670,551 \$763,245 \$836,202 \$889,544 \$923,631

**See Five Year Forecast for Estimated Revenues, Expenditures, and Reserves*

Parking Fund

Parking Projects

Downtown Parking Facility Capital Investment Plan	-	-	100,000	-	-	-	100,000
Intelligent Parking Occupancy System (Lots 3 & M)	-	-	-	25,000	225,000	-	250,000
Lot 1 Retaining Wall (10th & Bayview)	100,000	-	-	-	-	-	100,000
North MB Business Improvement District Streetscape	84,775	-	-	-	-	-	84,775
Parking Structure Structural Rehab/Reinvestment	591,740	814,500	-	-	-	-	1,406,240
Parking Projects Total	\$776,515	\$814,500	\$100,000	\$25,000	\$225,000	-	\$1,941,015
Parking Total	\$776,515	\$814,500	\$100,000	\$25,000	\$225,000	-	\$1,941,015

Estimated Total Ending Fund Balance \$779,726 \$723,807 \$769,219 \$629,994 \$737,378

**See Five Year Forecast for Estimated Revenues, Expenditures, and Reserves*

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State Pier & Lot Fund

Facilities Projects

Pier Improvements (Includes Roundhouse & Comfort Station)	1,363,190	-	-	-	-	-	1,363,190
Facilities Projects Total	\$1,363,190	-	-	-	-	-	\$1,363,190
Parking Projects							
Pier Lot Safety Lighting	-	40,000	175,000	-	-	-	215,000
Parking Projects Total	-	\$40,000	\$175,000	-	-	-	\$215,000
State Pier & Lot Fund Total	\$1,363,190	\$40,000	\$175,000	-	-	-	\$1,578,190

Estimated Total Ending Fund Balance \$1,028,574 \$984,314 \$1,118,858 \$1,257,180 \$1,399,577

**See Five Year Forecast for Estimated Revenues, Expenditures, and Reserves*

FY 2016/17 SCHEDULE OF CAPITAL PURCHASES - EQUIPMENT & VEHICLES

Department	Description / Vehicle to Be Replaced	Expenditure Type	Prior Year Carryforward	Adopted Expenditure	FY 2016/17 Adopted
EQUIPMENT					
Police Department	Community Camera Project	New		\$400,000	\$400,000
Information Technology	Wide Area Network Expansion (ISMP)	Carryforward	\$273,000		273,000
Human Resources	ERP - HR Information System (ISMP)	Carryforward	100,000		100,000
Finance	ERP - Financial System (ISMP)	Carryforward	78,585		78,585
Information Technology	GIS Expansion (ISMP)	Carryforward	55,136		55,136
Information Technology	Data Encryption - AB1149 Data Security (ISMP)	Carryforward	50,000		50,000
Public Works	Work Order Management System (ISMP)	Carryforward	10,000		10,000
					-
Total Equipment Purchases			\$566,721	\$400,000	\$966,721
VEHICLES					
Replacement Vehicles for FY 2016/17					
Police Department	Toyota Camry	Replacement		\$59,116	\$59,116
Police Department	Ford Explorer	Replacement		59,073	59,073
Police Department	Ford Crown Victoria	Replacement		46,759	46,759
Police Department	Ford Ranger Pickup	Replacement		55,266	55,266
Police Department	Ford Ranger Pickup	Replacement		55,266	55,266
Police Department	Honda 1300P	Replacement		40,453	40,453
Police Department	Honda 1300P	Replacement		40,453	40,453
Police Department	Jeep Wrangler	Replacement		43,063	43,063
Fire Department	Chevy Suburban	Replacement		137,225	137,225
Public Works	Bobcat Utility Vehicle	Replacement		40,725	40,725
Public Works	Ford Windstar (Garage)	Replacement		42,852	42,852
Public Works	Ford F-350 Stencil Truck (Streets)	Replacement		82,380	82,380
Total Vehicle Purchases			-	\$702,631	\$702,631
Total Funded Capital Purchases - Equipment & Vehicles			\$566,721	\$1,102,631	\$1,669,352
TOTAL CAPITAL PURCHASES BY DEPARTMENT					
Management Services			-	-	-
Finance			78,585	-	78,585
Human Resources			100,000	-	100,000
Parks and Recreation			-	-	-
Police Department			-	799,449	799,449
Fire Department			-	137,225	137,225
Community Development			-	-	-
Public Works			10,000	165,957	175,957
Information Technology			378,136	-	378,136
Grand Total			\$566,721	\$1,102,631	\$1,669,352

Represents capital expenditures (units > \$5k) only. ISMP = Information Systems Master Plan, adopted in April 2013.

A majority of the vehicles are purchased by Public Works through the Fleet Fund. A rental charge is then assessed to the respective departments for the estimated life of the vehicle.

FY 2017/18 SCHEDULE OF CAPITAL PURCHASES - EQUIPMENT & VEHICLES

Department	Description / Vehicle to Be Replaced	Expenditure Type	Prior Year Carryforward	Approved Expenditure	FY 2017/18 Approved
EQUIPMENT					
Finance	ERP - Finance/HR Information System (ISMP)	New		\$750,000	\$750,000
Fire Department	Motorola Radios	Replacement		\$80,000	80,000
Police Department	Motorola Radios	Replacement		900,000	900,000
					-
Total Equipment Purchases			-	\$1,730,000	\$1,730,000
VEHICLES					
Replacement Vehicles for FY 2017/18					
Police Department	Honda Motorcycle	Replacement		\$48,323	48,323
Police Department	Honda Motorcycle	Replacement		48,323	48,323
Police Department	T3 Scooter	Replacement		19,805	19,805
Police Department	T3 Scooter	Replacement		19,805	19,805
Police Department	Ford Escape	Replacement		62,981	62,981
Police Department	Ford Escape	Replacement		53,838	53,838
Police Department	Chevy Tahoe	Replacement		66,897	66,897
Police Department	Honda	Replacement		48,323	48,323
Fire Department	Hook & Ladder Truck	Replacement		1,200,000	1,200,000
Fire Department	4WD Silverado Crew Cab	Replacement		72,000	72,000
Fire Department	Camry Hybrid	Replacement		58,468	58,468
Community Development	Ford Ranger Pickup	Replacement		25,652	25,652
Community Development	Ford Escape	Replacement		53,838	53,838
Community Development	Ford Escape	Replacement		53,838	53,838
Public Works	F-250 Utility Truck (Water)	Replacement		71,135	71,135
Public Works	F-350 Steam Truck (Streets)	Replacement		171,487	171,487
Public Works	Bobcat Trailer (Streets)	Replacement		17,149	17,149
Public Works	Grimmerschmidt Air Compressor (Streets)	Replacement		16,000	16,000
Public Works	Grimmerschmidt Air Compressor (Water)	Replacement		16,000	16,000
Public Works	Stanley Hydro Pump (Water)	Replacement		9,837	9,837
Total Vehicle Purchases			-	\$2,133,699	\$2,133,699
Total Funded Capital Purchases - Equipment & Vehicles			-	\$3,863,699	\$3,863,699
TOTAL CAPITAL PURCHASES BY DEPARTMENT					
Management Services			-	-	-
Finance			-	750,000	750,000
Human Resources			-	-	-
Parks and Recreation			-	-	-
Police Department			-	1,268,295	1,268,295
Fire Department			-	1,410,468	1,410,468
Community Development			-	133,328	133,328
Public Works			-	301,608	301,608
Information Technology			-	-	-
Grand Total			-	\$3,863,699	\$3,863,699

Represents capital expenditures (units > \$5k) only. ISMP = Information Systems Master Plan, adopted in April 2013.

A majority of the vehicles are purchased by Public Works through the Fleet Fund. A rental charge is then assessed to the respective departments for the estimated life of the vehicle.



Strategic Plan & Performance Measures



City of Manhattan Beach Strategic Plan

The Manhattan Beach City Council approved a City-wide Strategic Plan in January 2016, after a significant process of input and engagement from City Council, staff and the community. The City uses its Strategic Plan to guide decision-making at all levels of the organization. It allows the City to focus on core functions and ensure that every department is working together towards common goals. Additionally, it is linked to each department's performances measures in order to align their processes and activities to the tenets outlined in the plan.

The City-wide Strategic Plan recognizes and seeks to encourage the Core Values of excellence, fiscal responsibility, ethical behavior, mutual respect, integrity, dedication to the community, professionalism and openness. It does so by establishing six Pillars of Success that were considered by the City Council as essential to the vibrant future of Manhattan Beach. They are:



Strong Governance that Values Meaningful Resident Engagement



Environmental Stewardship



Excellent Municipal Services Provided by an Aligned and Committed Workforce



Effective Physical Asset Management - Infrastructure, Facilities, Amenities



Financial Sustainability



Economic Vitality

Each of these pillars includes associated Governance Activities that offer more details on how the Pillars themselves can be incorporated into the City of Manhattan Beach on a day-to-day and long-term basis.

Background

The City's previous Strategic Plan covered 2013-2015 and was updated every 6 months. In fall 2015, the City began a new Strategic Planning process, using a number of guiding documents to create core values and goals for the future. Those documents included:

- Goals established during the City Council Retreat in March 2015
- 2015 Manhattan Beach Resident Survey
- Community Priority Budget Meeting
- Urban Land Institute Visioning Report
- Downtown Specific Plan Community Input

Community Engagement

The Strategic Planning process relied heavily on gathering input from residents of Manhattan Beach, as well as stakeholder groups, City Council and City employees. Through the process, stakeholders were invited to engage through a variety of methods, such as:

- Informational booths at multiple Manhattan Beach Farmer’s Markets
- Community Input meetings that gathered feedback on core values and long-term planning priorities
- Open City Hall, the City’s online engagement platform, offered residents the opportunity to weigh in on priorities outside of the regular meetings
- City Council Retreats where the pillars were discussed and finalized

Future Long-term Planning

The City Council will use the Strategic Plan to inform its future long-term goals and objectives, including capital projects, infrastructure investment, program development and more. The six Pillars of Success have already been incorporated into the City’s budget process through the tracking of Performance Measures for each department. In the following section, each Performance Measure is associated with a corresponding Pillar, indicating the commitment of each individual department to upholding this vision for the City.












City of Manhattan Beach Performance Measures

The City of Manhattan Beach is dedicated to providing excellent services to its community in a way that is efficient, responsive and transparent. To help the City achieve this, each department tracks key performance measures that help illustrate the progression towards these goals of both individual departments and the City as a whole.

These measures are not a comprehensive representation of all activities in the City; rather, they should be used as a gauge that indicates the progress of the City towards upholding the Pillars of Success outlined in the City-wide Strategic Plan. Each of these measures represents the outcomes of a specific activity or process that City departments consider illustrative of their efforts towards the collective goals of the City. The corresponding Pillar of Success to each performance measure is indicated on the left side. For more information about the City's Strategic Plan, visit the City's website: www.citymb.info/2015strategicplan.

City of Manhattan Beach Performance Measures

Management Services

Indicator	Prior Year Actuals				Future Targets	
	2013-2014 Actual	2014-2015 Actual	2015-2016 Adopted	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
 Percent of residents that agree Manhattan Beach is a "good" or "excellent" place to live ¹	n/a	94%	100%	97%	100%	100%
 Percent of employees that feel "prepared" and "trained" to do their jobs ²	n/a	n/a	n/a	60%	65%	70%
 Percent of increase of citizens engaging with the City on average via new online engagement tools including social media ³	n/a	n/a	10%	53%	15%	20%
 Percent of City Council Agendas and Agenda Packets Posted within Mandated Timeframes	n/a	100%	100%	88% ⁴	100%	100%
 Percent of Regular City Council Meeting Minutes Presented for Approval at Next Regular City Council Meeting ⁵	n/a	54% ²	90%	81%	90%	95%
 Percent of Public Records Requests responded to within mandated timeframes ⁶	n/a	n/a	100%	99% ³	100%	100%
 % - Average annual portfolio yield	0.84%	0.90%	0.80%	1.01%	1.25%	1.50%
 Maintain sufficient liquidity to meet operating needs	Yes	Yes	Yes	Yes	Yes	Yes
 Update and adopt Investment Policy annually	Yes	Yes	Yes	Yes	Yes	Yes

¹The City recently conducted a Community Survey in 2015 which established a baseline of 97%. This Performance Measure will be measured biennially via the Community Survey. The next measurement will be taken in 2017.

²The City conducted an in-depth employee survey in the FY 2015-2016. This Performance Measure will be measured every two to three years. The next measurement will be taken in FY 2017-2018.

³Online citizen engagement is defined as the number of followers and subscribers on the City's social media sites, including Twitter, Facebook and Open City Hall.









⁴Per the City's Sunshine Policy, two Agendas and Agenda Packets were posted in five days due to City Hall closures for mandated City Holidays (Columbus Day and Veteran's Day). One Agenda and Agenda packet was posted seven days before required timeframe, exceeding the posting timeframe mandated by the City's Sunshine Policy.

⁵During FY 2014-2015, there was a significant increase in the overall number of City Council Meetings. In addition to the regularly scheduled 24 City Council Meetings, there was an additional 42 meetings bringing the total to 66 for the FY 2014-2015. The volume of meetings, coupled with staffing shortages, led to the low percentage of City Council Meeting Minutes being presented for adoption at the next Regular Meeting.





⁶As of the printing of this document, the City Clerk's office received and processed 691 Public Records Requests for the FY 2015-2016.

City of Manhattan Beach Performance Measures

Finance Department








Indicator	Prior Year Actuals				Future Targets	
	2013-2014 Actual	2014-2015 Actual	2015-2016 Adopted	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
 Maintain AAA/Aaa GO Bond Rating	Yes	Yes	Yes	Yes	Yes	Yes
 Attain an Unmodified audit opinion	Yes	Yes	Yes	Yes	Yes	Yes
 Attain CSMFO and GFOA Annual Budget Awards	Yes	Yes	Yes	Yes	Yes	Yes
 Attain GFOA Annual Financial Reporting Achievement	Yes	Yes	Yes	Yes	Yes	Yes
 % - Monthly collection rate on residential utility bill	94%	94%	95%	94%	95%	96%
 # - Bi-monthly auto debit utility payments EBPP	13%	13%	17%	19%	21%	23%
 # - Bi-monthly EBPP paperless customers	16%	16%	20%	22%	24%	26%
 % - Process purchase requests (<\$20k) w/in 5 business day	79%	71%	85%	85%	85%	85%

Information Technology

Performance Measures & Workload Indicators	Prior Year Actuals				Future Targets	
	2013-2014 Actual	2014-2015 Actual	2015-2016 Adopted	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
 # - City Meetings/Events Broadcasted/Recorded	62	61	65	63	66	67
 # - Granicus internet viewers of City meetings	21,901	14,903	12,500	12,270	12,550	12,600
 # - Website e-Notification Subscribers	1,681	1,870	2,100	2,116	2,150	2,200
 \$ - I.T. Spending per Enterprise employee	\$4,279	\$6,305	<=\$7,060	\$5,627	<=\$7,060	<=\$7,060















City of Manhattan Beach Performance Measures

Human Resources

Indicator	Prior Year Actuals				Future Targets	
	2013-2014 Actual	2014-2015 Actual	2015-2016 Adopted	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
 # - Leadership Development Training per year	n/a	n/a	3	2	2	3
 % - New Employee onboarding follow up	n/a	n/a	100%	10%	100%	100%
 % - Complete recruitment process in 75 business days	75%	47%	100%	69%	75%	90%
 % - Employee Performance Reviews Completed	n/a	n/a	n/a	n/a	100%	100%
 # - Workers' Comp Claims Days Lost	n/a	n/a	1,300	700	1,100	1,100
 % - Wellness program participation	n/a	29%	30%	30%	35%	40%
 # - Liability claims average days open	n/a	n/a	n/a	200	200	200

City of Manhattan Beach Performance Measures

Parks and Recreation













Indicator	Prior Year Actuals			Future Targets		
	2013-2014 Actual	2014-2015 Actual	2015-2016 Adopted	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
 % - Favorable customer rating of registration process	86%	100%	100%	100%	100%	100%
 % Residents satisfied with Recreation Department's special events ¹	N/A	N/A	N/A	89%	N/A	95%
 % Repeat customers	N/A	54%	N/A	58%	60%	65%
 % Parks and Recreation employees satisfied with their job ²	N/A	N/A	N/A	N/A	N/A	100%
 % Specialty and Tennis classes rated favorably	94%	98%	100%	97%	100%	100%
 % Teen Center/REC programs and camps rated favorably	93%	N/A	100%	93%	100%	100%
 % Facility, Park and Field reservations rated favorably	94%	99%	100%	99%	100%	100%
 % Returning students in ceramics and art education programs	N/A	N/A	N/A	65%	80%	85%
 % Sports, fitness and aquatics classes/programs rated favorably	100%	100%	100%	97%	100%	100%
 % Satisfaction from City residents for providing services and programs for seniors	N/A	N/A	N/A	61%	70%	75%
 # Sports league and tournament teams	432	397	432	432	440	450
 # - Hours donated by volunteers annually	19,425	19,500	19,500	20,200	20,000	20,000
 \$ - Annual savings from use of volunteers	\$454,933	\$455,000	\$455,000	\$473,084	\$468,400	\$468,400
 # - Manhattan Beach Arts Center participants	4,800	6,000	6,000	7,000	8,000	9,000

1 - A City wide survey is done every two years, next survey to be done in 2017

2 - Department wide survey to be done in 2016

City of Manhattan Beach Performance Measures

Police Department

Indicator	Prior Year Actuals				Future Targets	
	2013-2014 Actual	2014-2015 Actual	2015-2016 Adopted	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
 % - Residents Feel Safe in Manhattan Beach ¹	n/a	95%	n/a	n/a	95%	95%
 % - Resident Satisfaction with Police Services ¹	v/a	89%	n/a	n/a	90%	90%
 Average response time to emergency calls (minutes)	1:55	1:53	1:59	1:58	1:59	1:59
 %- Reduce Violent Crimes by 3%	n/a	3%	3% Reduction	3%	3% Reduction	3% Reduction
 %- Reduce Property Crime by 3%	n/a	21%	3% Reduction	3%	3% Reduction	3% Reduction
 %- Increase Social Media Subscribers/Followers by 15%	n/a	55%	15%	50%	15%	15%
 % - Maintain Vacancy Factor below 5%	7%	3%	<5%	2%	<5%	<5%
 % - Provide Perishable Skills Training ² In-House Annually	100%	100%	100%	100%	100%	100%
 % - Public records requests completed within 10 days	95%	95%	>95%	95%	95%	95%
 %- Increase DUI Enforcement Efforts by 5%	n/a	n/a	5%	5%	5%	5%
 % - Reduce Traffic Collisions by 5% ³	7%	19%	-5%	-5%	-5%	-5%
 % - Maintain Compliance with all State/County jail inspections	100%	100%	100%	100%	100%	100%











¹Baseline survey results from 2015 Community Survey. This performance measure will be measured biannually via the Community Survey.

²The Commission on Peace Officer Standards and Training (POST) requires that each sworn officer complete training on identified "perishable skills" once every two years; MBPD strives to provide each of these training courses on an annual basis to ensure that officers are trained to provide the highest level of service to our community and to reduce liability.

³Utilize traffic calming measures and proactive enforcement to ensure safe movement of vehicles and pedestrians; in partnership with the Traffic Engineer, analyze traffic patterns and work to minimize traffic problems through traffic calming measures. A negative percentage indicates a reduction in traffic collisions, a positive percentage indicates an increase in traffic collisions.

City of Manhattan Beach Performance Measures

Fire Department

	Prior Year Actuals				Future Targets	
	2013-2014 Actual	2014-2015 Actual	2015-2016 Adopted	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
 % of total property loss (based on total property value) due to fire ¹	n/a	n/a	n/a	n/a	<10% of total property value of all structures	<10% of total property value of all structures
 % first-arriving paramedic within 5:00 min of an emergency call	74%	76%	90%	75%	90%	90%
 % first-arriving unit to fire calls within 6:00 min	90%	81%	90%	83%	90%	90%
 % of patients with a positive outcome after being transported to a specialty care center for patients that meet acute medical criteria ²	n/a	n/a	n/a	n/a	75%	75%
 Reduction in number of shifts lost due to work related injuries per fiscal year	191	307	181.5	158	< 200	< 200
 % of businesses which offer services or have processes requiring an operational permit that are issued a fire permit ³	n/a	n/a	n/a	n/a	>95%	>95%
 % increase of citizens and community members that are trained as CERT or BERT (Community/Business Emergency Response Team) members ⁴	n/a	n/a	n/a	n/a	>1.4%	>1.4%
 # of community members that were educated or trained about fire services through planned outreach activities ⁵	n/a	n/a	n/a	n/a	1000	1000
 % of plans returned to contractors and developers for residential fire sprinkler, fire alarm and solar installation in less than 4 business days ⁶	n/a	n/a	n/a	n/a	100%	100%
 % of businesses or occupancies required to have an annual inspection that are code compliant ⁷	n/a	n/a	n/a	n/a	n/a	>95%

¹This measurement is new in FY 2016-2018 and does not have previous data. MBFD will begin training for and tracking this metric in FY 2016-2018.

²This measurement is new in FY 2016-2018 and does not have previous data. It will be tracked using a new mobile patient information system implemented in 2016.

³This measurement is new in FY 2016-2018 and does not have previous data. MBFD will set up appropriate processes for applications and identify applicable businesses in order to track this measure.

⁴This measurement has previously been tracked as # of hours of CERT training offered. The City offered 100 hours in FY 2013-2014, 246 hours in FY 2014-2015 and is estimated to offer 108 hours in FY 2015-2016. Moving forward, MBFD will track this measure through % of the community that has been trained, including the business community, for which a new curriculum will be created by the department.










⁵This measurement is new in FY 2016-2018 and does not have previous data. While attendance for individual programs are often tracked, there is no comprehensive evaluation for all MBFD community education opportunities, which include car seat installation trainings, CPR trainings, smoke detector installations and more.

⁶This measurement is new in FY 2016-2018 and does not have previous data. MBFD will begin tracking this in FY 2016-2017.

⁷This measurement is new in FY 2016-2018 and does not have previous data. MBFD will begin tracking this in FY 2017-2018.

City of Manhattan Beach Performance Measures

Community Development

Performance Measures & Workload Indicators	Prior Year Actuals				Future Targets	
	2013-2014 Actual	2014-2015 Actual	2015-2016 Adopted	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
 # - Number of discretionary planning applications reviewed (Workload)	n/a	n/a	n/a	118	120	120
 % - Review discretionary planning applications for initial completeness within three weeks, and provide comprehensive comments within six weeks of initial submittal (Effectiveness) ^{1*}	n/a	n/a	n/a	n/a	80%	85%
 % - Building plan checks of large projects (>\$250k) completed in six weeks (Efficiency)	85%	80%	85%	90%	90%	90%
 % - Percentage of building plan checks completed over-the-counter (Efficiency) ^{1,2*}	n/a	n/a	n/a	n/a	25%	30%
 # - Number of walk-in customers served at Permit Center (Workload)	18,865	20,754	16,603	19,950	21,530	22,600
 # - Code Enforcement complaints (Workload)*	n/a	n/a	n/a	348	375	394
 % - Percentage of Code Enforcement complaints resolved within two weeks (Efficiency)*	n/a	n/a	n/a	85%	90%	90%
 % - Percentage of division level traffic and parking requests processed and closed within 10 days (Efficiency)*	n/a	n/a	n/a	n/a	95%	95%
 % - Percentage of multi-departmental traffic and parking requests processed and closed within 30 days (Efficiency)*	n/a	n/a	n/a	n/a	90%	90%











*New performance measures for FY2017

¹ New performance measure as recommended by the Development Review Process Report. Estimated percentages represent target goals for increased efficiency, with the expectation that percentages will increase as other Report recommendations are implemented.

²This goal measures the ratio of over-the-counter plan checks completed to the total amount of plan checks received.

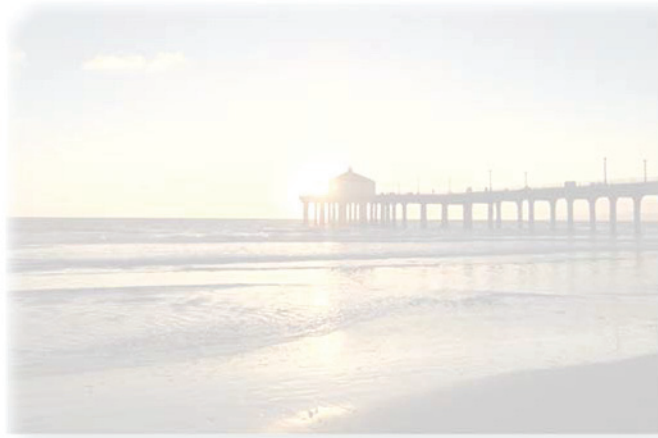
City of Manhattan Beach Performance Measures

Public Works

Indicator	Prior Year Actuals				Future Targets	
	2013-2014 Actual	2014-2015 Actual	2015-2016 Adopted	2015-2016 Estimate	2016-2017 Budget	2017-2018 Budget
 % - Projects: completed design/awarded contracts	n/a	n/a	60%	65%	70%	70%
 % - Potholes filled w/in 10 days of work order placement	85%	85%	90%	90%	92%	95%
 % - Graffiti sites abated in one or less days	89%	90%	95%	91%	95%	95%
 % - Facilities work orders responded to w/in 10 days	n/a	86%	95%	90%	95%	95%
 % - Imported water purchase reductions	22%	18%	22%	25%	22%	22%
 % - Reduction of water use related to conservation	18%	26%	35%	35%	35%	35%
 # - Public Information Outreach on Environmental Initiatives	n/a	51	25	68	45	50
 # - Civic Engagement Events on Environmental Initiatives	n/a	11	10	15	12	14
 # - Parking meter repairs as needed	88%	100%	100%	100%	100%	100%
 % - Law Enforcement Vehicles Ready for Duty*	n/a	80%	83%	85%	88%	90%

City of Manhattan Beach Performance Measures

<p>CHANGE INDICATOR: % - Projects: Initiate design and/or award construction contracts</p> <p>The Engineering Division oversees capital improvement projects. Most projects are multi-year phased and this measure highlights progress of projects authorized by the City Council. Continuing progress on Capital Improvement Projects increases improvements to infrastructure.</p>
<p>Timely pothole repair stops water infiltration into the roadbed, arresting further damage. Asphalt repairs maintain street safety, ride, and appearance. The City's pothole repair program is also coordinated with the annual slurry seal program, reducing the number of pothole calls from the public. The City employs a state of the art pothole repair truck that is heated and insulated, which has allowed Public Works to quickly and efficiently keep up on smaller asphalt repairs.</p>
<p>The City prides itself on its aggressive graffiti abatement program, which results in many reported sites being abated the same day. During normal business hours, staff makes every effort to remove reported graffiti within 24 hours as stated in the Municipal Code . The City believes that an aggressive removal policy results in a reduction in this type of crime over time. This ordinance also extends to private property. In order for City staff to enter and abate graffiti on private property, a release waiver signed by the property owner is required, which slightly delays remediation efforts.</p>
<p>Facilities refers to the physical structures, including civic buildings, restrooms, and storage and maintenance facilities. This will measure proper management of staff and staffing levels. Unattended work orders can become emergency work orders if not addressed in a timely manner. Emergency work comes at a premium cost, and proper managing and correct staffing are critical to minimizing response time.</p>
<p>In order to provide the community with the highest quality water at the least possible cost, the City reduces imported water costs by 65% by leasing lower cost groundwater.</p>
<p>California's 2015 emergency water conservation declaration set the City's required cut in water use at 20% below the 2013 level. To date, the City has attained an 18.5% reduction. Separately, the City has attained a reduction in water use of 33% compared to the baseline set in the 2010 Urban Water Management Plan.</p>
<p>The Environmental Programs Manager delivers timely public information via website announcements, citywide newsletter articles, advertisements in the local papers, presentations to community groups, and staff reports on environmental initiatives. This public outreach effort serves to provide timely and relevant information to educate the community and promote the City's ongoing environmental sustainability work.</p>
<p>The Environmental Programs Manager oversees community-wide events to raise awareness on climate change, energy efficiency, water conservation, sustainable landscape, and pollution prevention. These events include two annual city-wide events and other community events/forums, and are designed to engage the community and its visitors on sustainability initiatives that are a priority to the City of Manhattan Beach.</p>
<p>In order to maintain good customer service and maximize meter availability to the public, all out-of-service parking meters are repaired within two days of reporting. Typical repairs include clearing coin jams, credit card reader malfunctions, and part replacements. Keeping meters in working order allows residents and visitors to enjoy City amenities and not have to deal with broken meters.</p>
<p>The City's Police Department is a 24/7 operation, and patrol vehicles are on the road in a high wear environment. In order to carry out their duties, the MBPD relies on reliably maintained vehicles. The Ready For Duty measure rates the average amount of time a vehicle can be expected to be deployable. Vehicles are pulled from service for scheduled preventive maintenance, body & chassis repair, and unscheduled mechanical failures of all kinds.</p>

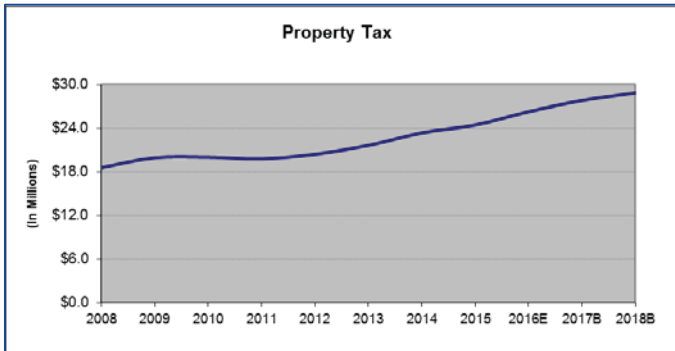


Appendix



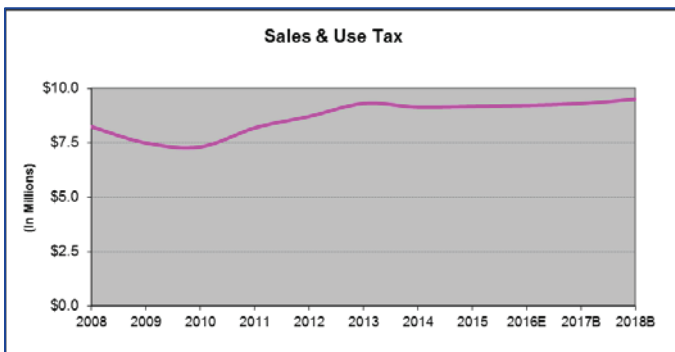
Major Revenue Sources

The following are the major revenue sources and basis for estimates for the General Fund. These revenue sources comprise over 75% percent of the City’s General Fund revenues. Other revenues not detailed here are estimated based on local economic trends and historical data.



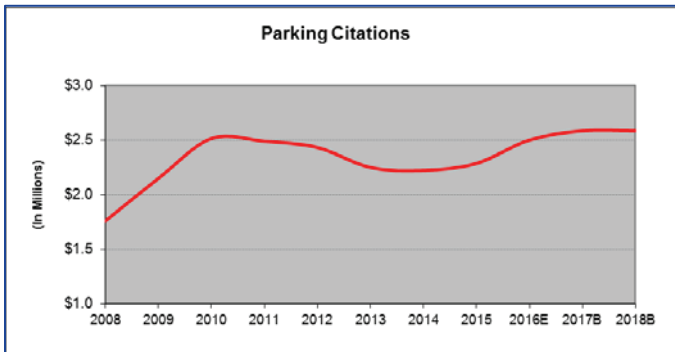
Property Tax

Property Tax remains the largest component of General Fund revenues (41% of total), and is expected to increase by 5.9% from FY 2015/16. With a continued strong housing market, and residential construction and remodeling adding to the assessed valuation of properties, a measured continuation of steady growth is expected to continue. Property tax is estimated based on historical data, local economic trends, and independent third party analysis.



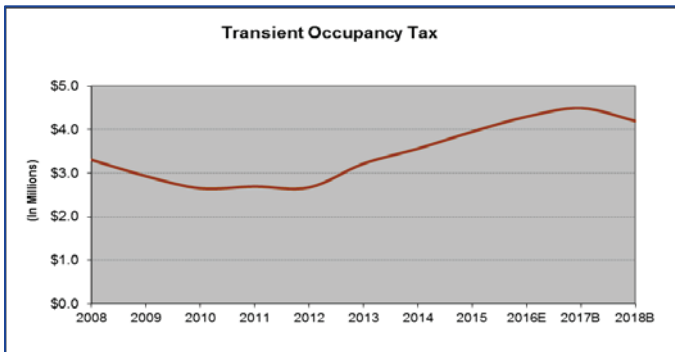
Sales & Use Tax

The city’s second largest General Fund revenue source (13% of total) is trending higher than the FY 2015-16 Budget, which was conservatively estimated after the sudden loss of a major sales tax producer (Dewitt Petroleum) last year. Growth in online sales has compounded the issue of lackluster retail sales, but Restaurants & Hotels category is performing well within the City. Sales & Use tax is estimated based on historical data, local economic trends, independent third party analysis, and research with individual retailers.



Parking Citations

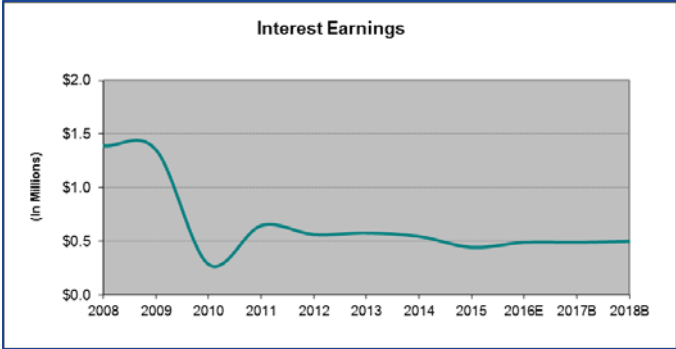
Parking Citation fees were increased in FY 2015/16 in an effort to offset losses in sales tax revenues. The new fine of \$53 for most cites is aligned with neighboring cities. A portion of parking citation revenues (\$4 of all citations except expired meter cites) is dedicated to the Capital Improvement Fund (not included in the figures here).



Transient Occupancy Tax

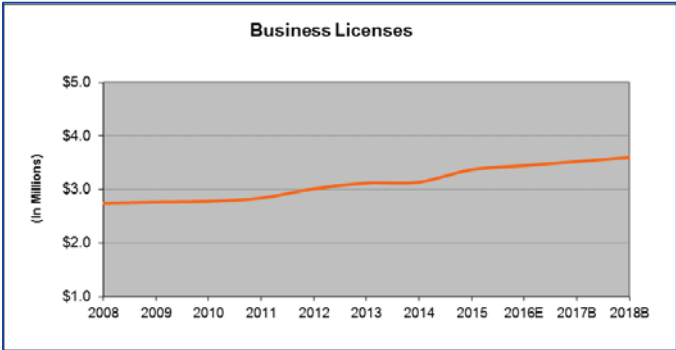
The City levies a 10% Transient Occupancy Tax on hotel/motel rooms. Overall growth in the sector has been strong over the past few years, and is expected to continue with FY 2016/17 forecasted at 4.75% above the prior year. Fifteen percent of this revenue source is dedicated to the Capital Improvement Fund and, beginning in FY 2017/18, an additional \$500,000 will be shifted to the CIP Fund for deferred maintenance (not included in the figures here). This tax is estimated based on local economic trends, research with individual properties, and historical data.

Major Revenue Sources



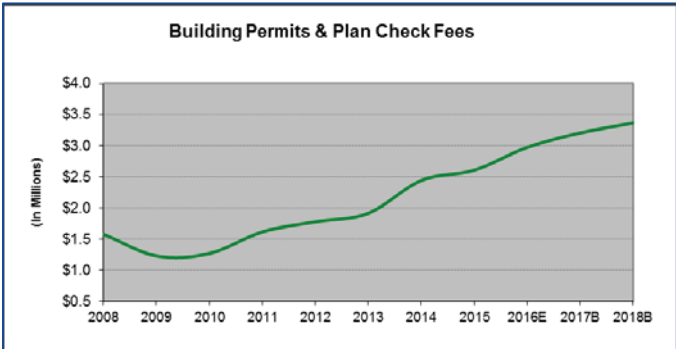
Interest Earnings

The City invests a portion of its reserved funds as authorized by the Investment Policy. These high-grade investments include Federal agency securities, medium-term notes, and certificates of deposit. Interest rates continue to remain at low levels, and consequently, interest earnings in FY 2016/17 and FY 2017/18 are projected to remain level with recent trends.



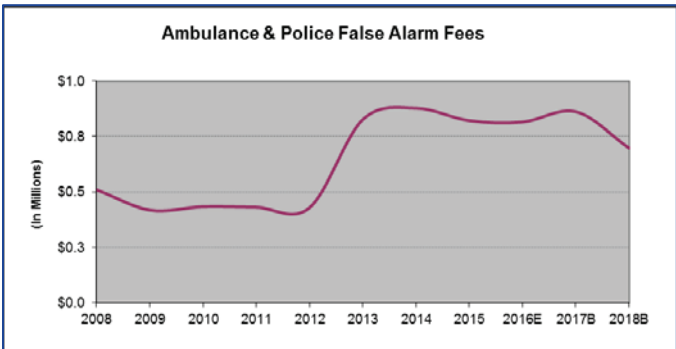
Business License Tax

The City issues over 5,000 business licenses annually, and revenue from this tax is based primarily on the type of business and gross receipts reported. This tax has been resilient in economic downturns and has remained consistent over the past few years. Revenue from Business Licenses is expected to grow 2.0% based on prior year trends.



Building Permits & Plan Check Fees

Increased building activity and new permit valuations have raised building permit and plan check revenues. Increases in the cost of permits and plan check fees were effective July 1, 2015. These revenues combined are expected to grow 7.8% over the prior year estimate. Note that one component of Building Permits, Police Alarm Permits, has been segregated into a separate revenue line and is therefore removed in FY 2011-2012 and beyond.



Ambulance and Police False Alarm Fees

Since FY 2010-2011, ambulance service fees are matched to those of the County, and the number of free police false alarms per 12-month period was reduced from two to one resulting in a jump in those fees that year. Since then, these fees have leveled off and are expected to remain steady in future years.

*2016E = FY2015/16 Estimate
 *2017B = FY2016/17 Adopted Budget
 *2018B = FY2017/18 Approved Budget

FY 2016/17 SCHEDULE OF FULL-TIME POSITIONS

Department	FY 2014/15	FY 2015/16	FY 2016/17 Adopted	City Council Initiated	City Manager Initiated
Management Services	13.0	17.0	17.0	-	-
Finance	25.0	17.0	17.0	-	-
Human Resources	6.0	8.0	8.0	-	-
Parks and Recreation	23.0	25.0	25.0	-	-
Police	104.8	104.8	106.8	1.0	1.0
Fire	31.2	31.2	31.2	-	-
Community Development	22.0	24.0	24.0	-	-
Public Works	56.0	56.0	56.0	-	-
Information Technology*	1.0	9.0	9.0	-	-
Total	282.0	292.0	294.0	1.0	1.0
Reduction in Part-time FTE Positions from Changes				(0.9)	(3.0)
Total Change in FTE Positions				0.1	(2.0)

Discussion of Changes in Full-Time Equivalent Positions:

Part-time Reduction

The Fiscal Year 2016/17 Budget includes 294 authorized full-time positions. The following staffing changes are introduced this budget cycle:

Management Services: Reclassification of Management Fellow to Management Analyst.

-

Finance: No changes.

-

Human Resources: Department reorganization was approved mid-year in FY 2015/16. Position changes included reclassification of Senior Human Resources Analyst to Human Resources Manager and new Executive Assistant and Human Resources Assistant positions. Part-time positions (2.3 Administrative Clerk FTEs) were eliminated in FY 2016/17 given department is now appropriately staffed.

(2.3)

Parks and Recreation: Park Services Enforcement Officer transferred to Police Department; Addition of full-time Recreation Coordinator in Older Adults program (Offset by elimination of Recreation Leader 0.7 FTE position); Reclassification of Recreation Manager to Recreation Supervisor, Reclassification of Executive Secretary to Secretary, Reclassification of Admin Clerk I/II to Management Analyst, and Reclassification of Admin Clerk I/II to Recreation Coordinator.

(0.7)

Police: Park Services Officer transferred from Parks and Recreation; Addition of one Administrative Clerk I/II in Community Affairs (offset by elimination of 0.9 Administrative Clerk FTE positions).

(0.9)

Fire: No Changes.

Community Development: No Changes.

-

Public Works: No Changes.

-

**Information Technology:* No Changes. (The 2015/16 Adopted Budget included new stand-alone Information Technology Department with Director and eight staff positions transferred from the Finance Department.)

-

Total Reduction in Part-time hours (3.9)

FY 2016/17 FULL-TIME POSITION COUNT

Department/Title	Department/Title	Department/Title	Department/Title
Management Services		Police	
Administrative Clerk I/II	1.0	Administrative Clerk I/II*	4.0
Assistant City Manager	1.0	Chief of Police	1.0
City Clerk	1.0	Community Services Officer	13.0
City Manager	1.0	Executive Secretary	2.0
City Treasurer	1.0	IS Specialist (<i>shared with Fire</i>)	0.8
Councilmember	5.0	Lead Comm Serv Officer	2.0
Economic Vitality Manager	1.0	Records Manager	1.0
Executive Assistant	1.0	Park Enforcement Officer	1.0
Legal Secretary	1.0	Police Captain	2.0
Management Analyst*	2.0	Police Lieutenant	5.0
Receptionist Clerk	1.0	Police Officer	46.0
Senior Deputy City Clerk	1.0	Police Sergeant	11.0
Management Services Total	17.0	Police Services Officer	7.0
Finance		Records Tech	9.0
Accountant	2.0	Secretary	1.0
Account Services Rep I	5.0	Senior Management Analyst	1.0
Buyer	1.0	Police Total	106.8
Controller	1.0	Fire	
Director	1.0	Battalion Chief	3.0
Executive Secretary	1.0	Executive Secretary	1.0
Financial Analyst	1.0	Fire Captain/Paramedic	6.0
Manager	2.0	Fire Chief	1.0
Purchasing Clerk	1.0	Fire Engineer/Paramedic	6.0
Revenue Specialist	1.0	Fire Marshal/Captain	1.0
Senior Accountant	1.0	Firefighter/Paramedic	13.0
Finance Total	17.0	IS Specialist (<i>shared with Police</i>)	0.2
Human Resources		Fire Total	31.2
Director	1.0	Community Development	
Executive Assistant*	1.0	Assistant Planner	3.0
Human Resources Assistant*	1.0	Associate Planner	2.0
Human Resources Analyst	1.0	Building Official	1.0
Hman Resources Manager*	1.0	Code Enforcement Officer	3.0
Human Resources Technician	2.0	Director	1.0
Risk Manager	1.0	Executive Secretary	1.0
Human Resources Total	8.0	Inspector	1.0
Parks and Recreation		Plan Check Engineer	1.0
Director	1.0	Planning Manager	1.0
Secretary*	1.0	Permits Technician	2.0
Graphic Artist	1.0	Principal Building Inspector	1.0
Manager	4.0	Secretary	1.0
Management Analyst*	1.0	Senior Building Inspector	2.0
Recreation Supervisor*	8.0	Senior Management Analyst	1.0
Recreation Coordinator*	5.0	Senior Permits Technician	1.0
Reservation Clerk	1.0	Senior Plan Check Engineer	1.0
Transportation Operator	3.0	Traffic Engineer	1.0
Parks and Recreation Total	25.0	Community Development Total	24.0
		Public Works	
		Building Repair Craftsperson	4.0
		City Engineer	1.0
		Director	1.0
		Electrician	1.0
		Engineering Technician I/II	1.0
		Equip Mechanic I/II	2.0
		Executive Secretary	1.0
		Inspector	1.0
		Maint Worker I/II	17.0
		Maint Worker IV	3.0
		Maintenance Superintendent	1.0
		Manager	2.0
		Meter Reader	1.0
		Meter Repair Worker	2.0
		Plant Operator	1.0
		Principal Engineer	1.0
		Secretary	3.0
		Sewer Maint Worker	4.0
		Senior Civil Engineer	2.0
		Senior Management Analyst	2.0
		Senior Plant Operator	1.0
		Supervisor	3.0
		Urban Forester	1.0
		Public Works Total	56.0
		Information Technology	
		GIS Analyst	1.0
		GIS Tech	1.0
		Director	1.0
		IS Specialist	3.0
		Manager	1.0
		Network Administrator	2.0
		Information Technology Total	9.0
		Total City-Wide 294.0	

*Position added or changed. See description on Schedule of Full-time Positions.

FY 2017/18 SCHEDULE OF FULL-TIME POSITIONS

Department	FY 2014/15	FY 2015/16	FY 2016/17 Proposed	FY 2017/18 Proposed	City Council Initiated	City Manager Initiated
Management Services	13.0	17.0	17.0	17.0	-	-
Finance	25.0	17.0	17.0	17.0	-	-
Human Resources	6.0	8.0	8.0	8.0	-	-
Parks and Recreation	23.0	25.0	25.0	25.0	-	-
Police	104.8	104.8	106.8	106.8	-	-
Fire	31.2	31.2	31.2	31.2	-	-
Community Development	22.0	24.0	24.0	24.0	-	-
Public Works	56.0	56.0	56.0	56.0	-	-
Information Technology*	1.0	9.0	9.0	9.0	-	-
Total	282.0	292.0	294.0	294.0	-	-
Reduction in Part-time FTE Positions from Changes					-	-
Total Change in FTE Positions					-	-

Discussion of Changes in Full-Time Equivalent Positions:

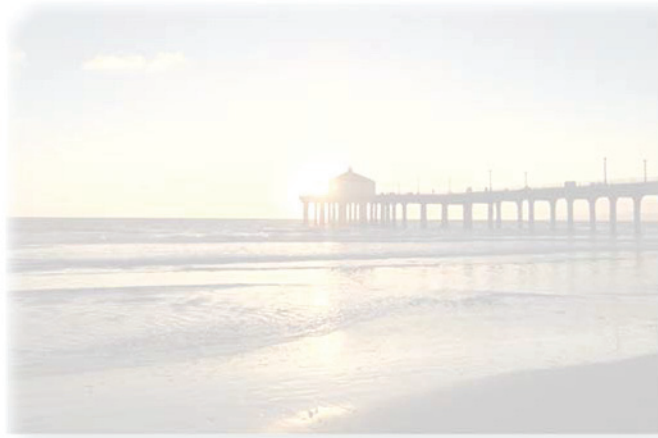
Part-time Reduction

The Fiscal Year 2017/18 Budget includes 294 authorized full-time positions. The following staffing changes are introduced this budget cycle:

<i>Management Services</i> : No changes.	-
<i>Finance</i> : No Changes.	-
<i>Human Resources</i> : No changes.	-
<i>Parks and Recreation</i> : No changes.	-
<i>Police</i> : No changes.	-
<i>Fire</i> : No changes.	-
<i>Community Development</i> : No changes.	-
<i>Public Works</i> : No changes.	-
<i>*Information Technology</i> : No changes.	-
Total Reduction in Part-time hours	-

FY 2017/18 FULL-TIME POSITION COUNT

Department/Title	Department/Title	Department/Title	Department/Title
Management Services		Police	
Administrative Clerk I/II	1.0	Administrative Clerk I/II	4.0
Assistant City Manager	1.0	Chief of Police	1.0
City Clerk	1.0	Community Services Officer	13.0
City Manager	1.0	Executive Secretary	2.0
City Treasurer	1.0	IS Specialist <i>(shared with Fire)</i>	0.8
Councilmember	5.0	Lead Comm Serv Officer	2.0
Economic Vitality Manager	1.0	Records Manager	1.0
Executive Assistant	1.0	Park Enforcement Officer	1.0
Legal Secretary	1.0	Police Captain	2.0
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Executive Secretary	1.0	Executive Secretary	1.0
Financial Analyst	1.0	Fire Captain/Paramedic	6.0
Manager	2.0	Fire Chief	1.0
Purchasing Clerk	1.0	Fire Engineer/Paramedic	6.0
Revenue Specialist	1.0	Fire Marshal/Captain	1.0
Senior Accountant	1.0	Firefighter/Paramedic	13.0
Finance Total	17.0	IS Specialist <i>(shared with Police)</i>	0.2
Human Resources		Fire Total	31.2
Director	1.0	Community Development	
Executive Assistant	1.0	Assistant Planner	3.0
Human Resources Assistant	1.0	Associate Planner	2.0
Human Resources Analyst	1.0	Building Official	1.0
Hman Resources Manager	1.0	Code Enforcement Officer	3.0
Human Resources Technician	2.0	Director	1.0
Risk Manager	1.0	Executive Secretary	1.0
Human Resources Total	8.0	Inspector	1.0
Parks and Recreation		Plan Check Engineer	1.0
Director	1.0	Planning Manager	1.0
Secretary	1.0	Permits Technician	2.0
Graphic Artist	1.0	Principal Building Inspector	1.0
Manager	4.0	Secretary	1.0
Management Analyst	1.0	Senior Building Inspector	2.0
Recreation Supervisor	8.0	Senior Management Analyst	1.0
Recreation Coordinator	5.0	Senior Permits Technician	1.0
Reservation Clerk	1.0	Senior Plan Check Engineer	1.0
Transportation Operator	3.0	Traffic Engineer	1.0
Parks and Recreation Total	25.0	Community Development Total	24.0
		Public Works	
		Building Repair Craftsperson	4.0
		City Engineer	1.0
		Director	1.0
		Electrician	1.0
		Engineering Technician I/II	1.0
		Equip Mechanic I/II	2.0
		Executive Secretary	1.0
		Inspector	1.0
		Maint Worker I/II	17.0
		Maint Worker IV	3.0
		Maintenance Superintendent	1.0
		Manager	2.0
		Meter Reader	1.0
		Meter Repair Worker	2.0
		Plant Operator	1.0
		Principal Engineer	1.0
		Secretary	3.0
		Sewer Maint Worker	4.0
		Senior Civil Engineer	2.0
		Senior Management Analyst	2.0
		Senior Plant Operator	1.0
		Supervisor	3.0
		Urban Forester	1.0
		Public Works Total	56.0
		Information Technology	
		GIS Analyst	1.0
		GIS Tech	1.0
		Director	1.0
		IS Specialist	3.0
		Manager	1.0
		Network Administrator	2.0
		Information Technology Total	9.0
		Total City-Wide	
		294.0	



SCHEDULE OF ADMINISTRATIVE SERVICE CHARGES

In Fiscal Year 2014-2015, the City retained the services of Matrix Consulting Group, a firm that specializes in municipal cost allocations. Based on their analysis, the following funds receive support from the General Fund in the form of salary and benefits of support staff, utilities, depreciation on buildings, and other indirect costs. A new study will be performed in FY 2019-2020.

Fund	General Fund Support Cost	
	FY 2016/17	FY 2017/18
Street Lighting & Landscape Fund	\$51,139	\$51,139
AB 2766 Fund	2,100	2,100
Water Fund	1,643,157	1,643,157
Stormwater Fund	161,191	161,191
Wastewater Fund	430,226	430,226
Refuse Fund	191,142	191,142
Parking Fund	392,161	392,161
County Parking Lot Fund	34,551	34,551
State Pier & Parking Lot Fund	90,863	90,863
Total	\$2,996,530	\$2,996,530

Administrative service charges do not apply to Metropolitan Transportation Authority funds, funds supported by subventions, and internal service funds.

SCHEDULE OF DEBT SERVICE & LEASE PAYMENTS

Marine Sports Fields Lease

In Fiscal Year 2000-2001, the City entered into a Sale/Leaseback transaction with the Beach Cities Health District (BCHD). This transaction was a result of the City purchasing from TRW (now Northrup Grumman) seven acres of property located at the corner of Marine and Aviation within the City of Manhattan Beach. The City subsequently sold the property to BCHD with an exclusive agreement to lease back six of the seven acres. The lease authorized BCHD to spend funds up to \$2.5 million to construct recreational facilities on the property. These improvements were completed in Fiscal Year 2000-2001. In Fiscal Year 2001-2002, the City issued variable rate Certificates of Participation to effect a full internal financing of the Sports Fields. The proceeds were used to pay in full all principal and interest obligations under the aforementioned lease with BCHD. Debt service scheduled for Fiscal Year 2016-2017 of \$506,376 can be found in the Parks & Recreation administration budget. The term of the financing is thirty years (fully amortized principal and interest) based on a variable rate which has calculated for budgeting purposes at a conservative 3.58%.

Metlox Refunding Certificates of Participation

In January 2003 the City issued Certificates of Participation to Finance public improvements at the Metlox site. These funds were used to construct a two level underground parking garage as well as a 45,000 square foot town square open space to complement the retail developments. The amount of the bond was \$13,350,000. In July 2012 with the call date of January 2013 approaching, the City determined to take advantage of a substantially improved interest rate environment by issuing \$10,210,000 of Certificates of Participation to refund the 2003 Metlox Public Improvements Certificates of Participation. The refunding took place in January 2013.

Water/Wastewater Refunding Certificates of Participation

In Fiscal Year 2012-2013, the City was able to take advantage of the current interest rate market and refund existing debt that carried interest rates that were substantially higher than current rates. The existing debt, issued in 1996 was used to finance 1996 and 1997 water and wastewater projects. Since these bonds could be called without penalty, the City issued \$2,765,000 of Certificate of Participation refunding bonds in July 2012 (concurrent with the Metlox refunding bonds) and the 1996 issued was refunded in August 2012.

Police Fire Facility Refunding Certificates of Participation

In February 2013, the City issued \$10,510,000 of Certificates of Participation to advance refund the 2004 Police Fire Facility Certificates of Participation. This refunding mirrors that of the Metlox and Water/Wastewater refunding in that the City took advantage of the reduced interest rate environment. This advance refunding will reduce debt service payments over 19 years by \$3,608,790. The 2004 Certificates of Participation were redeemed in January 2014. The original certificates were issued to complete financing for the January 2007 construction of the Police/Fire/Civic Center.

Fire and Sewer Truck Capital Leases

During the Fiscal Year 2012-2013, the City entered into two lease agreements for financing the acquisition of one fire truck and one sewer truck valued at \$568,208 and \$ 381,305, respectively. The trucks each have an estimated life of ten years. The term of each lease is five years and the effective annual interest rate is 1.57% for the fire truck and 1.72% for the sewer truck.

Underground Utility Assessment Bonds

In fiscal years 2004-2005 and 2005-2006 the City issued 1915 Act Underground Utility Assessment Bonds that financed the undergrounding of overhead appurtenances in five districts within the City. The two series mature in fiscal years 2024-2025 and 2026-2027. These bonds are not debt of the City, which acts a conduit between the property owners and the bond holders. Assessments are placed on the property tax bill in order to fund annual debt service.

Public Safety Equipment and ERP System (New Lease-Purchase)

Included in the budget is the purchase of large equipment items – Police community cameras, Police and Fire radios, implementation of an Enterprise Resource Planning (ERP) system, and replacement of a Fire truck. These items will be financed via a lease purchase. As of budget adoption, estimates are used to calculate principal and interest payments. Level debt services was assumed, based on current market conditions, at an annual interest rate of 2.5% along with varying terms as follows:

	Cost Estimate	Term
Community Cameras (FY 2016-17)	\$400,000	5 Years
Police Radios (FY 2017-18)	900,000	5 Years
Fire Radios (FY 2017-18)	80,000	5 Years
ERP System (FY 2017-18)	750,000	7 Years
Fire Truck (FY 2017-18)	1,200,000	5 Years

Legal Debt Limit

The City is subject to a legal general bonded debt limit equal to 3.75 percent of the total assessed value of property in Manhattan Beach. The City's total net taxable assessed property value is approximately \$14.2 billion, resulting in a legal general bonded debt limit of \$504,000,000. The City has no general bonded debt subject to the debt limit.

2016-2017 SCHEDULE OF DEBT SERVICE & LEASE PAYMENTS

Description	Fund	2016-2017 Principal	2016-2017 Interest	2016-2017 Lease	2016-2017 Total	Principal Remaining	Interest Remaining	Total Remaining
Marine Avenue Sports Field Bonds	General	\$280,000	\$226,376		\$506,376	\$6,165,000	\$2,275,063	\$8,440,063
Water/Wastewater Refunding Bonds	Water/Wastewater	185,000	72,651		257,651	1,995,000	334,674	2,329,674
Metlox Refunding Bonds	Parking	410,000	302,363		712,363	8,300,000	2,417,168	10,717,168
Police/Fire Facility Refunding Bonds	Capital Improvement	465,000	299,338		764,338	8,660,000	2,312,774	10,972,774
Utility Assessment Districts	Spec Assess Redemption	585,000	351,261		936,261	6,990,000	1,761,586	8,751,586
Total Bonded Debt Service		\$1,925,000	\$1,251,989		\$3,176,989	\$32,110,000	\$9,101,265	\$41,211,265
Fire Truck	Fleet Management	\$116,159	\$2,061		\$118,220	\$68,604	\$358	\$68,962
Vacuum Hydro	Fleet Management	77,559	2,080		79,639	78,904	737	79,641
Police Cameras	General	76,099	10,000		86,099	323,901	20,494	344,395
Total Capital Lease		\$269,817	\$14,141		\$283,958	\$471,409	\$21,589	\$492,998
Operating Leases - County Lots	County Parking Lots			\$436,000	\$436,000			
Total Operating Lease		-	-	\$436,000	\$436,000	-	-	-
Total Lease Payments		\$269,817	\$14,141	\$436,000	\$719,958	\$471,409	\$21,589	\$492,998
Total		\$2,194,817	\$1,266,130	\$436,000	\$3,896,947	\$32,581,409	\$9,122,854	\$41,704,263

Excludes Administration Costs. Interest calculated on modified accrual basis.

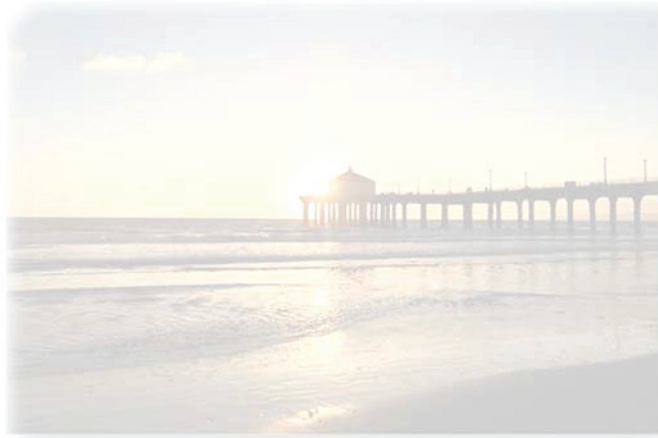
Marine Ave Sports Field estimated letter of credit fees \$75,000.

2017-2018 SCHEDULE OF DEBT SERVICE & LEASE PAYMENTS

Description	Fund	2017-2018 Principal	2017-2018 Interest	2017-2018 Lease	2017-2018 Total	Principal Remaining	Interest Remaining	Total Remaining
Marine Avenue Sports Field Bonds	General	\$290,000	\$216,156		\$506,156	\$5,875,000	\$2,285,283	\$8,160,283
Water/Wastewater Refunding Bonds	Water/Wastewater	190,000	66,101		256,101	1,805,000	268,574	2,073,574
Metlox Refunding Bonds	Parking	430,000	286,213		716,213	7,870,000	2,130,955	10,000,955
Police/Fire Facility Refunding Bonds	Capital Improvement	480,000	285,162		765,162	8,180,000	2,027,614	10,207,614
Utility Assessment Districts	Spec Assess Redemption	615,000	324,439		939,439	6,375,000	1,437,147	7,812,147
Total Bonded Debt Service		\$2,005,000	\$1,178,071		\$3,183,071	\$30,105,000	\$8,149,573	\$38,254,573
Fire Truck	Fleet Management	\$68,604	\$359		\$68,963	-	-	-
Vacuum Hydro	Fleet Management	78,904	736		79,640	-	-	-
Fire Truck	Fleet Management	228,295	30,000		258,295	971,705	61,482	1,033,187
Enterprise Resource Planning System	General	99,372	18,750		118,122	650,628	58,101	708,729
Police Radios	General	171,222	22,500		193,722	728,778	46,111	774,889
Fire Radios	General	15,220	2,000		17,220	64,780	4,100	68,880
Police Cameras	General	78,001	8,098		86,099	321,999	22,396	344,395
Total Capital Lease		\$739,618	\$82,443		\$822,061	\$2,737,890	\$192,190	\$2,930,080
Operating Leases - County Lots	County Parking Lots			\$436,000	\$436,000			
Total Operating Lease		-	-	\$436,000	\$436,000	-	-	-
Total Lease Payments		\$739,618	\$82,443	\$436,000	\$1,258,061	\$2,737,890	\$192,190	\$2,930,080
Total		\$2,744,618	\$1,260,514	\$436,000	\$4,441,132	\$32,842,890	\$8,341,763	\$41,184,653

Excludes Administration Costs. Interest calculated on modified accrual basis.

Marine Ave Sports Field estimated letter of credit fees \$75,000.



SCHEDULE OF EXPENDITURE DETAIL - CITY-WIDE

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
4101	Salaries & Allowances	\$14,202,376	\$14,890,359	\$15,391,407	\$15,738,533
4102	Sworn Employee Salaries	12,809,934	12,842,418	12,947,576	13,120,543
4103	Part Time Employee Salaries	2,029,372	2,234,721	2,329,709	2,356,676
4111	Overtime Regular Employees	304,249	293,716	337,789	299,673
4112	Overtime Sworn Employees	3,128,631	2,727,798	3,079,124	3,149,500
4113	Overtime Mutual Aid	79,203	114,000	157,248	161,280
4114	Overtime Special Events	198,347	206,515	246,093	251,376
4115	Cooperative Resources	61,270	174,720	171,960	173,976
4116	Overtime Training & Special Detail	111,882	184,680	210,600	219,000
4120	Supplemental Pension Plan	20,519	20,849	21,400	21,900
4121	Single Highest Year Plan	50,872	51,716	53,000	54,000
4123	Commuter Pay	8,880	9,000	9,200	9,200
4124	Fire Retiree's Health Ins	22,764	24,000	26,000	28,000
4125	Police Retiree's Health Plan	81,327	83,000	84,000	87,000
4126	Miscellaneous Retirees Health Plan	45,394	56,000	49,000	53,000
4201	Group Medical Insurance	3,452,817	3,740,405	4,053,642	4,333,827
4202	Medicare	436,826	408,421	438,065	443,933
4203	Unemployment	50,112	34,920	34,920	34,920
4204	401A Plan City	226,012	252,307	260,568	269,600
4205	Workers Compensation	3,004,140	4,176,240	3,699,780	3,858,840
4206	Medical Retirement Contributions	275,000	275,004	275,004	275,004
4211	PERS Regular Contributions	1,648,877	1,967,970	2,205,042	2,442,855
4212	PERS Sworn Contributions	3,212,131	3,597,296	4,022,268	4,458,389
4217	Retirement Trust Contribution	-	-	500,000	500,000
4220	Accrued Leave	(2,757)	-	-	-
Total Salaries & Benefits		\$45,458,176	\$48,366,055	\$50,603,396	\$52,341,026
5101	Contract Services	\$15,870,127	\$16,746,536	\$17,376,551	\$17,861,136
5103	Audit Services	48,820	95,500	77,642	86,000
5104	Computer Contract Services	774,849	895,328	940,876	968,693
5105	Elections	84,575	2,180	101,927	2,220
5106	SBRPCA Communications	1,564,483	1,688,658	1,712,648	1,764,000
5107	Physical/Psychological Exams	32,057	39,295	53,990	55,690
5108	Legal Services	595,741	458,000	465,000	465,000
5109	Background Investigations	10,962	32,824	32,324	32,584
5201	Office Supplies	114,884	109,100	119,150	121,000
5202	Memberships & Dues	89,927	111,211	115,989	117,415
5203	Reference Books & Periodicals	10,946	15,877	16,946	14,458
5204	Conferences & Meetings	106,650	199,768	-	-
5205	Training, Conferences & Meetings	158,415	395,982	695,168	651,262
5206	Uniforms/Safety Equipment	317,896	231,517	245,821	247,444
5207	Advertising	98,781	114,558	123,021	123,446
5208	Postage	98,502	95,070	94,230	94,230
5209	Tools & Minor Equipment	12,823	11,550	6,850	6,895
5210	Computers, Supplies & Software	335,843	483,302	545,669	514,986
5211	Automotive Parts	114,129	24,000	26,000	26,000
5212	Office Equipment Maintenance	2,213	4,575	3,575	3,575
5213	Computer Maintenance & Repairs	32,277	20,600	24,340	24,340
5214	Employee Awards & Events	17,368	25,950	26,800	27,450
5216	Tuition Reimbursement	14,188	24,000	27,000	27,000
5217	Departmental Supplies	1,951,457	1,977,819	2,105,551	2,144,324
5218	Recruitment Costs	81,718	39,394	49,844	49,844

SCHEDULE OF EXPENDITURE DETAIL - CITY-WIDE

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
5219	STC Training	6,574	2,850	2,850	2,950
5220	POST Training	64,378	49,700	59,700	60,900
5221	Automotive Repair Services	149,703	66,700	70,035	70,035
5222	Warehouse Inventory Purchases	79,122	82,345	90,000	90,000
5223	Bus Pass Subsidies	7,071	6,600	6,600	6,600
5224	Recreation Bus Trips	46,513	55,000	56,100	57,222
5225	Printing	144,227	167,360	187,337	178,997
5226	Automotive Fuel	308,896	409,575	394,675	402,110
5231	Bank Service Charge	535,059	433,000	554,000	554,000
5240	Assessments & Taxes	508,285	589,624	673,979	773,915
5250	Insurance Premiums	901,524	1,083,726	1,667,000	2,060,470
5251	Claims Paid	5,202,365	4,189,000	3,680,000	3,740,000
5252	Claims Administration	123,278	124,004	228,830	233,600
5253	Miscellaneous Bonds/Insurance	2,706	2,750	3,450	3,450
5254	Unemployment Claims	34,886	35,000	35,000	35,000
5255	Property Insurance	368,598	404,106	360,000	380,000
5260	Council Contingencies	-	100,000	100,000	100,000
5262	Public Service Events	26,547	27,875	44,625	44,875
5263	City Funds Match	5,800	12,000	10,500	10,500
5265	Service Agency Contributions	37,315	37,315	37,315	37,315
5266	DMBBPA Allocation	108,837	109,000	108,000	108,000
5267	UAD Loan Program	3,612	2,400	-	-
5501	Telephone	220,744	225,735	230,095	231,254
5502	Electricity	1,328,910	1,410,120	1,438,520	1,472,612
5503	Natural Gas	105,257	111,507	105,346	107,842
5504	Water	571,315	589,488	544,042	556,935
5601	Administrative Service Charge	2,913,324	2,996,530	2,996,530	2,996,530
Total Materials & Services		\$36,344,477	\$37,165,904	\$38,671,441	\$39,744,104
5611	Warehouse Purchases	\$80,814	\$91,185	\$93,855	\$96,329
5612	Garage Purchases	35,643	25,000	25,000	25,000
5621	Information Systems Allocation	2,272,020	2,283,351	2,293,140	2,333,880
5631	Insurance Allocation	1,557,420	2,069,520	3,059,940	3,179,100
5641	Fleet Rental Allocation	1,223,700	1,215,640	1,038,420	1,038,420
5642	Fleet Maintenance Allocation	1,016,102	1,208,255	1,170,000	1,170,000
5651	Building & Operations Allocation	1,610,994	1,665,929	1,739,280	1,772,640
Total Internal Services		\$7,796,693	\$8,558,880	\$9,419,635	\$9,615,369
9101	Transfers Out	\$21,388	\$19,053	\$18,007	\$18,007
Total Transfers		\$21,388	\$19,053	\$18,007	\$18,007
Total Operating Expenses		\$89,620,735	\$94,109,892	\$98,712,479	\$101,718,505

SCHEDULE OF EXPENDITURE DETAIL - CITY-WIDE

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
6111	Furniture & Fixtures	\$16,920	-	\$400	-
6121	Machinery & Equipment	251,207	\$167,250	-	-
6131	Vehicles	749,239	488,873	702,631	2,085,376
6141	Computer Equipment & Software	299,185	915,006	1,040,539	1,793,709
6212	CIP Bldg & Facility - CYr	573,525	5,512,287	2,229,500	11,785,000
6222	CIP Street Improvements - CYr	2,481,983	7,455,645	4,030,000	2,710,000
6232	CIP Utility Improvements - CYr	73,050	1,296,555	2,670,000	2,670,000
6242	CIP Line Improvements - CYr	1,309,956	2,411,240	100,000	4,200,000
6252	CIP Landscape & Site - CYr	32,481	1,707,910	-	-
6263	Infrastructure Improvements	662	2,903,168	877,000	1,450,000
Total Capital Projects & Equipment		\$5,788,208	\$22,857,934	\$11,650,070	\$26,694,085
7101	Bond Principal	\$2,595,000	\$1,860,000	\$1,925,000	\$2,005,000
7102	Bond Interest	1,152,037	1,324,218	1,251,989	1,178,071
7103	Bond Administration Fee	91,322	89,500	91,925	90,925
7301	Land Leases	431,280	450,000	436,000	436,000
7302	Property & Equipment Principal	190,595	190,595	269,056	758,349
7303	Property & Equipment Interest	10,338	7,264	14,041	82,462
7402	Interfund Loans Interest	1,968	-	-	-
Total Debt Service		\$4,472,540	\$3,921,577	\$3,988,011	\$4,550,807
Total Capital Expenditures & Debt Service		\$10,260,748	\$26,779,511	\$15,638,081	\$31,244,892
Total City-Wide Expenditures		\$99,881,482	\$120,889,403	\$114,350,560	\$132,963,397

SCHEDULE OF EXPENDITURE DETAIL - GENERAL FUND

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
4101	Salaries & Allowances	\$11,510,061	\$11,954,828	\$12,274,623	\$12,560,839
4102	Sworn Employee Salaries	12,809,934	12,842,418	12,947,576	13,120,543
4103	Part Time Employee Salaries	1,743,614	1,985,690	2,035,084	2,050,101
4111	Overtime Regular Employees	197,820	170,927	206,437	194,674
4112	Overtime Sworn Employees	3,099,687	2,697,344	3,046,004	3,115,660
4113	Overtime Mutual Aid	79,203	114,000	157,248	161,280
4114	Overtime Special Events	195,102	205,515	245,093	250,376
4115	Cooperative Resources	61,270	174,720	171,960	173,976
4116	Overtime Training & Special Detail	111,882	184,680	210,600	219,000
4201	Group Medical Insurance	3,021,657	3,266,359	3,515,890	3,762,794
4202	Medicare	394,646	363,700	388,124	393,161
4203	Unemployment	50,112	34,920	34,920	34,920
4204	401A Plan City	202,922	220,875	223,357	230,656
4205	Workers Compensation	2,985,960	3,515,640	3,253,620	3,393,600
4206	Medical Retirement Contributions	238,508	238,512	238,512	238,512
4211	PERS Regular Contributions	1,329,476	1,565,629	1,748,145	1,939,101
4212	PERS Sworn Contributions	3,212,131	3,597,296	4,022,268	4,458,389
4217	Retirement Trust Contribution	-	-	500,000	500,000
Total Salaries & Benefits		\$41,243,986	\$43,133,053	\$44,719,462	\$46,297,583
5101	Contract Services	\$5,125,332	\$4,899,607	\$5,188,655	\$5,296,683
5103	Audit Services	48,820	95,500	77,642	86,000
5104	Computer Contract Services	520,189	590,040	554,692	578,820
5105	Elections	84,575	2,180	101,927	2,220
5106	SBRPCA Communications	1,564,483	1,688,658	1,712,648	1,764,000
5107	Physical/Psychological Exams	32,057	39,295	53,990	55,690
5108	Legal Services	595,741	458,000	465,000	465,000
5109	Background Investigations	10,962	32,824	32,324	32,584
5201	Office Supplies	114,884	108,600	118,000	119,850
5202	Memberships & Dues	76,011	97,816	103,009	104,261
5203	Reference Books & Periodicals	9,384	14,507	15,686	13,198
5204	Conferences & Meetings	100,412	179,093	-	-
5205	Training, Conferences & Meetings	129,232	337,225	594,397	548,042
5206	Uniforms/Safety Equipment	282,753	200,980	210,128	210,585
5207	Advertising	81,960	103,158	111,321	111,746
5208	Postage	96,777	93,420	92,580	92,580
5209	Tools & Minor Equipment	116	250	1,500	1,500
5210	Computers, Supplies & Software	42,684	46,195	33,103	16,120
5212	Office Equipment Maintenance	2,213	4,575	3,575	3,575
5214	Employee Awards & Events	17,368	20,950	21,800	22,450
5216	Tuition Reimbursement	14,188	24,000	27,000	27,000
5217	Departmental Supplies	1,056,837	934,921	998,481	1,018,422
5218	Recruitment Costs	81,706	39,394	49,844	49,844
5219	STC Training	6,574	2,850	2,850	2,950
5220	POST Training	64,378	49,700	59,700	60,900
5221	Automotive Repair Services	70,068	66,700	70,035	70,035
5225	Printing	133,391	143,923	164,630	164,300
5231	Bank Service Charge	155,483	144,000	155,000	155,000
5240	Assessments & Taxes	2,452	2,500	3,575	3,575
5260	Council Contingencies	-	100,000	100,000	100,000
5262	Public Service Events	26,547	27,875	44,625	44,875
5263	City Funds Match	5,800	12,000	10,500	10,500

SCHEDULE OF EXPENDITURE DETAIL - GENERAL FUND

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
5265	Service Agency Contributions	37,315	37,315	37,315	37,315
5270	City Manager Loan	-	-	-	-
5501	Telephone	131,073	135,145	136,225	136,914
5502	Electricity	529,026	579,821	624,224	639,017
5503	Natural Gas	25,304	27,936	26,579	27,209
5504	Water	463,455	482,638	454,726	465,503
Total Materials & Services		\$11,739,550	\$11,823,591	\$12,457,286	\$12,538,263
5611	Warehouse Purchases	\$34,117	\$38,040	\$37,470	\$37,519
5621	Information Systems Allocation	2,097,264	2,111,707	2,117,460	2,155,020
5631	Insurance Allocation	1,487,340	1,978,320	2,874,060	2,983,140
5641	Fleet Rental Allocation	981,336	990,950	868,080	868,080
5642	Fleet Maintenance Allocation	855,815	1,033,109	988,260	988,260
5651	Building & Operations Allocation	1,391,020	1,439,736	1,502,220	1,530,240
Total Internal Services		\$6,846,893	\$7,591,862	\$8,387,550	\$8,562,259
9101	Transfers Out	\$21,388	\$19,053	\$18,007	\$18,007
Total Transfers		\$21,388	\$19,053	\$18,007	\$18,007
Total Operating Expenses		\$59,851,817	\$62,567,559	\$66,082,305	\$67,916,112
6111	Furniture & Fixtures	\$8,013	-	\$400	-
6121	Machinery & Equipment	25,725	-	-	-
6131	Vehicles	-	35,000	-	-
6141	Computer Equipment & Software	95,685	381,372	651,721	830,000
Total Capital Projects & Equipment		\$129,423	\$416,372	\$652,121	\$830,000
7101	Bond Principal	1,030,000	270,000	280,000	290,000
7102	Bond Interest	6,674	236,231	226,376	216,156
7103	Bond Administration Fee	79,453	75,000	80,000	79,000
7302	Property & Equipment Principal	-	-	75,338	211,324
7303	Property & Equipment Interest	-	-	9,900	28,867
Total Debt Service		\$1,116,127	\$581,231	\$671,614	\$825,347
Total Capital Expenditures & Debt Service		\$1,245,550	\$997,603	\$1,323,735	\$1,655,347
Total General Fund Expenditures		\$61,097,367	\$63,565,162	\$67,406,040	\$69,571,459

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Management Services

Object	Description	2014/15	2015/16	2016/17	2017/18
		Actual	Adopted	Adopted	Approved
4101	Salaries & Allowances	\$983,385	\$1,275,553	\$1,274,161	\$1,307,528
4103	Part Time Employee Salaries	56,292	26,860	27,660	27,660
4111	Overtime Regular Employees	9,614	21,112	14,700	18,112
4201	Group Medical Insurance	160,212	230,292	237,867	254,162
4202	Medicare	14,941	18,683	21,089	21,573
4203	Unemployment	684	480	480	480
4204	401A Plan City	39,775	51,758	50,861	52,371
4205	Workers Compensation	6,240	119,820	1,860	1,920
4206	Medical Retirement Contribution	8,736	8,736	8,736	8,736
4211	PERS Regular Contribution	110,120	160,698	171,863	191,735
Total Salaries & Benefits		\$1,389,998	\$1,913,992	\$1,809,277	\$1,884,277
5101	Contract Services	\$308,835	\$284,121	\$334,384	\$338,844
5104	Computer Contract Services	33,826	78,310	78,970	90,150
5105	Elections	84,575	2,180	101,927	2,220
5108	Legal Services	513,927	354,000	390,000	390,000
5201	Office Supplies	9,543	8,000	8,000	8,500
5202	Memberships & Dues	44,461	53,907	57,825	58,775
5203	Reference Books & Periodicals	657	1,500	1,996	1,600
5204	Conferences & Meetings	33,227	72,175	-	-
5205	Training, Conferences & Meetings	33,492	79,180	150,945	151,670
5207	Advertising	10,381	10,150	13,900	14,830
5208	Postage	847	825	830	830
5210	Computers, Supplies & Software	550	4,800	-	-
5212	Office Equipment Maintenance	30	250	250	250
5217	Departmental Supplies	38,008	44,250	47,850	49,650
5225	Printing	2,000	1,450	1,450	1,450
5240	Assessments & Taxes	2,452	2,500	3,575	3,575
5260	Council Contingencies	-	100,000	100,000	100,000
5262	Public Service Events	26,547	27,875	44,625	44,875
5501	Telephone	3,674	3,795	3,695	3,714
Total Materials & Services		\$1,147,033	\$1,129,268	\$1,340,222	\$1,260,933
5611	Warehouse Purchases	\$60	\$250	\$250	\$250
5621	Information Technology Allocation	126,216	145,971	146,340	149,040
5631	Insurance Allocation	23,580	597,300	733,080	759,120
5651	Building & Operations Allocation	138,989	144,973	150,480	152,640
Total Internal Services		\$288,845	\$888,494	\$1,030,150	\$1,061,050
Total Operating Expenses		\$2,825,875	\$3,931,754	\$4,179,649	\$4,206,260
6141	Computer Equipment & Software	\$4,500	-	-	-
6212	CIP Bldg & Facility - CYr	\$42,192	261,938	-	-
Total Capital Projects & Equipment		\$46,692	\$261,938	-	-
Total Expenditures		\$2,872,568	\$4,193,692	\$4,179,649	\$4,206,260
Source of Funds					
General Fund		\$2,830,375	\$3,931,754	\$4,179,649	\$4,206,260
Capital Improvement Fund		42,192	261,938	-	-
Total Source of Funds		\$2,872,568	\$4,193,692	\$4,179,649	\$4,206,260

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Human Resources

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
4101	Salaries & Allowances	\$576,153	\$610,340	\$806,621	\$830,281
4103	Part Time Employee Salaries	52,710	89,856	-	-
4111	Overtime Regular Employees	2,047	1,865	2,500	2,500
4201	Group Medical Insurance	73,571	102,602	115,435	120,757
4202	Medicare	8,879	9,391	11,696	12,039
4203	Unemployment	684	480	480	480
4204	401A Plan City	21,262	22,656	30,713	32,867
4205	Workers Compensation	120,120	95,880	27,060	28,200
4206	Medical Retirement Contribution	7,896	7,896	7,896	7,896
4211	PERS Regular Contribution	51,805	76,327	108,636	121,847
Total Salaries & Benefits		\$915,128	\$1,017,293	\$1,111,038	\$1,156,867
5101	Contract Services	\$69,450	\$79,492	\$106,076	\$100,626
5104	Computer Contract Services	6,769	6,940	6,940	7,093
5107	Physical/Psychological Exams	21,882	18,845	33,540	35,040
5108	Legal Services	68,124	80,000	60,000	60,000
5201	Office Supplies	2,852	2,500	3,000	3,050
5202	Memberships & Dues	1,846	2,959	2,864	2,914
5203	Reference Books & Periodicals	377	752	1,180	1,180
5204	Conferences & Meetings	5,515	13,333	-	-
5205	Training, Conferences & Meetings	6,209	64,868	130,901	83,805
5208	Postage	2,841	2,700	2,700	2,700
5214	Employee Awards & Events	10,693	18,500	18,500	18,500
5216	Tuition Reimbursement	14,188	24,000	27,000	27,000
5217	Departmental Supplies	340	-	1,500	1,500
5218	Recruitment Costs	71,213	34,874	44,300	44,300
5225	Printing	251	150	150	150
5250	Insurance Premiums	901,524	1,083,726	1,667,000	2,060,470
5251	Claims Paid	5,202,365	4,189,000	3,680,000	3,740,000
5252	Claims Administration	123,278	124,004	228,830	233,600
5253	Miscellaneous Bonds/Insurance	2,706	2,750	3,450	3,450
5254	Unemployment	34,886	35,000	35,000	35,000
5255	Property Insurance	368,598	404,106	360,000	380,000
5501	Telephone	9,564	10,600	10,300	10,352
Total Materials & Services		\$6,925,471	\$6,199,099	\$6,423,231	\$6,850,730
5611	Warehouse Purchases	\$107	\$200	\$200	\$200
5621	Information Technology Allocation	87,384	87,582	87,780	89,340
5631	Insurance Allocation	18,780	52,140	13,860	15,480
5651	Building & Operations Allocation	81,077	84,567	87,780	89,040
Total Internal Services		\$187,347	\$224,489	\$189,620	\$194,060
Total Operating Expenses		\$8,027,946	\$7,440,881	\$7,723,889	\$8,201,657
6141	Computer Equipment & Software	\$7,756	\$100,000	\$100,000	-
Total Capital Projects & Equipment		\$7,756	\$100,000	\$100,000	-
Total Expenditures		\$8,035,703	\$7,540,881	\$7,823,889	\$8,201,657
Source of Funds					
General Fund		\$1,046,328	\$1,296,275	\$1,268,604	\$1,148,988
Insurance Reserve		6,989,374	6,244,606	6,555,285	7,052,669
Total Source of Funds		\$8,035,703	\$7,540,881	\$7,823,889	\$8,201,657

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Finance

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
4101	Salaries & Allowances	\$1,514,405	\$1,467,633	\$1,454,220	\$1,489,214
4103	Part Time Employee Salaries	60,512	90,615	94,912	97,296
4111	Overtime Regular Employees	7,654	6,113	7,094	7,528
4120	Supplemental Pension Plan	20,519	20,849	21,400	21,900
4121	Single Highest Year Plan	50,872	51,716	53,000	54,000
4124	Fire Retiree's Health Insurance	22,764	24,000	26,000	28,000
4125	Police Retiree's Health Plan	81,327	83,000	84,000	87,000
4126	Miscellaneous Retirees Health Plan	45,394	56,000	49,000	53,000
4201	Group Medical Insurance	222,935	233,804	245,342	262,408
4202	Medicare	20,226	20,229	19,759	20,204
4203	Unemployment	684	480	480	480
4204	401A Plan City	27,853	29,095	28,856	29,722
4205	Workers Compensation	37,800	42,960	50,280	52,500
4206	Medical Retirement Contribution	18,084	18,084	18,084	18,084
4211	PERS Regular Contribution	169,486	194,124	202,884	225,728
4217	Retirement Trust Contribution	-	-	500,000	500,000
Total Salaries & Benefits		\$2,300,514	\$2,338,702	\$2,855,311	\$2,947,065
5101	Contract Services	\$302,068	\$269,028	\$291,264	\$314,615
5103	Audit Services	48,820	95,500	77,642	86,000
5104	Computer Contract Services	212,997	233,590	225,852	229,357
5201	Office Supplies	8,561	5,500	13,000	13,400
5202	Memberships & Dues	1,325	2,150	2,345	2,515
5203	Reference Books & Periodicals	745	1,200	1,200	1,300
5204	Conferences & Meetings	5,751	23,020	-	-
5205	Training, Conferences & Meetings	1,180	4,300	31,284	30,760
5206	Uniforms/Safety Equipment	759	1,090	1,090	1,090
5207	Advertising	1,765	890	1,890	1,890
5208	Postage	40,614	41,950	40,750	40,750
5210	Computer Supplies & Software	1,381	-	-	-
5211	Automotive Parts	32,774	24,000	26,000	26,000
5212	Office Equipment Maintenance	445	-	-	-
5214	Employee Awards & Events	496	450	600	600
5217	Departmental Supplies	5,414	3,775	5,830	4,730
5222	Warehouse Inventory Purchases	79,122	82,345	90,000	90,000
5225	Printing	11,610	15,400	15,100	15,300
5231	Bank Service Charge	155,483	144,000	155,000	155,000
5265	Service Agency Contributions	37,315	37,315	-	-
5267	UAD Loan Program	3,612	2,400	-	-
5501	Telephone	10,056	10,650	10,450	10,503
Total Materials & Services		\$962,293	\$998,553	\$989,297	\$1,023,810
5611	Warehouse Purchases	\$10,086	\$9,490	\$12,290	\$12,490
5621	Information Technology Allocation	194,184	194,627	195,180	198,720
5631	Insurance Allocation	18,780	52,140	13,860	15,480
5641	Fleet Rental Allocation	3,996	5,050	5,100	5,100
5642	Fleet Maintenance Allocation	2,837	1,866	1,740	1,740
5651	Building & Operations Allocation	196,901	205,378	213,180	216,180
Total Internal Services		\$426,784	\$468,551	\$441,350	\$449,710
Total Operating Expenses		\$3,689,591	\$3,805,806	\$4,285,958	\$4,420,585

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Finance

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
6111	Furniture & Fixtures	-	-	-	-
6121	Machinery & Equipment	\$7,460	-	-	-
6141	Computer Equipment & Software	50,895	140,000	80,585	750,000
Total Capital Projects & Equipment		\$58,355	\$140,000	\$80,585	\$750,000
7302	Property & Equipment Principal	-	-	-	\$118,122
7303	Property & Equipment Interest	-	-	-	18,750
Total Debt Service		-	-	-	\$136,872
Total Capital Expenditures & Debt Service		\$58,355	\$140,000	\$80,585	\$886,872
Total Expenditures		\$3,747,947	\$3,945,806	\$4,366,543	\$5,307,457
Source of Funds					
General Fund		\$3,304,176	\$3,476,149	\$3,872,776	\$4,802,990
Capital Improvement Fund		3,612	2,400	-	-
Building Maintenance & Operations Fund		219,284	231,692	260,367	260,567
Pension Trust Fund		220,875	235,565	233,400	243,900
Total Source of Funds		\$3,747,947	\$3,945,806	\$4,366,543	\$5,307,457

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Parks and Recreation

Object	Description	2014/15	2015/16	2016/17	2017/18
		Actual	Adopted	Adopted	Approved
4101	Salaries & Allowances	\$1,614,062	\$1,759,663	\$1,789,828	\$1,838,149
4103	Part Time Employee Salaries	1,423,951	1,355,287	1,577,487	1,606,308
4111	Overtime Regular Employees	37,357	13,928	25,132	25,486
4201	Group Medical Insurance	231,708	253,995	302,338	322,250
4202	Medicare	43,899	44,784	55,466	55,436
4203	Unemployment	16,164	11,280	11,280	11,280
4204	401A Plan City	24,992	24,981	25,176	25,930
4205	Workers Compensation	43,560	137,220	2,640	2,640
4206	Medical Retirement Contribution	21,948	21,948	21,948	21,948
4211	PERS Regular Contribution	251,002	283,406	329,626	358,409
Total Salaries & Benefits		\$3,708,643	\$3,906,492	\$4,140,920	\$4,267,836
5101	Contract Services	\$1,932,498	\$1,951,121	\$1,954,616	\$2,005,525
5104	Computer Contract Services	12,981	13,309	15,669	15,982
5201	Office Supplies	41,792	43,500	37,500	37,500
5202	Memberships & Dues	8,543	13,486	11,980	11,837
5203	Reference Books & Periodicals	520	1,575	1,375	1,393
5204	Conferences & Meetings	2,834	2,350	-	-
5205	Training, Conferences & Meetings	23,923	43,497	58,222	58,402
5206	Uniforms/Safety Equipment	11,487	14,060	14,075	14,147
5207	Advertising	45,499	68,718	72,431	73,026
5208	Postage	35,676	33,150	33,650	33,650
5210	Computer Supplies & Software	21,646	1,877	420	420
5217	Departmental Supplies	349,850	294,291	336,421	334,802
5218	Recruitment Costs	6,309	4,520	5,544	5,544
5223	Bus Pass Subsidies	7,071	6,600	6,600	6,600
5224	Recreation Bus Trips	46,513	55,000	56,100	57,222
5225	Printing	84,618	81,248	105,380	106,412
5265	Service Agency Contributions	-	-	37,315	37,315
5501	Telephone	20,558	21,250	20,550	20,654
5502	Electricity	214,853	219,355	237,769	243,404
5503	Natural Gas	7,061	7,930	7,882	8,069
Total Materials & Services		\$2,874,230	\$2,876,837	\$3,013,499	\$3,071,904
5611	Warehouse Purchases	\$18,306	\$17,700	\$17,700	\$17,734
5621	Information Technology Allocation	349,548	340,596	341,580	347,640
5631	Insurance Allocation	451,680	651,480	713,280	740,160
5641	Fleet Rental Allocation	53,472	47,910	46,620	46,620
5642	Fleet Maintenance Allocation	65,828	71,287	69,240	69,240
5651	Building & Operations Allocation	138,989	144,973	150,480	152,580
Total Internal Services		\$1,077,822	\$1,273,946	\$1,338,900	\$1,373,974
Total Operating Expenses		\$7,660,695	\$8,057,275	\$8,493,319	\$8,713,713
6111	Furniture & Fixtures	-	-	\$400	-
6121	Machinery & Equipment	\$11,985	-	-	-
6141	Computer Equipment & Software	-	20,310	2,000	-
6252	CIP Landscape & Site - CYr	21,811	135,000	-	-
Total Capital Projects & Equipment		\$33,796	\$155,310	\$2,400	\$0

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Parks and Recreation

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
7101	Bond Principal	\$265,000	\$270,000	\$280,000	\$290,000
7102	Bond Interest	6,674	236,231	226,376	216,156
7103	Bond Administration Fee	79,453	75,000	80,000	79,000
Total Debt Service		\$351,127	\$581,231	\$586,376	\$585,156
Total Capital Expenditures & Debt Service		\$384,923	\$736,541	\$588,776	\$585,156
Total Expenditures		\$8,045,618	\$8,793,816	\$9,082,095	\$9,298,869
Source of Funds					
	General Fund	\$7,319,916	\$7,799,276	\$8,210,903	\$8,398,966
	Proposition A Fund	703,890	859,540	871,193	899,903
	Capital Improvement Fund	21,811	135,000	-	-
Total Source of Funds		\$8,045,618	\$8,793,816	\$9,082,095	\$9,298,869

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Police

Object	Description	2014/15	2015/16	2016/17	2017/18
		Actual	Adopted	Adopted	Approved
4101	Salaries & Allowances	\$2,497,933	\$2,414,357	\$2,568,818	\$2,618,636
4102	Sworn Employee Salaries	8,099,132	8,054,622	8,324,602	8,421,236
4103	Part Time Employee Salaries	187,120	264,379	239,228	230,905
4111	Overtime Regular Employees	120,007	110,555	114,504	117,495
4112	Overtime Sworn Employees	1,220,043	1,211,583	1,298,720	1,320,860
4114	Overtime Special Events	161,964	163,566	196,136	200,326
4201	Group Medical Insurance	1,253,444	1,277,873	1,403,253	1,505,504
4202	Medicare	164,840	149,227	157,169	158,877
4203	Unemployment	17,964	12,480	12,480	12,480
4204	401A Plan City	10,879	11,194	11,291	11,629
4205	Workers Compensation	1,780,380	2,041,380	2,108,760	2,199,600
4206	Medical Retirement Contribution	107,216	107,220	107,220	107,220
4211	PERS Regular Contribution	286,370	309,004	355,202	394,003
4212	PERS Sworn Contributions	2,207,821	2,415,994	2,732,368	3,026,429
Total Salaries & Benefits		\$18,115,112	\$18,543,434	\$19,629,751	\$20,325,200
5101	Contract Services	\$420,185	\$478,644	\$510,064	\$519,609
5104	Computer Contract Services	75,220	94,820	95,960	99,350
5106	SBRPCA Communications	1,173,769	1,266,494	1,284,486	1,323,000
5107	Physical/Psychological Exams	10,175	13,250	13,250	13,450
5108	Legal Services	13,690	20,000	15,000	15,000
5109	Background Investigations	3,727	8,760	8,260	8,520
5201	Office Supplies	31,134	27,900	31,600	32,200
5202	Memberships & Dues	6,343	7,021	8,286	8,755
5203	Reference Books & Periodicals	1,133	1,250	1,250	1,330
5204	Conferences & Meetings	16,258	19,790	-	-
5205	Training, Conferences & Meetings	29,669	45,125	72,330	74,200
5206	Uniforms/Safety Equipment	158,857	108,836	116,825	119,120
5207	Advertising	-	300	300	300
5208	Postage	5,595	5,900	5,900	5,900
5210	Computer Supplies & Software	5,810	15,200	18,350	18,500
5214	Employee Awards & Events	1,208	1,500	2,700	2,850
5217	Departmental Supplies	204,652	254,185	305,830	310,675
5219	STC Training	6,574	2,850	2,850	2,950
5220	POST Training	64,378	49,700	59,700	60,900
5225	Printing	19,598	25,350	24,150	24,600
5240	Assessments & Taxes	-	-	-	-
5263	City Funds Match	5,800	12,000	10,500	10,500
5501	Telephone	45,995	45,670	48,080	48,322
5502	Electricity	127,432	154,263	173,098	177,200
5503	Natural Gas	5,123	4,872	5,558	5,690
5504	Water	17,137	16,912	14,628	14,975
Total Materials & Services		\$2,449,463	\$2,680,592	\$2,828,955	\$2,897,896

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Police

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
5611	Warehouse Purchases	\$824	\$2,590	\$2,720	\$2,745
5621	Information Technology Allocation	737,940	739,589	741,540	754,620
5631	Insurance Allocation	459,540	224,640	967,020	1,000,620
5641	Fleet Rental Allocation	406,188	426,750	445,500	445,500
5642	Fleet Maintenance Allocation	645,171	789,090	751,980	751,980
5651	Building & Operations Allocation	405,155	414,472	435,900	447,060
Total Internal Services		\$2,654,817	\$2,597,131	\$3,344,660	\$3,402,525
Total Operating Expenses		\$23,219,393	\$23,821,157	\$25,803,366	\$26,625,621
6111	Furniture & Fixtures	\$8,013	-	-	-
6121	Machinery & Equipment	\$91,549	\$25,000	-	-
6141	Computer Equipment & Software	29,729	49,496	400,000	900,000
Total Capital Projects & Equipment		\$129,291	\$74,496	\$400,000	\$900,000
7101	Bond Principal	\$744,004	\$227,500	\$232,500	\$240,000
7102	Bond Interest	162,231	156,568	149,669	142,581
7103	Bond Administration	825	2,000	1,100	1,100
7302	Property & Equipment Principal	-	-	75,338	248,443
7303	Property & Equipment Interest	-	-	9,900	30,517
Total Debt Service		\$907,060	\$386,068	\$468,507	\$662,641
Total Capital Expenditures & Debt Service		\$1,036,351	\$460,564	\$868,507	\$1,562,641
Total Expenditures		\$24,255,744	\$24,281,721	\$26,671,873	\$28,188,262
Source of Funds					
	General Fund	\$23,599,813	\$23,574,703	\$25,996,684	\$26,415,419
	Asset Forfeiture	114,421	215,950	186,920	1,284,162
	Police Safety Grants Fund	153,453	105,000	105,000	105,000
	Capital Improvement Fund	388,056	386,068	383,269	383,681
Total Source of Funds		\$24,255,744	\$24,281,721	\$26,671,873	\$28,188,262

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Fire

Object	Description	2014/15	2015/16	2016/17	2017/18
		Actual	Adopted	Adopted	Approved
4101	Salaries & Allowances	\$85,331	\$82,424	\$85,039	\$86,314
4102	Sworn Employee Salaries	4,710,803	4,787,796	4,622,974	4,699,308
4103	Part Time Employee Salaries	98,706	149,589	149,597	150,597
4111	Overtime Regular Employees	2,240	-	2,000	2,000
4112	Overtime Sworn Employees	1,908,588	1,516,215	1,780,404	1,828,640
4113	Overtime Mutual Aid	79,203	114,000	157,248	161,280
4114	Overtime Special Events	9,995	15,869	16,302	16,720
4115	Cooperative Resources	61,270	174,720	171,960	173,976
4116	Overtime Training & Special Detail	111,882	184,680	210,600	219,000
4201	Group Medical Insurance	532,337	575,982	603,668	647,095
4202	Medicare	85,134	61,962	65,632	66,637
4203	Unemployment	1,800	1,260	1,260	1,260
4204	401A Plan City	5,327	5,261	5,307	5,466
4205	Workers Compensation	786,960	1,192,560	1,056,120	1,101,660
4206	Medical Retirement Contribution	20,832	20,832	20,832	20,832
4211	PERS Regular Contribution	10,678	10,589	15,920	17,154
4212	PERS Sworn Contributions	1,004,310	1,181,302	1,289,901	1,431,960
Total Salaries & Benefits		\$9,515,396	\$10,075,041	\$10,254,764	\$10,629,898
5101	Contract Services	\$201,667	\$223,588	\$267,372	\$277,586
5104	Computer Contract Services	33,841	40,110	40,750	40,850
5106	SBRPCA Communications	390,713	422,164	428,162	441,000
5107	Physical/Psychological Exams	-	7,200	7,200	7,200
5109	Background Investigations	7,235	24,064	24,064	24,064
5201	Office Supplies	5,397	5,200	7,000	7,000
5202	Memberships & Dues	3,819	4,214	4,724	4,724
5203	Reference Books & Periodicals	3,983	3,050	3,650	3,650
5204	Conferences & Meetings	11,061	13,280	-	-
5205	Training, Conferences & Meetings	41,271	104,250	128,805	130,150
5206	Uniforms/Safety Equipment	121,986	74,052	79,025	77,825
5207	Advertising	364	-	-	-
5208	Postage	613	600	600	600
5209	Tools & Minor Equipment	116	-	-	-
5210	Computer Supplies & Software	1,949	-	-	-
5214	Employee Awards & Events	2,595	4,500	3,500	4,000
5217	Departmental Supplies	191,429	222,470	208,370	213,170
5218	Recruitment Costs	4,196	-	-	-
5221	Automotive Repair Services	70,068	66,700	70,035	70,035
5225	Printing	1,626	2,650	2,650	2,650
5501	Telephone	24,885	25,900	26,400	26,533
5502	Electricity	66,475	80,232	89,465	91,585
5503	Natural Gas	6,431	7,173	6,290	6,439
5504	Water	7,698	9,534	7,138	7,307
Total Materials & Services		\$1,199,419	\$1,340,931	\$1,405,200	\$1,436,368

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Fire

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
5611	Warehouse Purchases	\$5,961	\$6,700	\$6,700	\$6,700
5621	Information Technology Allocation	155,340	155,702	156,120	158,940
5631	Insurance Allocation	79,920	113,340	64,500	67,740
5641	Fleet Rental Allocation	282,984	275,500	212,760	212,760
5642	Fleet Maintenance Allocation	40,185	57,478	49,200	49,200
5651	Building & Operations Allocation	151,933	155,427	163,440	167,640
Total Internal Services		\$716,323	\$764,147	\$652,720	\$662,980
Total Operating Expenses		\$11,431,138	\$12,180,119	\$12,312,684	\$12,729,246
6141	Computer Equipment & Software	15,563	31,415	-	80,000
6212	CIP Bldg & Facility - CYr	102,280	205,433	-	-
Total Capital Projects & Equipment		\$117,842	\$236,848	\$0	\$80,000
7101	Bond Principal	\$470,996	\$227,500	\$232,500	\$240,000
7102	Bond Interest	162,231	156,568	149,669	142,581
7103	Bond Administration	825	2,000	1,100	1,100
7302	Property & Equipment Principal	-	-	-	15,981
7303	Property & Equipment Interest	-	-	-	2,100
Total Debt Service		\$634,052	\$386,068	\$383,269	\$401,762
Total Capital Expenditures & Debt Service		\$751,895	\$622,916	\$383,269	\$481,762
Total Expenditures		\$12,183,033	\$12,803,035	\$12,695,953	\$13,211,008
Source of Funds					
General Fund		\$11,692,697	\$12,211,534	\$12,312,684	\$12,827,327
Capital Improvement Fund		490,336	591,501	383,269	383,681
Total Source of Funds		\$12,183,033	\$12,803,035	\$12,695,953	\$13,211,008

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Public Works

Object	Description	2014/15	2015/16	2016/17	2017/18
		Actual	Adopted	Adopted	Approved
4101	Salaries & Allowances	\$4,150,635	\$4,259,658	\$4,328,564	\$4,420,726
4103	Part Time Employee Salaries	30,443	46,190	54,960	57,095
4111	Overtime Regular Employees	68,769	65,235	74,145	77,176
4114	Overtime Special Events	26,389	27,080	33,655	34,330
4123	Commuter Pay	8,880	9,000	9,200	9,200
4201	Group Medical Insurance	628,354	663,633	724,879	775,599
4202	Medicare	57,220	58,805	60,238	61,485
4203	Unemployment	11,448	7,980	7,980	7,980
4204	401A Plan City	61,625	63,907	62,044	63,906
4205	Workers Compensation	223,020	532,800	447,480	466,560
4206	Medical Retirement Contribution	61,836	61,836	61,836	61,836
4211	PERS Regular Contribution	453,620	540,771	589,853	656,131
4220	Accrued Leave	(2,757)	-	-	-
Total Salaries & Benefits		\$5,779,482	\$6,336,895	\$6,454,834	\$6,692,025
5101	Contract Services	\$11,701,260	\$12,445,013	\$12,987,236	\$13,401,397
5104	Computer Contract Services	13,737	25,950	27,570	29,445
5201	Office Supplies	11,291	10,500	10,800	11,100
5202	Memberships & Dues	18,106	15,674	18,290	18,180
5203	Reference Books & Periodicals	1,219	1,215	1,230	1,480
5204	Conferences & Meetings	7,735	7,885	-	-
5205	Training, Conferences & Meetings	11,748	23,652	35,176	37,070
5206	Uniforms/Safety Equipment	21,431	28,314	28,306	29,262
5207	Advertising	32,041	24,900	25,400	25,400
5208	Postage	8,311	5,590	5,400	5,400
5209	Tools & Minor Equipment	12,707	11,300	5,350	5,395
5210	Computer Supplies & Software	29,581	27,626	21,300	9,200
5211	Automotive Parts	81,355	-	-	-
5212	Office Equipment Maintenance	1,700	2,000	2,000	2,000
5214	Employee Awards & Events	2,376	500	1,000	1,000
5217	Departmental Supplies	1,152,338	1,151,853	1,191,400	1,223,347
5221	Automotive Repair Service	79,635	-	-	-
5225	Printing	13,929	23,537	24,157	16,135
5226	Automotive Fuel	308,896	409,575	394,675	402,110
5231	Banking Service Fees	379,576	289,000	399,000	399,000
5240	Assessments & Taxes	505,833	587,124	670,404	770,340
5266	DMBBPA Allocation	108,837	109,000	108,000	108,000
5501	Telephone	94,546	95,420	98,270	98,762
5502	Electricity	920,149	956,270	938,188	960,423
5503	Natural Gas	86,642	91,532	85,616	87,644
5504	Water	546,480	563,042	522,276	534,653
Total Materials & Services		\$16,151,459	\$16,906,472	\$17,601,044	\$18,176,743
5601	Administrative Service Charge	\$2,913,324	\$2,996,530	\$2,996,530	\$2,996,530
5611	Warehouse Purchases	44,493	52,655	52,395	54,610
5612	Garage Purchases	35,643	25,000	25,000	25,000
5621	Information Technology Allocation	359,244	356,539	361,080	367,440
5631	Insurance Allocation	401,460	322,860	526,620	549,540
5641	Fleet Rental Allocation	455,844	439,220	319,920	319,920
5642	Fleet Maintenance Allocation	248,751	270,992	281,520	281,520
5651	Building & Operations Allocation	\$231,557	\$238,274	\$249,600	\$255,060
Total Internal Services		\$4,690,315	\$4,702,070	\$4,812,665	\$4,849,620
9101	Transfers Out	\$21,388	\$19,053	\$18,007	\$18,007
Total Transfers		\$21,388	\$19,053	\$18,007	\$18,007
Total Operating Expenses		\$26,642,645	\$27,964,490	\$28,886,550	\$29,736,395

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Public Works

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
6111	Furniture & Fixtures	\$1,078	-	-	-
6121	Machinery & Equipment	140,213	142,250	-	-
6131	Vehicles	749,239	453,873	702,631	2,085,376
6141	Computer Equipment & Software	-	10,000	12,000	-
6212	CIP Bldg. & Facility - CYr	429,053	5,044,916	2,229,500	11,785,000
6222	CIP Street Improvements - CYr	2,481,983	7,455,645	4,030,000	2,710,000
6232	CIP Utility Improvements - CYr	73,050	1,296,555	2,670,000	2,670,000
6242	CIP Line Improvements - CYr	1,309,956	2,411,240	100,000	4,200,000
6252	CIP Landscape & Site - CYr	10,669	1,572,910	-	-
6263	Infrastructure Improvements	662	2,903,168	877,000	1,450,000
Total Capital Projects & Equipment		\$5,195,904	\$21,290,557	\$10,621,131	\$24,900,376
7101	Bond Principal	\$1,115,000	\$1,135,000	\$1,180,000	\$1,235,000
7102	Bond Interest	820,901	774,851	726,275	676,753
7103	Bond Administration	10,219	10,500	9,725	9,725
Total Debt Service		\$1,946,120	\$1,920,351	\$1,916,000	\$1,921,478
7301	Land Leases	\$431,280	\$450,000	\$436,000	\$436,000
7302	Property & Equipment Principal	190,595	190,595	193,718	375,803
7303	Property & Equipment Interest	10,338	7,264	4,141	31,095
7402	Interfund Loans Interest	1,968	-	-	-
Total Property & Equipment Leases		\$634,180	\$647,859	\$633,859	\$842,898
Total Capital Expenditures & Debt Service		\$7,776,204	\$23,858,767	\$13,170,990	\$27,664,752
Total Expenditures		\$34,418,849	\$51,823,257	\$42,057,540	\$57,401,147
Source of Funds					
General Fund		\$6,664,694	\$6,300,644	\$6,679,390	\$6,893,919
Street Lighting & Landscape Fund		634,053	614,829	603,547	619,794
Gas Tax		1,585,013	2,752,541	1,990,000	750,000
Federal & State Grants Fund		-	-	-	-
Proposition C Fund		822,888	2,468,399	190,000	1,510,000
AB 2766 Fund		9,948	11,100	11,300	11,300
Measure R		-	335,000	1,185,000	175,000
Capital Improvement Fund		213,210	6,733,527	1,542,000	1,725,000
Underground Assessment Districts		-	-	-	-
Water Fund		10,445,301	13,545,860	14,271,425	21,758,570
Stormwater Fund		667,623	1,722,344	1,100,267	1,086,718
Wastewater Fund		1,623,815	2,462,565	1,300,567	8,462,328
Refuse Fund		4,009,445	4,267,893	4,141,558	4,220,332
Parking Fund		2,233,511	3,597,542	3,353,910	2,652,919
County Parking Lots Fund		533,822	634,698	611,997	619,727
State Pier and Parking Lot Fund		549,410	1,989,051	497,358	652,859
Fleet Management Fund		1,966,328	1,869,019	2,046,195	3,675,071
Building Maintenance & Operations Fund		1,505,994	1,568,207	1,588,765	1,640,169
Special Assessment Redemption Fund		953,793	950,038	944,261	947,439
Total Source of Funds		\$34,418,849	\$51,823,257	\$42,057,540	\$57,401,147

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Community Development

Object	Description	2014/15	2015/16	2016/17	2017/18
		Actual	Adopted	Adopted	Approved
4101	Salaries & Allowances	\$2,008,117	\$2,092,467	\$2,152,153	\$2,195,337
4103	Part Time Employee Salaries	70,974	156,320	130,239	131,190
4111	Overtime Regular Employees	8,132	9,908	31,990	13,030
4201	Group Medical Insurance	255,165	281,811	296,334	314,508
4202	Medicare	29,226	31,301	32,587	32,958
4203	Unemployment	684	480	480	480
4204	401A Plan City	24,645	26,218	28,696	29,556
4205	Workers Compensation	6,060	-	4,260	4,440
4206	Medical Retirement Contribution	22,092	22,092	22,092	22,092
4211	PERS Regular Contribution	229,911	275,273	304,643	337,140
Total Salaries & Benefits		\$2,655,006	\$2,895,870	\$3,003,474	\$3,080,730
5101	Contract Services	\$869,433	\$840,780	\$800,400	\$777,795
5104	Computer Contract Services	101,366	72,800	35,000	40,800
5108	Legal Services	-	4,000	-	-
5201	Office Supplies	4,314	5,500	7,100	7,100
5202	Memberships & Dues	4,639	8,990	6,865	6,905
5203	Reference Books & Periodicals	1,694	4,635	4,565	2,025
5204	Conferences & Meetings	18,675	28,380	-	-
5205	Training, Conferences & Meetings	4,864	16,110	38,150	35,850
5206	Uniforms/Safety Equipment	3,376	5,165	6,500	6,000
5207	Advertising	8,732	9,600	9,100	8,000
5208	Postage	4,005	4,355	4,400	4,400
5209	Tools & Minor Equipment	-	250	1,500	1,500
5210	Computer Supplies & Software	2,308	20,483	20,233	1,500
5212	Office Equipment Maintenance	-	325	325	325
5214	Employee Awards & Events	-	500	500	500
5217	Departmental Supplies	8,433	5,695	7,050	5,150
5225	Printing	10,596	17,575	13,500	11,500
5501	Telephone	9,143	9,850	9,850	9,901
Total Materials & Services		\$1,051,578	\$1,054,993	\$965,038	\$919,251
5611	Warehouse Purchases	\$782	\$1,300	\$1,300	\$1,300
5621	Information Technology Allocation	262,164	262,745	263,520	268,140
5631	Insurance Allocation	103,680	55,620	13,860	15,480
5641	Fleet Rental Allocation	21,216	21,210	8,520	8,520
5642	Fleet Maintenance Allocation	13,331	17,542	16,320	16,320
5651	Building & Operations Allocation	231,648	241,622	250,800	254,280
Total Internal Services		\$632,821	\$600,039	\$554,320	\$564,040
Total Operating Expenses		\$4,339,406	\$4,550,902	\$4,522,832	\$4,564,021
6131	Vehicles	-	\$35,000	-	-
6141	Computer Equipment & Software	-	\$44,821	\$2,000	-
Total Capital Projects & Equipment		-	\$79,821	\$2,000	-
Total Expenditures		\$4,339,406	\$4,630,723	\$4,524,832	\$4,564,021
Source of Funds					
General Fund		\$4,339,406	\$4,630,723	\$4,524,832	\$4,564,021
Total Source of Funds		\$4,339,406	\$4,630,723	\$4,524,832	\$4,564,021

SCHEDULE OF EXPENDITURE DETAIL BY DEPARTMENT

Information Technology

Object	Description	2014/15 Actual	2015/16 Adopted	2016/17 Adopted	2017/18 Approved
4101	Salaries & Allowances	\$772,355	\$928,264	\$932,004	\$952,349
4103	Part Time Employee Salaries	48,664	55,625	55,625	55,625
4111	Overtime Regular Employees	48,429	65,000	65,724	36,346
4201	Group Medical Insurance	95,090	120,413	124,525	131,543
4202	Medicare	12,461	14,039	14,430	14,724
4204	401A Plan City	9,654	17,237	17,625	18,153
4205	Workers Compensation	-	13,620	1,320	1,320
4206	Medical Retirement Contribution	6,360	6,360	6,360	6,360
4211	PERS Regular Contribution	85,884	117,778	126,416	140,709
Total Salaries & Benefits		\$1,078,897	\$1,338,336	\$1,344,028	\$1,357,128
5101	Contract Services	\$64,731	\$174,749	\$125,139	\$125,139
5104	Computer Contract Services	284,112	329,499	414,165	415,666
5201	Office Supplies	-	500	1,150	1,150
5202	Memberships & Dues	844	2,810	2,810	2,810
5203	Reference Books & Periodicals	617	700	500	500
5204	Conferences & Meetings	5,595	19,555	-	-
5205	Training, Conferences & Meetings	6,060	15,000	49,355	49,355
5210	Computer Supplies & Software	272,617	413,316	485,366	485,366
5212	Office Equipment Maintenance	37	2,000	1,000	1,000
5213	Computer Maintenance & Repair	32,277	20,600	24,340	24,340
5217	Departmental Supplies	993	1,300	1,300	1,300
5501	Telephone	2,324	2,600	2,500	2,513
Total Materials & Services		\$670,207	\$982,629	\$1,108,425	\$1,109,939
5611	Warehouse Purchases	\$195	\$300	\$300	\$300
5631	Insurance Allocation	-	-	13,860	15,480
5651	Building & Operations Allocation	34,747	36,243	37,620	38,160
Total Internal Services		\$34,941	\$36,543	\$51,780	\$53,940
Total Operating Expenses		\$1,784,046	\$2,357,508	\$2,504,233	\$2,521,007
6111	Furniture & Fixtures	\$7,829	-	-	-
6121	Machinery & Equipment	-	-	-	-
6141	Computer Equipment & Software	\$190,742	\$518,964	443,954	63,709
Total Capital Projects & Equipment		\$198,571	\$518,964	\$443,954	\$63,709
Total Expenditures		\$1,982,616	\$2,876,472	\$2,948,187	\$2,584,716
Source of Funds					
General Fund		\$299,961	\$344,104	\$360,519	\$313,569
Capital Improvement Fund		-	-	-	-
Information Systems Fund		1,682,655	2,532,368	2,587,668	2,271,147
Total Source of Funds		\$1,982,616	\$2,876,472	\$2,948,187	\$2,584,716

SCHEDULE OF EXPENDITURE BY MINOR PROGRAM

Program	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Management Services					
City Council	\$363,039	\$536,704	\$440,109	\$514,291	\$536,792
City Manager	974,682	2,350,164	4,324,592	2,215,176	2,287,129
City Treasurer	32,318	40,306	35,910	41,860	44,111
City Clerk	664,045	665,750	759,541	761,180	685,760
City Attorney	838,483	600,768	691,073	647,142	652,468
Total Management Services	\$2,872,568	\$4,193,692	\$6,251,225	\$4,179,649	\$4,206,260
Finance					
Administration	\$1,278,402	\$1,545,900	\$1,412,971	\$1,947,491	\$2,793,319
Accounting	713,479	677,230	626,287	656,710	712,491
Revenue Services	559,761	517,988	506,408	521,157	536,482
Business Licensing	118,272	117,594	115,342	121,096	123,995
Parking Citations	259,954	252,801	256,366	241,224	244,705
Utility Billing	191,111	193,146	190,294	192,370	195,953
Purchasing	406,796	409,455	432,653	426,128	439,945
General Services	220,172	231,692	231,747	260,367	260,567
Total Finance	\$3,747,947	\$3,945,806	\$3,772,068	\$4,366,543	\$5,307,457
Human Resources					
Administration	\$1,046,328	\$1,296,275	\$1,103,253	\$1,268,604	\$1,148,988
Risk Management	336,601	386,557	350,758	561,505	580,289
Liability	2,457,860	1,939,412	1,972,683	2,610,280	2,969,800
Workers Compensation	4,194,913	3,918,637	2,943,630	3,383,500	3,502,580
Total Human Resources	\$8,035,703	\$7,540,881	\$6,370,324	\$7,823,889	\$8,201,657
Parks & Recreation					
Administration	\$2,561,193	\$3,038,346	\$2,998,737	\$2,910,896	\$2,964,993
Recreation Services	1,086,136	1,103,763	1,159,588	1,172,800	1,226,046
Playground	477	-	-	-	-
Teen Drop In Center	85,562	102,861	91,709	105,700	106,560
Special Activity Classes	378,525	284,605	320,712	332,014	332,847
Special Events	214,041	212,087	205,724	242,703	250,292
Tennis Operations	122,866	127,462	131,590	145,067	145,067
Facility & Parks Reservations	337,148	353,750	282,465	390,798	396,140
Cultural Arts	421,632	407,370	489,133	394,011	409,141
Art Classes	224,131	222,730	189,822	352,409	359,464
Concerts In The Park	54,152	64,322	77,996	70,469	74,809
Sports Leagues & Tournaments	281,649	352,989	277,769	323,414	319,440
Sports Classes	481,942	482,424	500,790	498,566	507,131
Swimming Activities	412,355	508,818	396,905	510,760	518,531
Sports & Aquatics Administration	160,437	173,900	179,433	178,790	185,647
Volunteers	151,549	150,404	156,116	152,439	157,598
Older Adults Activities	130,049	111,875	124,845	113,538	113,608
Senior Services	237,881	236,570	249,537	316,528	331,654
Transportation	703,890	859,540	1,002,028	871,193	899,903
Total Parks & Recreation	\$8,045,618	\$8,793,816	\$8,834,899	\$9,082,095	\$9,298,869
Police Department					
Administration	\$5,438,946	\$5,553,177	\$5,683,619	\$6,394,305	\$6,585,085
Patrol	8,827,158	8,375,743	8,913,154	8,609,371	8,899,821
Investigations	2,790,936	2,611,153	2,795,878	2,959,621	3,068,480
School Resource Officer	18,721	25,835	26,004	22,100	22,440
Technical Support Services	1,345,926	1,296,493	1,339,956	1,342,481	1,381,792
Communications	1,174,312	1,267,034	1,267,227	1,770,474	1,408,992
Crime Prevention	304,933	304,453	303,470	519,547	537,211
Traffic Safety	1,477,108	1,937,009	1,621,900	2,041,635	2,094,368
Jail Operations	644,672	616,109	676,185	648,444	667,792
Parking Enforcement	1,637,757	1,654,166	1,677,274	1,780,427	1,832,684
Animal Control	327,400	319,599	341,568	291,547	300,435
Treasury Regional	87,469	49,496	59,765	-	-
DOJ Regional	26,951	166,454	182,000	186,920	1,284,162
State SLES Grant	153,453	105,000	108,500	105,000	105,000
Total Police Department	\$24,255,744	\$24,281,721	\$24,996,500	\$26,671,873	\$28,188,262

SCHEDULE OF EXPENDITURE BY MINOR PROGRAM

Program	2014/15 Actual	2015/16 Adopted	2015/16 Estimate	2016/17 Adopted	2017/18 Approved
Fire Department					
Administration	\$2,600,063	\$3,263,947	\$3,098,336	\$2,820,780	\$3,008,611
Prevention	715,493	730,877	777,253	762,298	787,503
Fire Investigation	27,518	30,858	32,016	34,000	34,920
Fire Operations	6,605,885	6,372,845	6,463,873	6,472,729	6,692,135
Emergency Medical Services	1,686,543	1,778,149	1,889,491	1,987,923	2,050,103
Support Services	370,037	336,909	313,765	324,258	333,957
Emergency Preparedness	18,462	47,050	90,711	48,700	48,900
Fire Reserves	99,303	134,240	122,994	133,530	133,770
CERT	13,131	30,620	23,996	29,820	30,020
Communications	33,409	52,240	39,305	48,094	57,070
Public Education	13,187	25,300	25,328	33,820	34,020
Total Fire Department	\$12,183,033	\$12,803,035	\$12,877,068	\$12,695,953	\$13,211,008
Community Development					
Administration	\$858,645	\$1,121,220	\$1,164,877	\$728,494	\$739,878
Current Planning	454,895	487,649	492,714	701,297	609,896
Advance Planning	624,454	427,972	750,750	432,522	442,186
Plan Check	969,794	1,000,060	943,696	1,036,281	1,068,260
Inspection	876,402	909,825	838,659	941,431	1,005,546
Code Enforcement	238,248	371,101	295,803	369,688	378,180
Traffic Engineering	316,969	312,896	326,320	315,118	320,075
Total Community Development	\$4,339,406	\$4,630,723	\$4,812,819	\$4,524,832	\$4,564,021
Public Works					
Administration	\$1,638,445	\$1,598,874	\$1,431,240	\$1,270,302	\$1,306,195
Civil Engineering	3,102,859	8,965,501	3,644,992	3,331,662	5,277,055
Street Repair	2,935,779	6,456,882	3,443,995	5,493,041	2,913,301
Sidewalk Repair	778,692	616,233	103,739	365,000	365,000
Traffic Control	337,302	505,646	324,848	357,896	373,749
Bldg & Grounds Maintenance	1,505,994	1,568,207	1,478,334	1,608,805	1,660,209
Parks Maintenance	1,063,333	1,071,146	1,075,961	1,137,873	1,172,279
School District Maintenance	383,189	325,867	300,700	321,447	333,627
Transportation	9,948	11,100	62,571	11,300	11,300
Street Lighting	417,265	418,871	414,163	416,469	425,138
Arbolado Tract Lighting	2,912	5,433	5,463	7,008	7,079
Streetscape Maintenance	213,876	190,525	185,864	180,070	187,577
Water Administration	3,275,574	5,399,467	3,637,364	5,519,337	12,656,678
Water Source Of Supply	4,313,850	5,019,157	5,018,828	5,504,534	5,714,490
Water Pumping	1,476,490	1,504,550	1,356,515	1,511,481	1,637,217
Water Treatment	111,890	89,073	89,073	176,604	141,660
Water Maintenance	1,267,498	1,533,613	1,577,491	1,559,469	1,608,525
Storm Drain Maintenance	667,623	1,722,344	1,156,891	1,100,267	1,086,718
Sewer Maintenance	1,623,815	2,462,565	1,484,312	1,300,567	8,462,328
Refuse Management	4,009,445	4,267,893	3,992,177	4,141,558	4,220,332
Environmental Programs	-	-	-	233,389	240,112
Street Meters & City Lots	2,233,511	3,597,542	2,914,210	3,353,910	2,652,919
State Lot A Pier	549,410	1,989,051	975,207	497,358	652,859
County Lot B - 26th St	160,736	174,464	167,341	170,194	172,848
County Lot C - El Porto	373,086	460,234	468,710	441,802	446,880
Fleet Maintenance	1,016,157	1,217,287	1,163,806	1,145,705	1,182,797
Fleet Replacement	950,171	651,732	1,151,859	900,490	2,492,274
Total Public Works	\$34,418,849	\$51,823,257	\$37,625,654	\$42,057,540	\$57,401,147
Information Technology					
Information Technology	1,682,655	2,532,368	2,137,240	2,587,668	2,271,147
Geographic Information Services	299,961	344,104	287,007	360,519	313,569
Total Information Technology	\$1,982,616	\$2,876,472	\$2,424,247	\$2,948,187	\$2,584,716
Total	\$99,881,482	\$120,889,403	\$107,964,805	\$114,350,560	\$132,963,397

**FY 2016-2018 Information Technology Projects/Equipment
Funding Options Considered During Budget Process**

Department	Program	Account Number	Project Name	Type	Total Cost		Status
					Initial Estimate	CC*	
Management_Services							
Management_Services	City Clerk	100-11-041-5104	Electronic SEI & Campaign Filing	New Technology	\$6,500		
Subtotal Management_Services (1)					\$6,500		
Finance							
Finance	Administration	100-12-011-6141	Financial System Enhancements	Carryforward	\$140,000		Funded - FY2016-17
Subtotal Finance (1)					\$140,000		
Human_Resources							
Human_Resources	Administration	100-13-011-6141	HR System Enhancements	Carryforward	\$100,000		Funded - FY2016-17
Subtotal Human_Resources (1)					\$100,000		
Police							
Police	Investigations	100-15-031-6141	Community Camera Project	New Technology	\$400,000	Y	Funded - FY2016-17
Subtotal Police (1)					\$400,000		
Public_Works							
Public_Works	Administration	100-18-011-6141	Work Order Management System Upgrade	Carryforward	\$10,000		Funded - FY2016-17
Public_Works	Administration	Multiple Funds	Ruggedized Laptops	Carryforward	12,400		Funded - FY2016-17
Subtotal Public_Works (2)					\$22,400		
Information_Systems							
Information_Technology	GIS	100-19-052-6141	ISMP - GIS Expansion	Carryforward	\$55,136		Funded - FY2016-17
Information_Technology	Administration	605-19-051-6141	Carryover: Data Encryption - AB1149	Carryforward	50,000		Funded - FY2016-17
Information_Technology	Administration	605-19-051-6141	Carryover - WAN Expansion	Carryforward	273,000		Funded - FY2016-17
Information_Technology	Administration	605-19-051-5210	Employee Training Center	New Technology	43,516		
Subtotal Information_Systems (4)					\$421,652		
Total Information Technology Requests (10)					\$1,090,552		
* City Council Initiated				FUNDED (8)	\$1,040,536		

**FY 2016-2018 Supplemental Requests - Equipment, Vehicle, Program/Service
Funding Options Considered During Budget Process**

Department	Program	Account Number	Short Title	Request Type	Total Cost		CC*	Comments
					Initial Estimate			
Human_Resources								
Human_Resources	Risk Management	601-13-021-5101	Loss Control Consultant	Addition	\$25,000			
Human_Resources	Administration	100-13-011-5205	Performance Eval and Mgmt Training	Addition	25,000			Funded - FY 2016-17
Human_Resources	Administration	100-13-011-5205	Customer Service Training	Addition	25,000	Yes		Funded - FY 2016-17
Subtotal Human_Resources (3)					\$75,000			
Parks_and_Recreation								
Parks_and_Recreation	Sports & Acquatics	100-14-043-5217-7187	New Aquatics Program Vehicle	Addition	\$30,945			
Parks_and_Recreation	Recreation Services	100-14-022-*	Re-establish Acct. 100-14-022	Addition	20,172			
Parks_and_Recreation	Cultural Arts	100-14-034-71605	Geil Gas Kiln	Replacement	40,000			
Subtotal Parks_and_Recreation (3)					\$91,117			
Police								
Police	Patrol	100-15-021-6121	Motorola Radio Replacement	Replacement	\$900,000			Funded - FY 2017-18
Subtotal Police (1)					\$900,000			
Fire								
Fire	Administration	100-16-041-5101	Fire EMS Medical Director	Addition	\$30,000			Funded - FY17 & FY18
Fire	Support Services	100-16-052-5201	Disaster Recovery Plan	Addition	20,000			
Fire	Administration	100-16-011-5101	Fitness Training	Addition	8,670			
Fire	Prevention	100-16-021-5641	Fire Inspector Vehicle	Addition	35,000			
Fire	Administration	100-16-011-5101	Fire Department Strategic Plan	Addition	19,000			
Fire	Support Services	100-16-052-5201	Continuity of Operations Plan	Addition	15,000			
Fire	Support Services	100-16-055-5217	Apparatus Radios	Replacement	80,000			Funded - FY 2017-18
Subtotal Fire (7)					\$207,670			
Community_Development								
Community_Development	Planning	100-17-021-5101	Historic Preservation Inventory	Carryover	\$100,000	Yes		Funded - FY 2016-17
Community_Development	Administration	100-17-011-5210	Accela Mobile Devices	Carryover	18,733	Yes		Funded - FY 2016-17
Community_Development	Planning	100-17-022-5101	Sepulveda Specific Plan	Addition	1,000,000	Yes		
Community_Development	Building	100-17-031-5101	Part-time Plan Checker	Addition	98,800			Funded - FY17 & FY18
Subtotal Community_Development (4)					\$1,217,533			

**FY 2016-2018 Supplemental Requests - Equipment, Vehicle, Program/Service
Funding Options Considered During Budget Process**

Department	Program	Account Number	Short Title	Request Type	Total Cost		CC*	Comments
					Initial Estimate			
Public_Works								
Public_Works	Parking Facilities	See Cost Distribution B	Coin Conveyor System	Addition	\$7,500			
Public_Works	Parking Facilities	See Cost Distribution B	Coin Counter Replacement	Replacement	11,000			
Public_Works	Bldg & Grounds Maintenance	615-18-041-5217	Training Room Chairs	Replacement	10,500			
Public_Works	Street Repair	100-18-032-6131	Urban Forester Vehicle	Addition	32,575			
Public_Works	Street Repair	100-18-042-6131	Bobcat	Replacement	40,725			Funded - FY 2016-17
Public_Works	Parking Facilities	520-18-511-5101	Metlox Fountain Resurfacing	Replacement	43,500			Funded - FY 2016-17
Public_Works	Parking Facilities	520-18-511-5217	Metlox Furniture Replacement	Replacement	33,560			Funded - FY 2016-17
Public_Works	Parking Facilities	520-18-511-5101	Metlox Kiln Modification	Addition	11,800			Funded - FY 2016-17
Public_Works	Parking Facilities	520-18-511-5101	Metlox Plaza Painting	Replacement	47,000			Funded - FY 2017-18
Public_Works	Parking Facilities	520-18-511-5101	Metlox Escalator Trellis Repl	Replacement	16,000			Funded - FY 2017-18
Public_Works	Civil Engineering	100-18-021-6131	PW Inspectors Car	Addition	32,575			
Subtotal Public_Works (11)					\$286,735			
Information_Technology								
Information_Technology	Administration	401-19-051-*	Fiber Master Plan	Addition	\$150,000	Yes		Funded - FY 2016-17
Information_Technology	Administration	605-19-051-5202/5205	Gartner Membership&Conf.	Addition	\$51,925			
Subtotal Information_Technology (2)					\$201,925			
Total Equipment/Vehicle/Program/Service Requests (31)					\$2,979,980			
* City Council Initiated				FUNDED (15)	\$1,620,118			

**FY 2016-2018 Position Requests
Funding Options Considered During Budget Process**

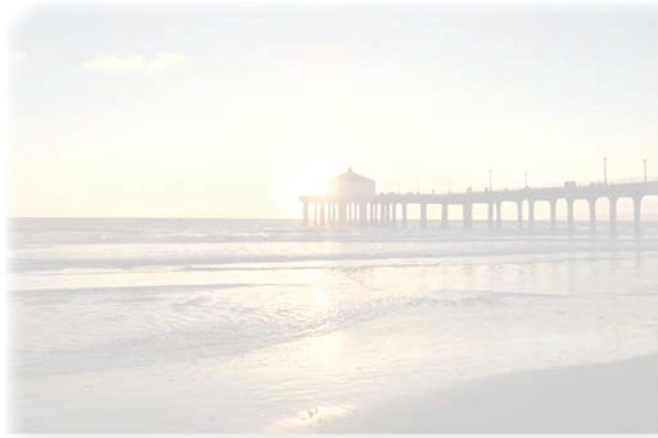
Department	Program	Position Title	Request Type	Initial Estimate	Add'l FT Count	Net Add'l FTE*	CC**	Comments
Management_Services								
Management_Services	City Manager	Management Analyst	New FTE of current job class	-	-	-		<i>Funded (Reclass of Mgmt Fellow)</i>
Subtotal Management_Services (1)				-	-	-		
Finance								
Finance	Administration	Assistant Finance Director	New Position (no current job class filed)	\$124,150	1	0.4		<i>Funded - FY17/18 (Offset by 1300 PT Hrs)</i>
Subtotal Finance (1)				\$124,150	1	0.4		
Parks_and_Recreation								
Parks_and_Recreation	Older Adult Programs	Recreation Coordinator- Older Adults	New FTE of current job class	\$38,966	1	0.3		<i>Funded (Offset by 1,456 PT Hours)</i>
Parks_and_Recreation	Recreation Services	Recreation Coordinator- REC Program	New FTE of current job class	30,210	1	-		
Parks_and_Recreation	Recreation Services	Recreation Coordinator	New FTE of current job class	49,937	1	-		
Parks_and_Recreation	Cultural Arts	Recreation Leader II - Lab Tech	New Position (no current job class filed)	17,531	-	-		
Subtotal Parks_and_Recreation (4)				\$136,644	3	0.3		
Police								
Police	Technical Support Services	Administrative Clerk II	New FTE of current job class	\$54,180	1	1.0		
Police	Community Affairs	Administrative Clerk II	Upgrade to budgeted FTE *	26,089	1	0.1	Y	<i>Funded (Offset by 1,920 PT hours)</i>
Police	Administration	Administrative Clerk II (PT)	New FTE of current job class	9,646	1	0.5		
Police	Parking Enforcement	Police Aide (PT)	New Position (no current job class filed)	-	-	-		
Police	Technical Support Services	Lead Records Tech/Matron	New Position (no current job class filed)	3,589	-	-		
Police	Patrol	Police Officer	New FTE of current job class	128,000	1	1.0	Y	<i>Funded</i>
Police	Patrol	Police Officer	New FTE of current job class	128,000	1	1.0	Y	<i>Funded</i>
Subtotal Police (7)				\$349,504	5	3.6		
Fire								
Fire	Prevention	Part Time Fire Inspectors	Part-time Position Change	\$54,872	-	-		
Fire	Administration	Sr. Management Analyst	Part-time Position Change	22,694	-	-		
Subtotal Fire (2)				\$77,566	-	-		
Community_Development								
Community_Development	Administration	Assistant Community Development Director	New Position (no current job class filed)	\$170,605	1	1.0		
Community_Development	Administration	Development Services Coordinator	New Position (no current job class filed)	78,902	1	1.0	Y	<i>Funded</i>
Community_Development	Building	Administrative Clerk II	New FTE of current job class	16,840	1	-		<i>Funded (Offset by 2,080 PT Hours)</i>
Community_Development	Planning	Administrative Clerk II	New FTE of current job class	10,857	1	(.2)		<i>Funded (Offset by 2,550 PT Hours)</i>
Subtotal Community_Development (4)				\$277,204	4	1.8		

**FY 2016-2018 Position Requests
Funding Options Considered During Budget Process**

Department	Program	Position Title	Request Type	Initial Estimate	Add'l FT Count	Net Add'l FTE*	CC**	Comments
Public_Works								
Public_Works	Bldg & Grounds Maintenance	Building Repair Craft Person	Upgrade to budgeted FTE *	\$28,428		-		
Public_Works	Civil Engineering	Public Works Engineering Assistant/Associa	New FTE of current job class	\$55,419	1	1.0		Funded (Offset by \$40,000 Contract Serv)
Public_Works	Civil Engineering	Public Works Inspector	New FTE of current job class	\$100,697	1	-		
Subtotal Public_Works (3)				\$184,544	2	1.0		
Information_Technology								
Information_Technology	Administration	Management Analyst	New FTE of current job class	\$110,667	1	1.0		Funded
Information_Technology	Administration	Information System Specialist	New FTE of current job class	\$23,186	1	1.0		
Subtotal Information_Technology (2)				\$133,852	2	2.0		
Total Position Requests (24)				\$1,283,464	17	9.1		
				FUNDED (11)	\$717,890	5	2	

* Net Add'l FTE based on hours

** City Council Initiated



RESOLUTION NO. 16-0035

A RESOLUTION OF THE MANHATTAN BEACH CITY COUNCIL ADOPTING THE FISCAL YEAR 2016-2017 OPERATING BUDGET; APPROVING THE FY 2017-2018 OPERATING BUDGET; AND DIRECTING THE CITY MANAGER TO TAKE CERTAIN PERSONNEL RELATED ACTIONS

THE MANHATTAN BEACH CITY COUNCIL RESOLVES, FINDS AND ORDERS AS FOLLOWS:

SECTION 1. The Manhattan Beach Municipal Code provides that the City Manager prepare and submit to the City Council an annual budget. The budget covering the fiscal year 2016-2017, including estimated revenues and expenditures, has been reviewed by the City Council. The City Council has made necessary revisions to the budget as provided for in Exhibit "A" attached hereto.

SECTION 2. The Fiscal Year 2016-2017 Operating Budget as presented to the City Council at the June 21, 2016 City Council meeting, and as amended by the revisions set forth in the attached Exhibit A, is hereby adopted as the official municipal budget for the City of Manhattan Beach ("Fiscal Year 2016-2017 Operating Budget").

SECTION 3. The Fiscal Year 2017-2018 Operating Budget as presented to the City Council at the June 21, 2016 City Council meeting, and as amended by the revisions set forth in the attached Exhibit A, is hereby approved, subject to modification prior to the commencement of Fiscal Year 2017-2018.

SECTION 4. The City Clerk is directed to maintain three copies of the Fiscal Year 2016-2017 Operating Budget on file at all times for inspection by the public.

SECTION 5. Beginning on July 1, 2016, the City Manager is hereby directed and authorized to proceed with the implementation of the programs as set forth in the approved and adopted budget, and to transfer any sum of appropriated funds between departments and programs provided they do not cross funds.

SECTION 6. For Fiscal Year 2016-2017, the City Manager is hereby directed and authorized to distribute salary adjustments, at his discretion, to Management/Confidential employees within the funds allocated for that purpose in the Fiscal Year 2016-2017 budget.

SECTION 7. The Environmental Program Manager position salary grade is hereby adjusted from MC3 range to MC4 range in Fiscal Year 2016-2017.

SECTION 8. Unexpended appropriations from the Fiscal Year 2016-2017 Operating Budget may be carried forward to the next fiscal year provided the funds have been previously encumbered for a specific purpose, or apply to authorized, but uncompleted projects in the Capital Improvement Plan.

SECTION 9. This Resolution shall take effect immediately upon adoption.

SECTION 10. The City Clerk shall certify to the adoption of this Resolution.

ADOPTED June 21, 2016.

Ayes: Howorth, Lesser and Powell

Noes: Burton and Mayor D'Errico


Absent:

Abstain:



TONY D'ERRICO
Mayor, City of Manhattan Beach

ATTEST:



LIZA TAMURA
City Clerk

Changes from the Proposed Budget for Fiscal Year 2016-17

Revised June 21, 2016

Adjustments	Dept/Fund	Impacted Funds					Total
		General Fund ¹	CIP Fund	Prop A	Measure R	I.T. Fund	
Proposed Surplus/(Deficit) - Operating, Capital & Debt Service		\$571,476	(\$740,234)	(\$189,588)	(\$763,889)	(\$381,096)	(\$1,503,331)
Staff Proposed Changes - Increase/(Reduction) in Expenditures							
Carryover Tennis Court Resurfacing Funds	Public Works	\$10,500					\$10,500
Beach Cities Transit Funding for Line 109	Parks and Recreation			\$1,345			1,345
Subtotal Staff Proposed Changes - Increase/(Reduction) in Expenditures		\$10,500	-	\$1,345	-	-	\$11,845
Surplus/(Deficit) After Staff Changes - Operating, Capital & Debt Service		\$560,976	(\$740,234)	(\$190,933)	(\$763,889)	(\$381,096)	(\$1,515,176)
City Council Proposed Changes - Increase/(Reduction) in Expenditures							
Remove Full-time Administrative Clerk I/II (Planning)	Community Development	(\$6,973)					(\$6,973)
Remove Full-time Administrative Clerk I/II (Building)	Community Development	(11,460)					(11,460)
Remove Full-time Engineering Assistant	Public Works	(33,832)					(33,832)
Remove Full-time Management Analyst	Information Technology					(86,566)	(86,566)
Remove Two Full-time Police Officers	Police Department	(117,220)					(117,220)
Remove Two Full-time Police Officers	Police Department	(117,220)					(117,220)
Remove Development Services Coordinator	Community Development	(68,744)					(68,744)
Pension Stabilization Trust Fund	Finance	500,000					500,000
Subtotal City Council Proposed Changes - Increase/(Reduction) in Expenditures		\$144,552	-	-	-	(\$86,566)	\$57,986
Surplus/(Deficit) After Staff Requests & City Council Decisions - Operating, Capital & Debt Service		\$416,424	(\$740,234)	(\$190,933)	(\$763,889)	(\$294,530)	(\$1,573,162)
Projected Unreserved Fund Balances After Changes		\$1,789,012	\$2,411,037	(\$1,345)	\$153,917	\$259,039	\$4,611,660
Staff Proposed Changes - Increase/(Reduction) in Fund Balance							
Additional Transfer required for increase in Prop A Expenditures	Parks and Recreation			\$1,345	(\$1,345)		-
Subtotal Staff Proposed Changes - Increase/(Reduction) in Fund Balance		-	-	\$1,345	(\$1,345)	-	-
City Council Proposed Transfers - Increase/(Reduction) in Fund Balance							
Transfer to CIP Fund Deferred Maintenance Reserve	Finance	(\$500,000)	\$500,000				-
Subtotal City Council Proposed Transfers - Increase/(Reduction) in Fund Balance		(\$500,000)	\$500,000	-	-	-	-
Projected Unreserved Fund Balances After Transfer Changes		\$1,289,012	\$2,911,037	-	\$152,572	\$259,039	\$4,611,660

¹ Any additional General Fund Surplus funds will be allocated by City Council action at fiscal year-end.

Changes from the Proposed Budget for Fiscal Year 2017-18

Revised June 21, 2016

Adjustments	Dept/Fund	Impacted Funds					Total
		General Fund ¹	CIP Fund	Prop A	Measure R	I.T. Fund	
Proposed Surplus/(Deficit) - Operating, Capital & Debt Service		\$626,869	(\$865,558)	(\$216,613)	\$246,111	(\$49,630)	(\$258,821)
Staff Proposed Changes - Increase/(Reduction) in Expenditures							
Beach Cities Transit Funding for Line 109	Parks and Recreation			\$3,030			\$3,030
Subtotal Staff Proposed Changes - Increase/(Reduction) in Expenditures		-	-	\$3,030	-	-	\$3,030
Surplus/(Deficit) After Staff Changes - Operating, Capital & Debt Service		\$626,869	(\$865,558)	(\$219,643)	\$246,111	(\$49,630)	(\$261,851)
City Council Proposed Changes - Increase/(Reduction) in Expenditures							
Remove Full-time Administrative Clerk I/II (Planning)	Community Development	(\$7,512)					(\$7,512)
Remove Full-time Administrative Clerk I/II (Building)	Community Development	(14,445)					(14,445)
Remove Full-time Engineering Assistant	Public Works	(57,272)					(57,272)
Remove Full-time Management Analyst	Information Technology					(112,362)	(112,362)
Remove Full-time Assistant Finance Director ²	Finance	(127,877)					(127,877)
Remove Two Full-time Police Officers	Police Department	(118,683)					(118,683)
Remove Two Full-time Police Officers	Police Department	(118,683)					(118,683)
Remove Development Services Coordinator	Community Development	(91,174)					(91,174)
Pension Stabilization Trust Fund	Finance	500,000					500,000
CIP Fund Expenditure (Transfer for Deferred Maintenance Reserve)	Finance	500,000					500,000
Subtotal City Council Proposed Changes - Increase/(Reduction) in Expenditures		\$464,354	-	-	-	(\$112,362)	\$351,992
Surplus/(Deficit) After Staff Requests & City Council Decisions - Operating, Capital & Debt Service		\$162,515	(\$865,558)	(\$219,643)	\$246,111	\$62,732	(\$613,843)
Projected Unreserved Fund Balances After Changes		\$857,774	\$1,545,479	(\$3,030)	\$183,415	\$235,205	\$2,818,843
Staff Proposed Changes - Increase/(Reduction) in Fund Balance							
Additional Transfer required for increase in Prop A Expenditures	Parks and Recreation			\$3,030	(\$3,030)		-
Subtotal Staff Proposed Changes - Increase/(Reduction) in Fund Balance		-	-	\$3,030	(\$3,030)	-	-
City Council Proposed Transfers - Increase/(Reduction) in Fund Balance							
Subtotal City Council Proposed Transfers - Increase/(Reduction) in Fund Balance		-	-	-	-	-	-
Projected Unreserved Fund Balances After Transfer Changes		\$857,774	\$1,545,479	-	\$180,385	\$235,205	\$2,818,843

¹ Any additional General Fund Surplus funds will be allocated by City Council action at fiscal year-end.

² To be reviewed during FY 2016-17 Mid-Year Report.

RESOLUTION NO. 16-0036

A RESOLUTION OF THE MANHATTAN BEACH CITY
COUNCIL ESTABLISHING THE APPROPRIATIONS LIMIT
FOR FISCAL YEAR 2016-2017

THE MANHATTAN BEACH CITY COUNCIL RESOLVES AS FOLLOWS:

SECTION 1. The City Council hereby finds:

A. Government Code Section 7910 requires the City Council to establish its appropriations limit pursuant to Article XIII B of the State Constitution; and

B. The appropriations limit to be applied to the "proceeds of taxes" as defined by Section 7910 of the Government Code for Fiscal Year 2016-2017 has been calculated to be \$73,083,594.

SECTION 2. The City Council elects to use as the annual adjustment factors in calculating the appropriations limit, the percentage change in California per capita income and the annual population for the City of Manhattan Beach.

SECTION 3. The City Council hereby establishes the appropriations limit for the City of Manhattan Beach for Fiscal Year 2016-2017 at \$73,083,594.

SECTION 4. This Resolution shall take effect immediately.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 21st day of June, 2016.

Ayes: Howorth, Powell, Burton, Lesser and Mayor D'Errico

Noes:

Absent:

Abstain:



TONY D'ERRICO
Mayor, City of Manhattan Beach, California

ATTEST:



LIZA TAMURA
City Clerk

APPROPRIATIONS LIMIT CALCULATION

Article XIII B of the California State Constitution, 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 agencies can appropriate and spend each year.

The limit is different for every agency and changes each year. The annual limit is based on the amount of tax proceeds that were authorized to be spent in fiscal year 1978-79, modified for changes in inflation and population. Inflationary adjustments are based on increases in the California per capita income or the increase in non-residential assessed valuation due to new construction. An adjustment is also made based on changes in Manhattan Beach's population or County population.

For fiscal year 2016-2017, the estimated tax proceeds appropriated by the Manhattan Beach City Council are under the Limit. The adjusted Appropriation Limit for fiscal year 2016-2017 is \$73,083,594. This amount is the maximum amount of tax proceeds the City is able to appropriate and spend in fiscal year 2016-2017. The appropriations subject to the Limit are \$47,325,321, leaving the City with an appropriations capacity of \$25,758,273.

Section 7910 of the State Government Code requires a governing body to annually adopt, by resolution, an Appropriations Limit for the upcoming fiscal year.

SPENDING LIMIT CALCULATION - FISCAL YEAR 2016-2017

Appropriations subject to limit

Fiscal year 2016-2017 Revenues (all funds)	\$113,843,415
Less: Non tax proceeds	66,518,094
Plus: User fees in excess of costs	-
Total appropriations subject to limit	<u>\$47,325,321</u>

Appropriation limit

Fiscal year 2015-2016 adjusted appropriation limit	\$68,774,432
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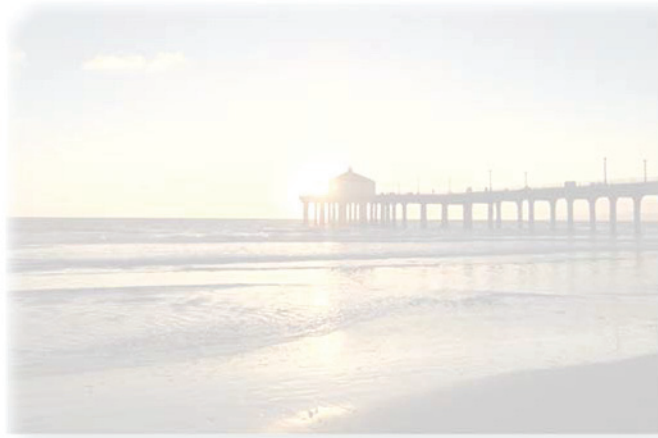
A. Population adjustment (Based on change in City/County population)	1.008500
B. Change in per capita income	1.053700

Total Annual Adjustment = (A multiplied by B) 1.0626565

Increase in appropriation limit	\$4,309,162
Fiscal year 2016-2017 appropriation limit	<u>\$73,083,594</u>

Appropriations subject to limit	<u>\$47,325,321</u>
Remaining appropriation capacity	\$25,758,273

Available capacity as a percent of appropriation limit 35.24%



City of Manhattan Beach



Financial Policies

Revised/Adopted by City Council June 21, 2011

Statement of Purpose

The financial integrity of our City government is of utmost importance. To discuss, write, and adopt a set of financial policies is a key element to maintaining this integrity. Our City has evolved with a variety of financial policies that can be found in many different sources, including: City Council Resolutions; Budget documents; and Capital Improvement Programs. The set of policies within this document, adopted contemporaneously each year with our budget, serves as a central reference point of the most important of our policies, which are critical to the continued financial health of our local government. .

Written, adopted financial policies have many benefits, such as assisting the elected officials and staff in the financial management of the City, saving time and energy when discussing financial matters, engendering public confidence, and providing continuity over time as elected officials and staff members change. While these policies will be amended periodically, they will provide the basic foundation and framework for many of the issues and decisions facing the City. They will promote sound financial management and assist in the City's stability, efficiency and effectiveness.

The following policies are divided into eight (8) general categories for ease of reference. These categories include: **1) General Policies; 2) Accounting, Auditing, and Financial Reporting Policies; 3) General Fund Balance Policies; 4) Debt Policies; 5) Revenue Policies; 6) Capital Improvement Policies; 7) Capitalization & Depreciation Policies; 8) Cash Management Investment Policies; and 9) Operating Budget Policies.** Except as otherwise noted, all policies included in this document are currently adhered to.

GENERAL POLICIES

The City will:

- ❖ manage its financial assets in a sound and prudent manner;
- ❖ maintain and further develop programs to ensure its long term ability to pay all costs necessary to provide the level and quality of service required by its citizens;
- ❖ establish and maintain investment policies that are in accordance with State laws;

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES

FINANCIAL INFORMATION

It is the policy of the City of Manhattan Beach to provide all financial information in a thorough, timely fashion, and in a format that is easy for Council, citizens, and City employees to understand and utilize.

ACCOUNTING STANDARDS

The City's accounting of financial systems shall be maintained in accordance with Generally Accepted Accounting Principles (GAAP), standards of the Governmental Accounting Standards Board (GASB), and the Government Finance Officers Association (GFOA).

ANNUAL AUDIT

An independent public accounting firm will perform an annual audit and its opinions will be included in the comprehensive annual financial report.

The independent audit firm will be selected through a competitive process at least once every five years. The contract will be for an initial period of three years with two additional one-year options at the City Council's discretion. The Finance Subcommittee, City Manager and Finance Director will review the qualifications of prospective firms and make a recommendation to the City Council. The audit contract, and any extensions, will be awarded by the City Council.

An Annual Financial Report shall be prepared within six months of the close of the previous fiscal year. It will be reviewed with the Finance Subcommittee, and presented to the City Council and community at a public meeting no later than February 1st of the following year.

It is the City's goal to maintain accounting records, processes and procedures in such a manner as to receive an unqualified audit opinion and to maintain a Certificate of Achievement for Excellence in Financial Reporting from the GFOA.

FUND BALANCE POLICIES

The City utilizes a variety of accounting funds for recording revenues and expenditures. At each fiscal year-end, budgeted/appropriated expenditure authority lapses with the exception of capital project spending, and operating expenses that have been incurred but not paid (encumbered). The remaining dollars left in each fund that are Unassigned constitute available funds of the City. The Unassigned fund balance shall include the City's Financial Policy components. The Council authorizes the City Manager or Director of Finance to make assignment of funds. Where Council has not established a formal policy the Governmental Accounting Standards Board Statement 54 will be operative.

GENERAL FUND

The General Fund Unassigned Fund Balance will be maintained in an amount equal to at least 20 percent of the annual General Fund expenditure budget. These funds are designed to be used in the event of significant financial emergency. Council may, at its discretion, set aside additional funds above the 20% minimum. Such additional amounts may be allocated for specific purposes, such as capital projects or for known significant future cost items. Any residual balance shall be available for general operational working capital uses.

CITY COUNCIL CONTINGENCY ACCOUNT

A contingency account in an amount not to exceed one-half of one percent (0.5 percent) of the City's General Fund expenditure budget will be maintained annually in the City Council's budget. This account will be available for unanticipated, unbudgeted expenditures and will require City Council approval to spend. The purpose of this account is to provide some flexibility for unforeseen events without the necessity to appropriate additional funds from the City's Unassigned Fund Balance.

ENTERPRISE FUNDS

The City's Enterprise Funds will maintain reserves equal to four months of operating expenses.

FLEET MANAGEMENT FUND

Through the use of the Fleet Management Fund, the City will annually budget sufficient funds to provide for the orderly maintenance, repair and replacement of the City's vehicles. This fund is supported by charges to user departments which are adjusted annually based on the department's proportionate share of estimated fleet management expenses. Sufficient working capital will be maintained in the fund to provide for the scheduled replacement of fleet vehicles at the end of their useful lives.

INFORMATION SYSTEMS FUND

Through the use of the Information Systems Fund, the City will annually budget sufficient funds to provide for the orderly maintenance, repair and replacement of the City's technology infrastructure. This fund is supported by charges to user departments which are adjusted annually based on departments' proportionate share of estimated expenses. Such share may be determined based upon the departments' number of devices supported by the IS Division. Sufficient reserves will be maintained in the fund to provide for the scheduled replacement of equipment at the end of their useful lives.

RISK MANAGEMENT FUND

The City maintains a self-insurance fund for the purpose of property, liability, and workers' compensation expenses. This fund pays insurance premiums, benefit and settlement payments, and administrative and operating expenses. The Risk Management Fund is supported by charges to other City funds for the services it provides. These annual charges for service shall reflect historical experience and shall be established to approximately equal the annual expenses of the fund. Separate reserves shall be maintained for current and long term general liability and workers' compensation liability at a level which will adequately fund the City's potential loss exposure in each area as determined by historical loss data. The Risk Management Fund shall maintain an annual working capital balance of \$2 million.

TRUST AND AGENCY FUNDS

The City maintains funds on a trustee basis for a number of purposes, including City-sponsored post employment benefits programs and trust accounts for such purposes as utility underground projects. These funds shall be segregated from the City's general funds.

The estimated cost of City-sponsored retirement programs will be actuarially valued biennially. Ongoing annual normal costs for such programs will be budgeted in the department receiving the benefit. Unfunded liabilities will be disclosed and accounted for in accordance with Generally Accepted Accounting Principles (GAAP).

DEBT POLICIES

ISSUANCE OF DEBT

The City will not use long-term debt to pay for current operations.

The use of bonds or certificates of participation will only be considered for significant capital and infrastructure improvements.

The term of the debt shall never extend beyond the useful life of the improvements to be financed.

CREDIT RATING

It is the City's goal to maintain our AAA/Aaa credit rating from all three major rating agencies. The factors that contribute to our high rating include the City's strong financial management, low debt levels, budgetary and fiscal controls, and accountability. To support this policy, the City will continue to maintain its position of full financial disclosure and proactive fiscal planning.

LEASE-PURCHASE

The City will lease-purchase equipment if necessary because of funding availability, or if lease rates are more favorable than the rate attained from investment return. Equipment may also be leased if the lease terms compare favorably when reviewing the total life cycle cost of the equipment. In no case shall the City lease-purchase equipment whose useful life is not greater than the term of the lease.

REVENUE POLICIES

GENERAL FUND REVENUE

The City will strive to develop and maintain a diversified and reliable revenue stream so as to avoid becoming overly dependent on any single type of revenue. Efforts will be directed to optimize existing revenue sources while periodically reviewing potential new revenue sources.

Budgeted revenues will be estimated conservatively using accepted standards and estimates provided by the state, other governmental agencies or reliable economic forecasters when available.

If revenues from “one-time” or limited duration sources are used to balance the City’s annual operating budget, it is to be fully disclosed and explained at the time the budget is presented. It is the City’s goal to not rely on these types of revenues to balance the operating budget.

The City will pursue revenue collection and auditing to assure that moneys due the City are accurately received in a timely manner.

The City will seek reimbursement for State and Federal mandated costs whenever possible.

GRANTS AND GIFTS

The City shall actively pursue federal, state and other grant opportunities when deemed appropriate. Before accepting any grant the City shall thoroughly consider the implications in terms of ongoing obligations that will be required in connection with acceptance of said grant.

ENTERPRISE FUND CHARGES

The City will set user fees for each enterprise fund at a rate that fully covers direct and indirect costs of providing the service, as well as planned capital improvements that may be necessary from time to time.

PARKS AND RECREATION FEES

All Parks and Recreation department expenses and revenues will flow through the General Fund (except those transactions related to Proposition A). The goal of the Parks and Recreation Department shall be to generate General Fund revenue equal to at least 35 percent of the total General Fund expenditures of the department.

Recreation fees for such activities as classes and room rentals shall be established and reviewed periodically. The purpose of these fees is to recover the direct cost of the program, and to generate additional revenues to support the overall operation of the Parks and Recreation department and programs. As appropriate within the marketing of the recreation programs, higher non-resident fees are charged, as well as priority registration procedures for Manhattan Beach residents.

USER SERVICE FEES

The City may impose user fees wherever appropriate. Such fees will recover the cost of providing the service, including all direct and indirect costs, administrative overhead, depreciation, etc. By policy, Council may direct certain fees to be lowered for particular purposes. Waivers of user fees will be presented for Council approval as appropriate. Fees will be reviewed periodically, but not less than every five years, to ensure that full cost recovery levels are identified.

Fees such as space rental, parking meter rates, etc. are based upon market conditions and are not subject to the limitations of cost recovery. These fees may be adjusted periodically by the City Council.

CAPITAL IMPROVEMENT POLICIES

DEDICATED CIP FUNDING SOURCES

Most of the City's infrastructure has a designated revenue source to pay for its upgrade or replacement as appropriate. For example, water/wastewater rates fund utility infrastructure needs; gas tax revenues fund street needs; and storm drainage needs are paid for with related fees and assessments. However, our public buildings and our park system are the primary beneficiaries of the City's Capital Improvement Fund (CIP). Specific revenue sources have been designated to provide permanent funding in support of general operational infrastructure. In particular, the City has dedicated:

- ❖ 15% of annual hotel transient occupancy tax (1.5% of the 10% tax);
- ❖ Fifty cents of the per hour charge for all on-street city parking meter collections;
- ❖ \$4 of each parking citation (with the exception of expired meter cites).

Transfers into the CIP Fund will be processed by the Finance Department on a monthly basis and recorded as such in the annual adopted budget.

FIVE YEAR CAPITAL IMPROVEMENT PROGRAM (CIP)

The City shall annually prepare a capital improvement spending program projecting capital needs for a five year period. This CIP shall address all of the City's funds.

The first year of the five year CIP will be consistent with, and adopted as a component of, the annual operating budget.

In the development of the Capital Improvement Program, the operating costs associated with the capital project will be projected and considered in conjunction with the CIP.

ENTERPRISE FUND CAPITAL IMPROVEMENTS

Capital Improvements funded from the Enterprise Funds shall be paid for in combination of "pay-as-you-go" financing and the use of long-term debt. The City shall periodically review its enterprise capital needs and establish capital spending plans that are appropriate and reflect a combination of debt and "pay-as-you-go," while attempting to keep our rates competitive with those in the surrounding area.

CAPITALIZATION & DEPRECIATION POLICIES

The City shall capitalize equipment and facilities within the following parameters:

Equipment - \$5,000 per unit
Buildings & Facilities - \$100,000

Minor equipment that falls below the \$5,000 threshold, but is subject to shrinkage, such as cellular telephones and computers, shall have a non-numbered City of Manhattan Beach property tag affixed when placed into City service.

The City shall depreciate capital assets such as machinery, equipment, buildings and improvements, and infrastructure (roads, sidewalks, parks, etc.). Depreciation shall be performed on a straight line basis over the expected useful life of the asset and in accordance with Generally Accepted Accounting Principles (GAAP).

CASH MANAGEMENT & INVESTMENT POLICIES

The Finance Subcommittee & City Council shall annually review and update, or modify as appropriate, the City's investment policy. Reviews shall take place at public meetings and the policy shall be adopted by minute action of the City Council based upon the Finance Subcommittee's recommendations

Reports on the City's investment portfolio and cash position shall be developed and presented to the City Council monthly. Additionally, expenditure reporting showing year-to-date budgeted and actual expenditures shall be prepared monthly and distributed to all departments.

City funds will be managed in a prudent and diligent manner with emphasis on safety, liquidity, and yield, in that order.

OPERATING BUDGET POLICIES

BALANCED OPERATING BUDGET

It is the City's policy to adopt a balanced budget where operating revenues are equal to, or exceed, operating expenditures. In the event a balanced budget is not attainable, and the cause of the imbalance is expected to last for no more than one year, the planned use of reserves to balance the budget is permitted. In the event that a budget shortfall is expected to continue beyond one year, the planned use of reserves must be developed as part of a corresponding strategic financial plan to close the gap through revenue increases or expenditure decreases.

Any year end operating surpluses will revert to unappropriated balances for use in maintaining reserve levels set by policy and will be available for capital projects and/or "one-time only" General Fund expenditures.

BUDGET DOCUMENT

The operating budget shall serve as the annual financial plan for the City. It will serve as the policy document of the City Council for implementing Council goals and objectives. The budget shall provide the staff the resources necessary to accomplish City Council determined service levels.

The City Manager shall annually prepare and present a proposed operating budget to the City Council no later than the second regular Council meeting in May of each year; and Council will adopt said budget no later than June 30 of each year. Funds may not be expended or encumbered for the following fiscal year until the budget has been adopted by the City Council.

The City's annual budget will be presented by department, with a logical breakdown of programs and proposed expenses. The budget document will also summarize expenditures at the personnel, operating and maintenance, and capital levels.

Where practical, the City's annual budget will include measures of workload, efficiency, and effectiveness.

BUDGET CONTROL AND ACCOUNTABILITY

Budget control is maintained at the departmental level. The City Manager has the authority to approve appropriation transfers between programs or departments. In no case may total expenditures of a particular fund exceed that which is appropriated by the City Council without a budget amendment. Amendments to the budget are approved by the City Council with the exception of the appropriation and transfer of funds from employee leave reserves to a specific department's program budget to cover unplanned customary termination leave expenditures within a given year. Such amendments may be approved by the City Manager.

Budget accountability rests primarily with the operating departments of the City.

CAPITAL PLANT AND EQUIPMENT

The annual budget will provide for adequate maintenance and replacement of capital assets.

ENTERPRISE FUNDS

The Enterprise Funds shall be supported by their own rates and not subsidized by the General Fund.

The Enterprise Funds will pay their share of overhead services provided by the General Fund.

Adopted Budget Policies

GENERAL BUDGET POLICY

The budget process consists of activities that encompass the development, implementation, and evaluation of a plan for the provision of services and capital assets. The mission of the budget process is to help the City Council make informed choices about the provision of those services and capital assets, and to promote stakeholder participation in the process. According to the National Advisory Council on State and Local Budgeting, the budget process:

- Incorporates a long-term perspective;
- Establishes linkages to broad organizational goals;
- Focuses budget decisions on results and outcomes;
- Involves and promotes effective communication with stakeholders; and
- Provides incentives to government management and employees.

In addition to these key characteristics, the City has Financial Policies (located in the Appendix of the annual budget), and general Budget Policies which are the basis on which staff develops budget recommendations and establishes funding priorities within the limited revenues the City has available to provide municipal services. These Budget Policies are as follows:

1) Overall Budget Tenets

- a. The budget shall be a performance, financing and spending plan approved by the City Council. It will contain information and data regarding expected revenues, expenditures and performance.
- b. The Finance Director shall prepare and present the annual budget preparation calendar to City Council, by the end of January each year.
- c. Annually, the City Manager will prepare and refine written policies and goals to guide the preparation of performance, financing and spending plans for the City budget. Adopted budgets will comply with the adopted budget policies and City Council priorities.
- d. The City's annual budget presentation shall display the City's plan in a Council Constituent-friendly format. The City will use a program budgeting format to convey the purposes and goals of the City operations. The City will also prepare and post on its website the line item detail for those who wish to review that information.
- e. Decision making for capital improvements will be coordinated with the operating budget to make effective use of the City's limited resources for operating and maintaining facilities.
- f. The City Manager has primary responsibility for formulating budget proposals in line with City Council priority directions, and implementing those proposals once they are approved.
- g. The annual budget will be developed with an understanding of what the City is required to do versus what it has chosen to do.
- h. Consideration shall be given to alternative service delivery options and opportunities to innovate.
- i. Staff will pursue streamlining of processes and reduce costs wherever possible.

- j. The City shall actively pursue federal, state and other grant opportunities when deemed appropriate.
- k. Total compensation will be considered when negotiating/setting employee salaries and benefits.
- l. Staffing will be set at a level appropriate to the service needs of the community vis-à-vis the City's other financial priorities.

2) Fiscal Integrity

- a. Ongoing operating expenditure budgets will not exceed the amount of ongoing revenue budgets. New program requests will identify either a new ongoing source of revenue or identify offsetting/ongoing expenditures to be eliminated.
- b. Any available carryover balance will only be used to offset one-time or non-recurring costs. Cash balances in excess of the amount required to maintain strategic reserves will be used to fund one-time or non-recurring costs.
- c. The City will maintain the fiscal integrity of its operating and capital improvement budgets which provide services and maintain certain public facilities, streets and utilities. It is the City's intent to maximize the level of public goods and services while minimizing the level of debt.
- d. The City will maintain a structurally balanced operating budget which is defined as projected revenues equal to or in excess of planned expenditures.
- e. Restricted funds and non-General Fund moneys shall be utilized first when appropriate.
- f. One time resources shall not be used for on-going expenses.
- g. Long term debt shall not be utilized to fund on-going operations.
- h. Adequate reserves shall be maintained and enhanced, and reviewed annually by the City Council through the budget process.

3) Revenues

- a. Budgeted revenues will be estimated conservatively using accepted standards and estimates provided by the state, other governmental agencies or reliable economic forecasters when available.
- b. Generally, revenue estimates shall not assume growth rates in excess of inflation and scheduled rate increases.
- c. If revenues from "one-time" or limited duration sources are used to balance the City's annual operating budget, it is to be fully disclosed and explained at the time the budget is presented. It is the City's goal to not rely on these types of revenues to balance the operating budget.

4) Internal Services Charges

The City will utilize Internal Service Funds to allocate costs incurred across multiple departments, including fleet, technology, workers compensation and liability, and building maintenance and operational costs.

Adopted Budget Policies

A. Fleet Management Fund

- I. Through the use of the Fleet Management Fund, the City will annually budget sufficient funds to provide for the orderly maintenance, repair and replacement of the City's vehicles. This fund is supported by charges to user departments which are adjusted annually based on the department's proportionate share of estimated fleet management expenses. Sufficient working capital will be maintained in the fund to provide for the scheduled replacement of fleet vehicles at the end of their useful lives.
- II. In order to maintain an optimal working fleet and minimize repair costs, it is the City's intent to follow the established vehicle replacement schedule.

B. Information Systems Fund

- I. Through the use of the Information Systems Fund, the City will annually budget sufficient funds to provide for the orderly maintenance, repair and replacement of the City's technology infrastructure. This fund is supported by charges to user departments which are adjusted annually based on departments' proportionate share of estimated expenses. Such share may be determined based upon the departments' number of devices supported by the IS Division.

C. Insurance Reserve Fund

- I. The City maintains a self-insurance fund for the purpose of property, liability, and workers' compensation expenses. This fund pays insurance premiums, benefit and settlement payments, and administrative and operating expenses.
- II. The Insurance Reserve Fund is supported by charges to other City funds for the services it provides. These annual charges for service shall reflect historical experience and shall be established to approximately equal the annual expenses of the fund.
- III. Separate reserves shall be maintained for current and long term general liability and workers' compensation liability at a level which will adequately fund the City's potential loss exposure in each area as determined by historical loss data.
- IV. The Insurance Reserve Fund shall maintain an annual working capital balance of \$2 million.

5) Reporting

- a. A revenue/expenditure report will be produced monthly so that it can be directly compared to the actual results of the fiscal year to date.
- b. Each quarter, staff will produce a Budget Status Report reflecting financial performance and present the data to City Council.
- c. Annually, with the presentation of the proposed budget, staff will provide revenue and expenditure projections for the next five years (General Fund Projection Model.) Projections will include estimated operating costs for future capital improvements that are included in the capital budget (See the Capital Facilities Plan). This data will be presented to the City Council in a form to facilitate annual budget decisions, based on a multi-year strategic planning perspective.

- 6) Civic Engagement
 - a. Citizen involvement during the budget process shall be encouraged through community meetings, public hearings, and study sessions.
 - b. Social media, the City website, periodic resident surveys and other such tools shall be utilized.
 - c. City Council budget study sessions shall be broadcast live to make available real-time information on the budget to those not able to attend in person.

- 7) Capital Budget – Fiscal Policies
 - a. Capital project proposals shall include substantially complete, reliable and attainable cost estimates. Project cost estimates for the Capital Budget should be based upon a preliminary analysis of the project and are expected to be as reliable as the level of detail known about the project.
 - b. Proposals shall include a comprehensive project sheet. The project sheet shall include a detailed description of the scope of the project, approximate schedule, and proposed funding plan.. The plan should indicate resources necessary to complete any given phase of the project, e.g., design, rights-of-way acquisition, construction, project management, , contingency, etc.
 - c. All proposals for capital projects will be presented to the City Council within the framework of a Capital Budget. Consideration will be given to the commitment of capital funds outside the presentation of the annual capital budget review process for emergency capital projects, time sensitive projects, projects funded through grants or other non-city funding sources and for projects that present and answer the following questions for Council consideration: 1) Impacts to other projects, and 2) Funding sources.
 - d. Capital project proposals shall include all reasonably attainable cost estimates for operating and maintenance costs necessary for the life cycle of the asset.
 - e. Major changes in project cost must be presented to the City Council for review and approval. These changes are typically reviewed by City Council as part of the annual CIP process or through specific recommended actions for individual projects.
 - f. Staff shall seek ways of ensuring administrative costs of implementing the Capital Budget are kept at appropriate levels.
 - g. The Capital Budget shall contain only those projects that can by reasonably expected to be accomplished during the budget period, unless the project is a multi-year funded project. The detail sheet for each project shall contain a project schedule with milestones indicated.
 - h. Capital projects that are not expensed during the budget period will be re-budgeted or carried over to the next fiscal period except as reported to the City Council for its approval. Multi-year projects with unexpended funds will be carried over to the next fiscal period.
 - i. A capital project will not be budgeted unless there is a reasonable expectation that funding is available.

Glossary of Terms & Abbreviations

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

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

Appropriations Limit: Article XIII B, of the California Constitution, was amended by Proposition 4, "The Gann Initiative," in 1979. This Article limits growth in government spending to changes in population and inflation, by multiplying the limit for the prior year, by the percentage change in the cost of living (or per capital personal income, whichever is lower); then multiplying the figure resulting from the first step, by the percentage change in population. The base year limit (FY 1978-79) amount consists of all tax proceeds appropriated in that year. The Appropriations Limit calculation worksheet can be found in the Appendix of the budget.

ARRA: American Recovery and Reinvestment Act

Assessed Valuation: A dollar value placed upon real estate or other property, by Los Angeles County, as a basis for levying property taxes.

Beginning Fund Balance: Fund balance of a fund, from the end of the prior year, including both available, designated and restricted reserves carrying over into the following year.

BIDs: Business Improvement Districts

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

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

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

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

Capital Projects & Purchases: A budget category which budgets major equipment purchases and capital improvement projects.

Capital Projects: Improvements costing \$10,000 or more, that have a useful life of one year or more, and selected studies costing in excess of \$5,000, that are expected to lead to a capital project. Examples include constructing a new park, street resurfacing, building remodels/repairs, and construction of water mains.

CIP: Capital Improvement Project/Capital Improvement Plan/Capital Improvement Program

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

Department: An organizational unit comprised of divisions, or programs. The City of Manhattan Beach has eight departments: Management Services, Finance, Personnel, Parks & Recreation, Police, Fire, Community Development and Public Works.

Division: A program, or activity, within a department, which furthers the objectives of the City Council by providing services, or a product.

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

Glossary of Terms & Abbreviations

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

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

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

Fund: A self-balancing set of accounts. Governmental accounting information is organized into funds, each with separate revenues, expenditures and fund balances. There are four major types of funds: General, Proprietary, Special Revenue, and Trust & Agency.

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

GAAP: Generally Accepted Accounting Principles

GASB: Governmental Accounting Standards Board

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

GFOA: Government Finance Officers Association

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

HVAC: Heating, Ventilation & Air Conditioning

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

Internal Service Charge: A charge to departments' budgets designed to provide the operation, maintenance and replacement of some shared City function. The City of Manhattan Beach uses internal service charges to provide for its City-wide computer network, operation and replacement of its vehicle fleet, allocation of insurance costs and the maintenance and operation of City facilities.

Internal Service Fund: The City of Manhattan Beach operates four internal service funds: Insurance Reserve; Information Systems; Fleet Management and Building Maintenance and Operation. Internal service funds provide for the operation, maintenance and replacement of some shared City functions.

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

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

MTA: Metropolitan Transportation Authority

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

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

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

Glossary of Terms & Abbreviations

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

Performance Measure: Indicators used in budgets to show, for example, the amount of work accomplished, the efficiency with which tasks are accomplished, or the effectiveness of a program.

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

RCC: South Bay Regional Public Communications Authority

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

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

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

Service Indicator: Indicators used in budgets to show, for example, the amount of work accomplished, the efficiency with which tasks are accomplished, or the effectiveness of a program.

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

TOT: Transient Occupancy Tax

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

Trust & Agency Funds: A classification of funds, which temporarily holds cash for other agencies or legal entities.

UUT: Utility User Tax

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