

City Council Adjourned Regular Meeting

City Council Retreat and Closed Session

Wednesday, May 3, 2017

8:30 AM

Police/Fire Conference Room

400 15th Street

Manhattan Beach, CA 90266



Mayor David J. Lesser
Mayor Pro Tem Amy Howorth
Councilmember Steve Napolitano
Councilmember Nancy Hersman
Councilmember Richard Montgomery

Executive Team

Mark Danaj, City Manager
Quinn Barrow, City Attorney

Robert Espinosa, Fire Chief
Teresia Zadroga-Haase, Human Resources Director
Eve R. Irvine, Police Chief
Stephanie Katsouleas, Public Works Director
Mark Leyman, Parks & Recreation Director

Nadine Nader, Assistant City Manager
Anne McIntosh, Community Development Director
Bruce Moe, Finance Director
Liza Tamura, City Clerk
Sanford Taylor, Information Technology Director

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

MANHATTAN BEACH'S CITY COUNCIL WELCOMES YOU!

Your presence and participation contribute to good city government.

By your presence in the City Council Chambers, you are participating in the process of representative government. To encourage that participation, this agenda provides an early opportunity for public comments under "Public Comments," at which time speakers may comment on any matter within the subject matter jurisdiction of the City Council, including items on the agenda.

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are available for review on the City's website at www.citymb.info, the Police Department located at 420 15th Street, and are also on file in the Office of the City Clerk for public inspection. Any person who has any question concerning any agenda item may call the City Clerk's office at (310) 802 5056.

In compliance with the Americans With Disabilities Act, if you need special assistance to participate in this meeting, you should contact the Office of the City Clerk at (310) 802 5056 (voice) or (310) 546 3501 (TDD). The City also provides closed captioning of all its Regular City Council Meetings for the hearing impaired.

CERTIFICATION OF MEETING NOTICE AND AGENDA POSTING

I, Liza Tamura, City Clerk of the City of Manhattan Beach, California, state under penalty of perjury that this notice/agenda was posted on Thursday, April 27, 2017, on the City's Website and on the bulletin boards of City Hall, Joslyn Community Center and Manhattan Heights.

BELOW ARE THE AGENDA ITEMS TO BE CONSIDERED.**A. CALL MEETING TO ORDER****B. PLEDGE TO THE FLAG****C. ROLL CALL****D. PUBLIC COMMENTS (3 MINUTES PER PERSON PER ITEM)**

Speakers may provide public comments on any matter that is within the subject matter jurisdiction of the City Council, including items on the agenda. The Mayor may determine whether an item is within the subject matter jurisdiction of the City Council. While all comments are welcome, the Brown Act does not allow City Council to take action on any item not on the agenda. Each speaker may speak for up to 3 minutes.

Please complete the "Request to Address the City Council" card by filling out your name, city of residence, the item(s) you would like to offer public comment, and returning it to the City Clerk.

E. CITY COUNCIL RETREAT WELCOME

1. City Council Retreat: May 3, 2017 (Assistant City Manager Nader). [17-0196](#)

Attachments: [Attachment 1 Governing Together](#)
[Attachment 2 Expectations and Obligations](#)
[Attachment 3 Governance Roles](#)
[Attachment 4 City-wide Strategic Plan](#)
[Attachment 5 City Work Plan](#)
[Attachment 6 Workload Assessment](#)
[Attachment 7 Resolution No.16-0049](#)
[Attachment 8 Sample Agenda](#)
[Attachment 9 Forecast Agenda](#)
[Attachment 10 Municipal Code Chapter Addressing City Council Review](#)
[Attachment 11 Resource Appendix](#)

F. GOVERNING TOGETHER**G. EXPECTATIONS AND OBLIGATIONS****H. GOVERNANCE ROLES****I. BUDGET PRESENTATION**

2. FY 2016-2017 Budget Status Report; Presentation of FY 2017-2018 Operating Budget Modifications for the Second Year of the Biennial Budget (Finance Director Moe). [17-0118](#)

RECEIVE REPORT

Attachments: [Attachment 1 - FY 2016-17 General Fund Revenue and Expenditure Estimates](#)
[Attachment 2 - FY 2017-18 Proposed General Fund Revenues and Expenditure](#)
[Attachment 3 - All Funds Budget Comparison](#)
[Attachment 4 - FY 2017-18 Budget Amendment Requests](#)
[Attachment 5 - City of Manhattan Beach Five Year Forecast](#)
[Attachment 6 - Parks & Rec Profit and Loss Estimates for FY2017-18](#)
[Attachment 7 - General Fund Budget History](#)
[Attachment 8 - General Fund History - Salaries & Benefits](#)
[Attachment 9 - Position Change History](#)
[Attachment 10 - Efficiency Projects Completed & In Progress](#)
[City Council Staff Report \(Attachment only available online\)](#)

J. CURRENT ORGANIZATIONAL WORKLOAD / WORK PLAN

1. Strategic Plan Overview
2. Work Plan Review
3. Workload Assessment

K. CITY COUNCIL PRIORITIES

L. PROCEDURES AND PROTOCOLS

1. Meeting Management and Agenda Structure
2. Future Agenda Items
3. City Council Review of Planning Commission Items

M. RESOURCE APPENDIX

1. Major Projects Underway
2. Efficiencies by Department
3. Article by John Nalbandian
4. City of Manhattan Beach Sunshine Policy

N. CLOSED SESSION

I. ANNOUNCEMENT IN OPEN SESSION OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

a) CLOSED SESSIONS

CONFERENCE WITH LABOR NEGOTIATORS

(Government Code Section 54957.6)

City Designated Representatives:

City Manager Mark Danaj and Special Counsel Peter Brown

Employee Organization: Manhattan Beach Firefighters' Association

PUBLIC EMPLOYEE: DISCIPLINE/DISMISSAL/RELEASE

(Government Code Section 54957)

II. RECESS INTO CLOSED SESSION

III. RECONVENE INTO OPEN SESSION

IV. CLOSED SESSION ANNOUNCEMENT IN OPEN SESSION

O. ADJOURNMENT

Agenda Date: 5/3/2017

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Mark Danaj, City Manager

FROM:

Nadine Nader, Assistant City Manager
Kendra Davis, Management Analyst

SUBJECT:

City Council Retreat: May 3, 2017 (Assistant City Manager Nader).

FISCAL IMPLICATIONS:

No fiscal implications associated with the recommended action.

BACKGROUND:

In March 2017, the City held its General Municipal Election for three City Council seats and the position of City Treasurer. After receiving the certified election results from LA County Registrar-Recorder/County Clerk's office, three new Councilmembers and the re-elected City Treasurer were sworn in.

Historically, a City Council retreat has been held to integrate and orient a new City Council and to provide an opportunity to discuss expectations of the City Council and City Manager, the priorities of the Councilmembers and current City initiatives. At the retreat on May 3, 2017, Councilmembers will have the opportunity to discuss the following:

- City's current and proposed budget and its financial position;
- Current workload and Work Plan;
- City Council meeting procedures

Julia Novak will facilitate this City Council Retreat. Ms. Novak assisted the City Council in creating its current Strategic Plan, which was adopted in January 2016. During that process, she facilitated two City Council retreats, two community meetings and interviews with internal staff to help construct the Strategic Plan. She is well-versed in assisting elected officials in establishing a foundation for shared governance and navigating the imprecise nature of good governance. For more information on Julia, please visit

<http://thenovakconsultinggroup.com/>.

As stated before, the documents attached to this report are intended to serve as reference materials for the City Council to review in preparation for its discussions at the retreat.

DISCUSSION:

This retreat provides an opportunity for the newly formed City Council to work together as a governing body and discuss City Council priorities, expectations, resource capacity and their roles and responsibilities. This discussion will provide a foundation moving forward as the City Council is asked to approve the second year of the City's two-year budget for FY 2017-2018 and the proposed five-year Capital Improvement Program (CIP) for FY 2017-2021, as well as provide direction on future policy initiatives.

- **Governing Together:** City Council will explore a series of questions (*Attachment 1*) that share their individual thoughts on what it means to govern well and govern together. This will demonstrate the metrics of success for individuals, as well as create an outline for how the group hopes to succeed.
- **Expectations and Obligations:** The City Council will share the expectations they have for their colleagues and the City Manager. It will also give the City Manager an opportunity to share expectations the organization has of the City Council. Together, the City Council and the City Manager will identify shared expectations and create mechanisms for holding one another accountable to these expectations as the groups work together. Also included are examples of expectations and obligations that the City Manager has shared in the past (*Attachment 2*).
- **Governance Roles:** Facilitator Julia Novak will introduce six governance roles that she and Dr. John Nalbandian have identified as being necessary for the Mayor and City Council to fulfill as they govern. They will also look at how those roles contribute to or detract from group effectiveness (*Attachment 3*).
- **Budget Overview:** The City's Finance Director will provide an update on the FY 2016 -2017 Budget and a review of the FY 2017-2018 Proposed Budget. Additionally, historical staffing information, pension information, past program service level changes in response to organizational and community needs, and other budget-related information will be discussed.
- **Organizational Workload / Work Plan:** Along with the City's Executive Staff, the City Council will review the City's Strategic Plan (*Attachment 4*), which was approved in January 2016, as well as the City's Work Plan (*Attachment 5*). This will give them a better idea of the priorities established by the previous City Council and the current workload of City Staff. The City Council will also be asked to review the list of recent City Council referrals and projects that are pending further City Council direction. The City Manager will share a workload assessment tool, which will be used by staff to respond to City Council referrals that may require a reprioritization of work (*Attachment 6*).
- **Priorities:** The City Council will be asked to outline how their priorities connect to the City's Strategic Plan and current Work Plan and engaged in a goal-setting session.
- **Procedures and Protocols:** The City Attorney and City Manager will review common procedures and protocols for the City Council, including the meeting management protocols (*Attachment 7*), agenda structure (*Attachment 8*), how future agenda items are recorded and recommended (*Attachment 9*), City Council review of Planning

Commission items (*Attachment 10*), and more.

- **Resource Appendix:** (*Attachment 11*) This appendix contains items that the City Council may find helpful as resources, including a matrix of resource-heavy Major Projects currently underway, a list of efficiencies achieved within the City by department, an article written by Dr. John Nalbandian that may contribute to the City Council discussion on City Council roles and responsibilities, and the City's Sunshine Policy.

PUBLIC OUTREACH/INTEREST:

The City noticed this meeting using its standard protocol, which includes publication of the agenda on the City website at least six days in advance, e-notification to subscribers and posts on all social media platforms. The agenda packet for this retreat was also made available at City Hall, the Manhattan Beach Public Library and the Manhattan Beach Police Station.

LEGAL REVIEW

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

Attachments:

1. Governing Together Questions
2. Expectations and Obligations from Previous City Council Retreats
3. Governance Roles
4. City-wide Strategic Plan
5. City Work Plan
6. Workload Assessment
7. Resolution No. 16-0049
8. Sample City Council Agenda
9. Forecast Agenda
10. Municipal Code Chapter Addressing City Council Review
11. Resource Appendix

Governing Together

Manhattan Beach City Council Retreat

May 3, 2017

During the retreat, each member of the Governing Body will be asked to share their thoughts on “Governing Together” in response to the following questions:

- What does good governance look like to you?
- What values are important to you in governing?
- What is important to remember when your position is the prevailing decision and what is important to remember when your position is not the prevailing decision?
- What type of relationship do you hope to have with your colleagues on the governing body?
- What type of relationship do you hope to have with the Administration?
- How do you distinguish between Policy (the role of the governing body) and Administration (the role of the Manager and their team)?
- What do you hope this governing body will be known for?

City Council / City Manager Expectations

City Council Retreat August 2014

What the Governing Body Expects/Needs from the City Manager in Order for Governing Body to Do Its Work Effectively

- Overall, accountability, transparency, results
 - Take initiative for managing/leading staff
 - Reward results
 - Focus on goals/objectives
 - Ensure right people are in right places
 - Follow the code
 - Keep us fully informed; present fair and complete options
 - Reach out to community/be active in community
 - Open channels of communication with City Council, staff and public
 - Meet with us individually
 - Facilitate council discussions/decision making
 - Nurture hard work, pride and integrity as an organizational culture; focus on customer service
 - Tell us what we need to know. not what you think we want to hear
 - Keep council informed about breaking news
 - Ask if you are not clear on our direction

What the Governing Body Will Provide to the City Manager in Order for Him to Do His Job Effectively

- Leadership and unified direction
- Not micro manage staff; work through the city manager
- Be available/provide time
- Trust and support
- Act in a non-partisan fashion
- Seek professional advice and keep an open mind
- Provide introduction/access to community members
- Encourage and provide opportunities for success in his professional development
- Show respect in public and disagree respectfully; do not set up for failure
- Be prepared for council meetings
- Provide institutional knowledge and history as appropriate
- Give credit; develop a culture of praise/recognition
- Be willing to accept critique; being open to feedback
- Be genuine/honest with city manager; share motivations; transparent relationship of mutual trust with city manager
- Be mindful of staff workload
- Permission for city manager to speak truth to power

What you can count on me to do (*I am human. If you don't see this behavior, please give me the benefit of the doubt and then talk with me about it.*):

- Treat you with respect.
- Tell you the truth.
- Treat you as partners as well as my employers.
- Establish individual relationships with you to help each of you to be effective Councilmembers, while remembering that I work for the Council body.
- Help you to be effective collectively as a City Council.
- Act within my comfort zone on City Council requests and advise you when a request should go to the full Council.
- Communicate with you to keep you as equally informed as possible.
- Listen to you; seek to understand you, your role and needs.
- Give you the "straight scoop."
- Practice my management tenets (attached).
- DO my personal and professional best.
- Respect your Council-to-Council and Council-to-Constituent relationships.
- Be politically astute but not political.

What I would like from the Mayor and City Council to be optimally effective:

- Respect that we have a Council/Manager form of government.
- Allow me to assist in translating your policy interests and priorities to the organization to achieve action.
- Be clear on your direction as a Council body.
- Feel free to interact directly with Senior Staff or their designees on City matters. They are instructed to keep me informed of such contacts and I ask that you do the same. Please do not direct them. (Note: Department Heads are agents of the City Manager, not free agents).
- "Fix the problem-not the blame" to help create a no-blame culture. Acknowledge disappointment in public constructively (scolding occurs out of public view).
- Be sensitive for the need to pace the organization and to focus progress by managing priorities, workload and expectations. Use City processes to add issues and advance interests.
- Help me to know how to best communicate with you as a body; as individuals. These need to be compatible.
- Don't focus on the marginally significant to the detriment of the broader policy discussion and/or implication.
- Trust me to take care of the peripheral items.

**Attributes of High Performing Governing Body
City Council Retreat August 2014**

Supporting council members	Attribute
4	Listen as customer service representatives; but act as trustees
4	Council members listen to each other and talk with each other at council meetings; "it is our business meeting"
4	Having process/forums for identifying most important issues and process for dealing with them; set priorities
2	Work as a team within council and between council and staff
2	We are clear on what our work is
1	Accomplish work efficiency and effectively
1	We respond to most important issues
1	Professional demeanor; no rolling eyes, pot shots. Non-verbals and body language reinforce team concept
1	Hold city manager accountable for results
1	Effectively and prudently engages citizens in decision making, policy making, priority setting
	Balance competing interests; compromise

Mayor/City Council Expectations (as discussed in the March 2015 Retreat)

Mayor Expects/Needs from the City Council

- Feedback from individual council members on meeting management
- Appreciation/respect for the mayor's role and responsibilities
- Support mayor's attempt to facilitate meetings
- Work to foster collaboration and respect among one another
- Be prepared

City Council Expects/Needs from the Mayor

- Facilitate meeting; help move the governing body to a decision/issue resolution in a timely manner; manage the time; focus the council on important issues; try to finish discussion of most important issues by 9:30 in the evening of the council meeting
- Act as ambassador representing whole council at public events and meetings
- Recognize issues that require total governing body action versus those which are subject to mayoral discretion
- Work with staff to manage agenda
- Differentiate in public when speaking for the governing body versus speaking as an individual
- Support council and staff
- Set the tone for the council—follow Roberts Rules of Order
- Respect public comment but do not engage it at council meetings; council meetings are not the time for Q and A between citizen and council/staff that turn into extended back and forth that adds to the meeting time.
- City council members need discretion to make motions when they feel appropriate

If the City Council chooses to set aside time to debrief successful resolution of an issue as suggested earlier, it might also focus on how well it is doing in terms of fulfilling these expectations and could develop expectations of one another.

Expectations and Obligations Governing Body	Senior Staff
<p>I. Expectations elected officials have of staff. What does the governing body expect of staff?</p> <ol style="list-style-type: none"> 1. Keep in mind that each of us (as well as citizens) comes from different backgrounds and experiences. We are not experts. 2. Have the complete financial information for an issue under consideration (e.g., costs, financial impact, compare with other options). 3. Provide unbiased, objective options (more than one). 4. Present options with data and consequences on those issues that don't have one "correct" solution. No recommendations on judgment issues. 5. Don't assume that our questions are a sign of distrust or disrespect. 6. Staff as experts may have an agenda, but temper it. 7. Don't manipulate or maneuver the council. 8. Distinguish between your personal views and as a representative of the city (you as a community member vs. city role). 9. Don't bad-mouth the council. 	<p>II. Expectations staff has of elected officials. What does staff expect of the governing body?</p> <ol style="list-style-type: none"> 1. Trust us (our expertise, passion, commitment to the community). Allow us to educate & respond. 2. Clearly define the problem & direction. Specificity not generalities. 3. Provide reasonable and adequate lead time to explore requests. 4. Speak to us directly for clarification (not through blogs & social media). Double check facts. 5. Don't use staff to strengthen your political positions/views. 6. Respect that staff cannot execute minority positions. 7. Recognize that research, presentations, CCRs, etc. are a lot of work & preparation. Show attention, interest, and respect.
<p>III. Obligations of the governing body to staff. What will the governing body give/contribute to staff?</p> <ol style="list-style-type: none"> 1. Treat staff with respect & acknowledge their expertise. 2. Value staff's commitment, dedication, & expertise. Express our appreciation. 3. Give staff clear direction. 4. Acknowledge their information, even if we may not like it. 5. Not bad-mouth staff in the community. 6. Keep commitments made (e.g., in the budget), but still retain our right to ask questions when a single issue comes up. 7. Come to the meetings prepared. 	<p>IV. Obligations of the staff to the governing body. What will the staff contribute/give to the governing body?</p> <ol style="list-style-type: none"> 1. Not become involved in political partisanship, but be aware of community challenges that council members face. 2. Provide complete, timely information and options, including background and context for accurate, full disclosure. 3. Keep informed of key issues & consequences. 4. Be open-minded & empathetic to change & new ideas. 5. Provide early notification on sensitive issues/problems (no surprises). 6. Listen fully to their concerns and requests; then follow up with appropriate formal or informal tools (don't presume we know). 7. Provide realistic options. 8. Publicly support council's goals.

Governance Roles

Elected officials are expected to play multiple roles in their service to the community. We will discuss the six governance roles that Julia Novak and Dr. John Nalbandian, Professor Emeritus from the University of Kansas have developed and how these roles influence effectiveness. An introduction to the six roles and how they are described follows:

- **Strategic/ Vision – Big Picture Thinker**
 - Focus here is on decisions that can have significant impact on the City. Can be long-term or short-term.
 - Often focus is on the future and what might make a significant difference.
 - Seeing possible connections and relationships.
 - Thinks beyond present data and constraints.
- **Trustee –Steward**
 - While listening and respecting constituent views, the Trustee feels responsible to the City as a whole and to future residents.
 - The trustee will make uncomfortable decisions that may run counter to constituent wishes because the decision is in the greater good.
- **Representative – Constituent Advocate**
 - In this role, the council member acts as a “customer service representative.”
 - The council member is a conduit between citizens and City services.
 - Often, citizens see this council member as most responsive to their individual concerns.
- **Community Builder – Bringing People Together**
 - In the Community Builder role, the council member focuses on relationships and consensus building.
 - The Community Builder fosters relationships and is able to work through differences.
 - Community is not just a casual word to the council member who gravitates to this role.
- **Decision-Maker**
 - The Decision-Maker sees his/her role much like a judge.
 - Information is presented, and the Decision-Maker votes it up or down.
 - This is not an easy role, but often it is a fairly passive role in contrast to that of the Community Builder.
- **Oversight**
 - In this role, the council member retains a measure of distance from the staff.
 - The focus is on accountability of staff to the City Council.

Manhattan Beach Strategic Planning Framework



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.

Our Vision

Our Vision is achieved by following Pillars for success:

- Strong Governance that Values Meaningful Resident Engagement
- Excellent City Services Provided by an Aligned and Committed Workforce
- Financial Sustainability
- Environmental Stewardship
- Effective Physical Asset Management; and
- Economic Vitality



Strong Governance that Values Meaningful Resident Engagement

Effective Governance is accomplished by elected officials who embrace their role as Trustee and Policy Maker. The Manhattan Beach City Council recognizes its obligation to make decisions with the long-term best interest of the community at the center of every decision. Respect and civility are the hallmark of public meetings and personal interactions between and among our elected officials, City employees and the public. Our residents actively participate in civic life and recognize that volunteering is part of the culture and fabric of our community. The City Council listens and encourages input from residents and effectively communicates with stakeholders.

Governance Activities:

1. Vigorously uphold standards of civility and decorum at all public meetings.
2. Annually evaluate and adopt strategic initiatives that continue to move the City towards its vision.
3. Evaluate opportunities to enhance civic engagement.
4. Evaluate and enhance two-way communication strategies and opportunities between the City and the community.

Our Values

The City recognizes the following Core Values:

- Excellence
- Fiscal Responsibility
- Ethical Behavior
- Mutual Respect
- Integrity
- Dedication to the Community
- Professionalism
- Openness



Excellent Municipal Services Provided by an Aligned and Committed Workforce

The efficient delivery of high quality municipal services is made possible by the City's aligned and committed workforce. Strong leadership ensures that teamwork and a strong customer service focus are translated into service delivery consistent with the priorities and expectations of the City Council. City employees recognize the community's identity is based on its small beach town character

Governance Activities:

1. Provide clear communication on Council priorities to the City Manager and staff.
2. Proactively review and update all City ordinances, including land use ordinances.
3. Proactively respond to data regarding public safety to ensure proper policies and practices are in place.
4. Continually assess and update long-term and specific planning documents.
5. Proactively review employee compensation and performance.



Financial Sustainability

Manhattan Beach is committed to being a financially successful City as a result of good oversight, financial stewardship, and cost management. The City of Manhattan Beach places a high value on maintaining sound and conservative financial practices to ensure the fiscal sustainability of the City. City services are funded with diverse revenue sources. The City consistently prioritizes the maintenance of existing infrastructure, assets and amenities and plans for future capital needs.

Governance Activities:

1. Annually review existing and examine new potential funding mechanisms and revenue sources.
2. Proactively review, adjust and implement new financial oversight and cost management practices and policies that ensure effective budget management.
3. Proactively review policies and practices to ensure alignment between our resident and businesses needs, and financial resources available.
4. Proactively review, adjust and implement new policies and initiatives that support financial stewardship.



Environmental Stewardship

The residents of Manhattan Beach place a high value on a healthy, outdoor, and recreational life style and are committed to protecting the environment of their beautiful coastal community. The City recognizes its leadership role in environmental stewardship and works to create a built environment that compliments the natural environment. Manhattan Beach is recognized for its progressive environmental stewardship and healthy community initiatives. A healthy and active lifestyle is accessible for residents because the City is safe, sustainable and resilient .

Governance Activities:

1. Proactively review changes in environmental stewardship best practices.
2. Identify leadership opportunities for environmental stewardship.



Effective Physical Asset Management – Infrastructure, Facilities, Amenities

The City of Manhattan Beach is committed to ensuring a well-maintained and up to date physical infrastructure. Facilities and amenities are properly maintained to ensure the public's investment is properly managed. The City is committed to a Capital Improvement Plan that anticipates and plans for the ongoing needs of the community

Governance Activities:

1. Proactively assess and report on the state of the City's above and below ground infrastructure and physical assets.
2. Annually evaluate the City's infrastructure investment needs in the Capital Improvement Program.













Economic Vitality




Manhattan Beach is committed to a dynamic approach to economic vitality. The City is proactive in identifying and attracting new businesses, and retaining existing businesses that complement and enhance our unique community. The City has created a nurturing business-friendly environment that encourages developers interested in meeting our high environmental and design standards. Our community is attractive to a talented and innovative workforce.





Governance Activities:









1. Proactively evaluate economic development tools, best practices and policies that support the City's economic development priorities.
2. Proactively explore and evaluate economic vitality opportunities.





City of Manhattan Beach Integrated City Work Plan and City-wide Strategic Plan		City-wide Strategic Plan Pillars		Environmental Stewardship				
In Progress Items		Strong Governance that Values Meaningful Resident Engagement	Excellent Municipal Services Provided by an Aligned and Committed Workforce	Effective Physical Asset Management - Infrastructure, Facilities and Amenities	Economic Vitality			
In Progress Items		Financial Sustainability	Note: Tan rows indicate items carried over from previous Work Plans					
Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
1	City Clerk	 Update Boards and Commissions Handbook	<ul style="list-style-type: none"> Work to update content of the handbook that will be distributed to new Commissioners at their orientation Presented revised Boards and Commissions Handbook to the City Council for review at their meeting on April 18, 2017 	In Progress	<ul style="list-style-type: none"> Present new Boards and Commissions with a draft of the updated Handbook until City Council is able to review and approve the final draft 	2017	1 & 4	Both
2	City Clerk / Community Development / Parks and Recreation	 Boards and Commissions Work Plans	<ul style="list-style-type: none"> City Boards & Commissions will develop Work Plans that will be presented to City Council for approval 	In Progress	<ul style="list-style-type: none"> Work with Boards and Commissions to develop work plans 	2017	1	
3	City Clerk	 Campaign and Conflict of Interest Filings on City Website	<ul style="list-style-type: none"> At their meeting on 3/21/2017, City Council directed that campaign and conflict of interest filings would be posted on the City's website in an effort to increase transparency to the public Staff will choose the most appropriate software or vendor to achieve this objective 	In Progress	<ul style="list-style-type: none"> Staff will evaluate options available and select the most appropriate solution Filings will be accessible on the City's website to any member of the public 	May-17	2	City Council
4	City Clerk / Information Technical Services	 Citywide Document Imaging System (Conversion) Project	<ul style="list-style-type: none"> An RFP was issued in October 2014 where the lowest bidder was Konica Minolta Business Solutions/KMBS-ECM (Hyland OnBase) City Council approved use of OnBase on 6/15/2015 City Clerk began integrating the systems in early 2016 and will work with departments to upload documents in phases Phase 2 with Community Development and Purchasing was completed in April 2017 	In Progress	<ul style="list-style-type: none"> City Clerk will continue uploading documents to the OnBase system IT will assist in the system upgrade Phases 3 and 4 will integrate the remaining departments and will begin in July 2017 	Winter 2017	3	Staff








Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
5		Business Engagement Activities	<ul style="list-style-type: none"> • Site visits to local businesses to increase awareness of City resources available, such as Economic Vitality Manager • Assist in coordinating Small Business Saturday event on November 26, 2016 • Organize brainstorming roundtables in the business community to increase communication and collaboration • Enlisted business groups in publicizing successful Small Business Saturday event on November 26, 2016 • Creation of a website with relevant information to businesses in Manhattan Beach, such as event calendar, links to resources, permit info, etc. 	In Progress	<ul style="list-style-type: none"> • Arrange first broker roundtable meeting in Fall 2017 and explore possible continuation • Conduct 50 site visits throughout the city by end of FY 2016-2017 • Staff will draft an outline for a potential business website in conjunction with stakeholders 	TBD	1 & 2	Staff
6		Update Agreement with MBUSD	<ul style="list-style-type: none"> • The City approved a one-year agreement with MBUSD that expires in June 2017 • A new agreement will be created for City Council and MBUSD review and approval 	In Progress	<ul style="list-style-type: none"> • City staff will meet with MBUSD representatives to discuss updates to the agreement that provide the most benefit to both organizations, as well as the community • Agreement will be presented to City Council for review 	Jun-17	4	Both
7		Automated Permitting Software Solution (Accele)	<ul style="list-style-type: none"> • Staff completed analysis of proposed project and determined the need for an RFP • Project Status Update was presented to City Council on November 1, 2016, and an RFP was approved • RFP responses received, staff currently reviewing and evaluating responses 	In Progress	<ul style="list-style-type: none"> • Proposals currently under review; finalists will be invited for demonstrations • The vendor solution that best meets the needs of the City will be selected July 2017 	Summer 2017	4	Staff
8		Citywide Speed Surveys	<ul style="list-style-type: none"> • Updated speed survey report for enforcement of speeds with radar 	In Progress	<ul style="list-style-type: none"> • Initiate traffic counts and speed surveys in FY 2017-2018, pending City Council direction 	Summer 2018	1	City Council
9		Accessory Dwelling Unit Ordinance	<ul style="list-style-type: none"> • Replace IZO regarding Accessory Dwelling Units with City ordinance 	In Progress	<ul style="list-style-type: none"> • Conduct public hearings at Planning Commission and City Council to adopt final regulations 	2017	2	
10		Rosecrans/Highland Avenue Northeast corner Mixed Use Project (Hotel, Retail, Restaurants, Public Parking)	<ul style="list-style-type: none"> • Site is for sale, and the City is meeting with the developer to discuss options • Interested in pursuing a public-private partnership master plan similar to Metlox 	In Progress	<ul style="list-style-type: none"> • Developer pursuing financing options 	TBD	2	N/A







Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
11 Community Development		IZO-Use Permits in Downtown Commercial Zone (16-0013-U)	<ul style="list-style-type: none"> City Council adopted IZO extension on 8/16/16 	In Progress	<ul style="list-style-type: none"> IZO expires on 7/5/17, unless extended by City Council at a regularly noticed public hearing 	Summer 2017	2	City Council
12 Community Development		Historic Preservation	<ul style="list-style-type: none"> The Historic Preservation Ordinance, including a new Historic Preservation Commission, was approved by City Council on February 16, 2016 Application for California Coastal Commission (CCC) certification prepared and submitted January 2017, and the CCC determined Amendment not required RFP for Historic Preservation Consultants City Clerk to update Boards and Commissions handbook to include new Commission 	In Progress	<ul style="list-style-type: none"> City Clerk will update the Boards and Commissions handbook and present revisions to City Council for approval City Clerk will advertise for new Commissioners City Council will appoint Commissioners Complete and issue RFP for Historic Preservation Consultants Interview and select consultants, pending City Council approval Commission will begin holding regular meetings and develop historic context statement, survey and inventory 	Winter 2017	4	City Council
13 Community Development		Gelsons - former AutoNation/MB Mercedes Site	<ul style="list-style-type: none"> Site is located between 8th and 6th Streets on Sepulveda Blvd and owned by Paragon Development Existing vacant auto dealership/repair buildings and site; proposed renovation for Gelson's Market and bank, plus off-site parking Master Use Permit (MUP) and CEQA Initial Study (IS) Mitigated Negative Declaration (MND) submitted; public review and comments July-August 2016 Planning Commission Public Hearing on February 8, 2017; continued to March 22, 2017 On March 22, 2017, the Planning Commission approved proposal with some additional conditions On City Council Agenda 4/4/17-Appeal/Review period ends 4/11/17 City Council conducted a Public Hearing on the Planning Commission's approval of Gelson's Master Use Permit on May 2, 2017 	In Progress	<ul style="list-style-type: none"> Staff will continue working with the applicant as necessary 	N/A	2	N/A





Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
14 Community Development		Manhattan Village Mall Expansion Project	<ul style="list-style-type: none"> City Council approved Mall Expansion and EIR in December 2014 Litigation filed and settlement agreement approved November 2016; new litigation filed in December 2016 on Director's approval of Site Plan, as endorsed by City Council on December 20, 2016. City Council approved a height variance for the enclosed Mall on December 6, 2016 Project Manager (COA's and MM) agreement with Willdan completed September 2016, applicant approved Reimbursement Agreement and submitted funding February 2017, after which the Project Manager started <ul style="list-style-type: none"> Plan Check/Inspection Agreement completed March 2017 Finance invoicing all of tracked staff time monthly and ensuring Trust Fund account has adequate funding City staff will continue to work with applicant to regularly review and assess submitted plans and permits 	In Progress	<ul style="list-style-type: none"> Willdan Project Manager to be main point person Willdan to review all plan checks and design packages Willdan to provide all inspection services Staff to review Willdan's role related to "non-expansion" projects 	N/A	2	N/A
15 Community Development		Mobility Plan Adoption and Implementation	<ul style="list-style-type: none"> On November 19, 2015, a Joint City Council/Planning Commission meeting was held to review the draft plan, receive feedback from City Council and Planning Commission and the Community 	In Progress	<ul style="list-style-type: none"> Revisions to draft plan and environmental document are in progress Environmental review period TBD following revisions 	TBD	2	Both
16 Finance		Audits of Ground Leases and Agreements	<ul style="list-style-type: none"> Ensure collection of funds due to the City Complete audits on City properties with ground leases and agreements 	In Progress	<ul style="list-style-type: none"> TOT audit completed. Continue with Country Club and 1334 Parkway office building Schedule Metlox and MBS Media Campus audits 	Sep-17	1	
17 Finance		Pension Funding	<ul style="list-style-type: none"> Address rising pension costs, including growing unfunded liabilities Funds dedicated to a stabilization trust fund included in FY 16-17 and FY 17-18 budgets 	In Progress	<ul style="list-style-type: none"> Present information and options to the City Council Report will be presented to City Council on May 4, 2017 at their budget study session 	Jun-17	1, 3 & 4	City Council





Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
18 Fire		Improve Fire Prevention Inspection Documentation/Data Collection	<ul style="list-style-type: none"> • Include Fire Prevention in department Performance Measures to better track progress • Research technology-based solutions that can be accessed in the field and manage data • Fire Prevention Division developed an internal plan in January 2016 to capture inspection data. This data includes building information and permit requirements 	In Progress	<ul style="list-style-type: none"> • Fire Prevention staff have updated the permit and inspection software in the Fire records management system to accommodate the new permit process • Staff is continuing research of applications for mobile data collections of fire inspection information 	Dec-17	3	
19 Fire		Improve Ambulance Transport Services	<ul style="list-style-type: none"> • Research best practices and industry standards that could result in better service provision • An Ambulance Operator program has been implemented using part-time employees 	In Progress	<ul style="list-style-type: none"> • Continue working towards maintaining a full-time Ambulance Operator to provide these services 	Jan-18	3	
20 Human Resources		Customer Service and Performance Evaluation Training	<ul style="list-style-type: none"> • Conducted City wide Performance Management training in January 2017 for supervisory positions 	In Progress	<ul style="list-style-type: none"> • Review vendors for specific training and put a training schedule together 	Fall 2017	1 & 5	Both
21 Human Resources		Update Policy for processing Worker's Compensation Claims	<ul style="list-style-type: none"> • Conduct a review of current policies and procedures. 	In Progress	<ul style="list-style-type: none"> • Update worker's compensation claim processing policy as necessary 	Jun-17	5	Staff
22 Human Resources		Update City Injury Illness Prevention Program (IIPP) and Evaluate Safety Program	<ul style="list-style-type: none"> • Review current Safety Policy and Program to ensure alignment with current Occupation Safety and Health Administration (OSHA) requirements • Communicate and provide training to staff regarding IIPP changes 	In Progress	<ul style="list-style-type: none"> • Provide appropriate trainings in FY 2016-2017 • Review and evaluate policies in FY 2017-2018 	FY 2017-2018	3 & 4	Staff
23 Human Resources		Classification and Compensation	<ul style="list-style-type: none"> • Conduct Citywide Total Compensation Survey • An RFP was issued and the submissions are being reviewed 	In Progress	<ul style="list-style-type: none"> • Once the City selects a vendor, a Citywide Total Compensation survey will be conducted • Results will be presented to City Council 	Summer 2017	5	Staff
24 Human Resources		Review and Update Personnel Rules and Personnel Instructions	<ul style="list-style-type: none"> • Review Personnel Rules and Personnel Instructions • Conduct necessary review and meet and confer meetings 	In Progress	<ul style="list-style-type: none"> • Conduct inventory of current Personnel Rules 	Dec-17	1 & 2	Staff
25 Information Technical Services		Implementation of the Information Systems Master Plan (ISMP)	<ul style="list-style-type: none"> • Continued review and updating of the ISMP, which deals with technology projects across departments 	In Progress	<ul style="list-style-type: none"> • Conduct an evaluation and update on the ISMP based on FY 2016-2018 Budget and City Council priorities • Present updated plan to City Council 	Spring 2017	1	Both





Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
Information Technical Services / Human Resources / Finance		Enterprise Resource Planning (ERP) System	<ul style="list-style-type: none"> An RFP was issued in early 2016 for an ERP system consultant that would guide the City staff through the evaluation of our current HR and Finance environment for ERP readiness and assist with the selection of a replacement solution Proposals were collected and are currently under review by City staff Council awarded a contract to NexLevel IT Consulting. Work began in September 2016 and will be led by the IT department with support from Finance and Human Resources Meetings were held with all involved departments to assess needs and expectations These results were presented to the City and an RFP is being developed based on those needs 	In Progress	<ul style="list-style-type: none"> City will issue an RFP in late March 2017 for an ERP System to fulfill the needs and expectations identified by the assessment Proposals will be reviewed May - June 2017 and finalists invited in for solution demonstrations The vendor solution that best meets the needs of the City will be selected July 2017 Kickoff meeting with selected vendor September 2017 	Fall 2017	5	Staff
Information Technical Services		Wide Area Network and WiFi Expansion	<ul style="list-style-type: none"> Extend network capabilities to Live Oak Tennis Office, Mira Costa and Begg Pool Increase network redundancy Enable WiFi capabilities in select public locations City Council awarded contracts to vendors at 12/20/2016 meeting 	In Progress	<ul style="list-style-type: none"> IT will work with vendors to implement the infrastructural improvements and greatly improved internet bandwidth Installations scheduled to begin February 2017 and fully operational in June 2017 	Summer 2017	2	Both
Information Technical Services		Work Order Management	<ul style="list-style-type: none"> Upgrade or replace the City's Work Order Management solution Maintain alignment with proposed ERP solution 	In Progress	<ul style="list-style-type: none"> Identify specifications for Work Order Management Request for Proposal in conjunction with ERP Solution Select vendor and implement solution (data migration and/or conversion) Work with City staff to ensure positive user interaction and functionality 	TBD after selection of ERP solution	1	Staff
Information Technical Services		Cable Television Closed Caption Service	<ul style="list-style-type: none"> Provide reliable subtitles for City Meetings for television and web stream viewers with disabilities Reviewed current services and determined there was opportunity for improvement in providing this service Released Closed Caption Service RFP for improved service provision 	In Progress	<ul style="list-style-type: none"> Review of Closed Captions Proposals received 11/16/2016 City Council to award contract in early 2017 Implement closed caption service 	Spring 2017	4	Staff


Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
30 Information Technical Services / Public Works		Supervisory Control and Data Acquisition (SCADA) Infrastructure Upgrades	<ul style="list-style-type: none"> Upgrade infrastructure of SCADA system from analog to digital connectivity 	In Progress	<ul style="list-style-type: none"> Coordinate with service provider and other City staff for ongoing use and infrastructure upgrades 	Spring 2017	2	N/A
31 Information Technical Services		Broadcast Services Contract	<ul style="list-style-type: none"> Enhance filming and broadcast services for government television channel MBTV City Council awarded contract at January 2017 meeting 	In Progress	<ul style="list-style-type: none"> Train/transition to vendor services Return to City Council with update six months after vendor begins providing services 	Spring 2017	3	Both
32 Information Technical Services		Cable Television - Public Access	<ul style="list-style-type: none"> Staff provided a report to City Council on the capabilities of providing access to the City's Government channels 	In Progress	<ul style="list-style-type: none"> City Council directed City Manager and staff to explore expanding use of the government channel and to return with a draft policy and guidelines 	Summer 2017	3 & 4	City Council
33 Parks and Recreation		New Department Field and Facility Reservation Policy	<ul style="list-style-type: none"> Update field and facility reservation policy. Communicate with staff and outside users about the change. 	In Progress	<ul style="list-style-type: none"> Staff will work with each field user group to develop a field and facility policy. 	Fall 2017		Staff
34 Parks and Recreation		Update the Strand Bench and Tree and Bench Donation programs	<ul style="list-style-type: none"> Evaluate current policies and options for greater efficiencies 	In Progress	<ul style="list-style-type: none"> For both programs, evaluate and determine length of donation, how many designs, renewal costs, responsibility of upkeep in collaboration with Public Works Department Transition Tree and Bench Donation program from Parks and Recreation to Public Works Update Strand Bench program and policy with City Council 	Fall 2017	1	Staff
35 Parks and Recreation		Manhattan Beach Open (MBO) Volleyball Tournament	<ul style="list-style-type: none"> Evaluate renewal of MBO contract with IMG and develop options for City Council Approved by City Council on March 8, 2017 	In Progress	<ul style="list-style-type: none"> Continue to work with stakeholders to facilitate a successful event 	2017	2	Staff
36 Parks and Recreation		Sand Dune and Tennis Court Reservations	<ul style="list-style-type: none"> Evaluate current reservation administration and evaluate options for greater efficiencies 	In Progress	<ul style="list-style-type: none"> Staff will evaluate options for registering guests at Sand Dune Park and Live Oak Tennis and make necessary adjustments 	Fall 2017	2	Staff




Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
37 Parks and Recreation		Parks Master Plan RFP	<ul style="list-style-type: none"> Approved by City Council as part of the FY 2015-2016 Capital Improvement Program and carried over with approval into the FY 2017-2021 Develop a comprehensive Parks Master Plan in collaboration with Public Works that will serve as a roadmap for both departments as they continue to provide future amenities to the community 	In Progress	<ul style="list-style-type: none"> Work with Public Works department to create scope of services and develop RFP 	Fall 2017	1	Staff
38 Parks and Recreation		Turf Installation at Big Marine Park	<ul style="list-style-type: none"> Install synthetic turf at Big Marine Park 	In Progress	<ul style="list-style-type: none"> CIP projections were not sufficient to cover the project Continue negotiations with user groups for funding agreements Return to City Council with proposed agreements and status update when available Facilitate installation of synthetic turf 	TBD	2	Staff
39 Parks and Recreation		Turf Installation at Village Field	<ul style="list-style-type: none"> Return Village Field 	In Progress	<ul style="list-style-type: none"> CIP projections were not sufficient to cover the project Continue negotiations with user groups for funding agreements Return to City Council with proposed agreements and status update when available 	TBD	2	
40 Police		2016-2018 Strategic Plan Implementation	<ul style="list-style-type: none"> Implement the 57 action items of the Police Department's Strategic Plan 	In Progress	<ul style="list-style-type: none"> Continue to implement the 57 Action items outlined in the Strategic Plan Report progress to the community semi-annually 	12/31/18	2	
41 Police		Community Cameras ALPR	<ul style="list-style-type: none"> Enhance investigation efforts with the installation of community cameras and ALPRs at major points of egress/ingress City Council approved award of contract to Vigilant Solutions for LPR Cameras and installation at their meeting on 2/21/2017 	In Progress	<ul style="list-style-type: none"> Install LPR Cameras 	5/31/17	3	
42 Police		Radio Replacement Project	<ul style="list-style-type: none"> Replacement of Police Department radios to achieve enhanced interoperability and officer safety 	In Progress	<ul style="list-style-type: none"> Work with RCC to seek grant funding and reduced pricing for radio replacement project 	12/31/18	3	











Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
43 Public Works		Urban Forest Master Plan (formerly Street Tree Master Plan)	<ul style="list-style-type: none"> City Council approved the Citywide Street Tree Inventory on 2/4/14 City Council directed staff to develop a Street Tree Master Plan, now called Urban Forest Master Plan Conducted community outreach regarding the development of the Plan Utilize knowledge of new Urban Forester in Master Plan development (Approx. 85 % complete) 	In Progress	<ul style="list-style-type: none"> Complete drafts of new tree ordinances to coincide with the Urban Forest Master Plan process Utilize knowledge of new Urban Forester in Master Plan development Create outreach to community regarding new plan and ordinances 	2017	2	
44 Public Works		Environmental Work Plan	<ul style="list-style-type: none"> Explore environmental program trends from other leading communities and identify best practices Lay out upcoming potential environmental initiatives for City Council discussion and approval Provide updates on ongoing environmental programs 	In Progress	<ul style="list-style-type: none"> Present to City Council for discussion and approval 3 - 4 months after hiring of a new Environmental Programs Manager 	Fall 2017	1 & 2	City Council
45 Public Works		Sidewalk Maintenance Repairs	<ul style="list-style-type: none"> Staff has begun the evaluation of sidewalks for significant damage Staff documents sidewalk areas in need of repair throughout the City Property owners will be invited to participate in the process of an RFP in order to garner savings in cost of the repairs Using the gathered information, staff will create an RFP for sidewalk maintenance services A vendor will be chosen and maintenance repairs executed 	In Progress	<ul style="list-style-type: none"> Complete assessment Communicate findings and options to property owners Prepare bid documents Select vendor and manage repairs 	End 2017	1	
46 Public Works		Sustainable Energy Options Study Session	<ul style="list-style-type: none"> On March 29, 2014, a community forum met to discuss options to bring Manhattan Beach to 100% renewable energy by 2025 ("MB2025") as part of Earth Hour initiative; Sonoma County Community Choice Aggregation (CCA) program was presented Update on CCA presented to City Council at Energy Study Session in June 2015 as a way to move MB to 100% renewable energy A proposal to conduct an updated Energy Audit and streetlight purchase were also reviewed at the study session Presented Energy Audit recommendations to City Council for consideration at January 17, 2017 meeting 	In Progress	<ul style="list-style-type: none"> Review CCA options at City Council meeting in August 2017 after an Environmental Programs Manager has been hired Review commitment to 100% renewable energy as part of Environmental Work Plan, which will be presented to City Council after an Environmental Programs Manager has been hired 	TBD	1 & 2	

Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
47 Public Works		Feasibility Study of Community Choice Aggregation	<ul style="list-style-type: none"> City Council adopted Resolution No. 14-0067 in Oct 2014 to explore the feasibility of Community Choice Aggregation (CCA) and participate in a CCA steering committee LA County completed an initial "Business Plan" to assess feasibility for County operation of a CCA (Sept 2016); County finalized its CCA JPA framework in April 2017 and seek membership in May/June 2017 South Bay Clean Power is preparing documentation to form a CCA for interested cities in the South Bay as an alternative to a County CCA 	In Progress	<ul style="list-style-type: none"> A CCA committee was formed -- the City did not take the lead on the CCA committee, but staff and many MB residents participate; the City maintains a cooperative relationship with the group Coordinate with Hermosa Beach on feasibility of partnering with them on their CCA initiative Return to City Council for direction on which CCA program to pursue and participation of a City Council member on Steering Committee in August 2017, after an Environmental Programs Manager has been hired 	Aug-17	1 & 2	
48 Public Works		Citywide Food Waste Recycling Program	<ul style="list-style-type: none"> Continue pursuit of compliance to state law, AB 1826 Continue system of tiered compliance for commercial businesses Continue promoting food waste recycling program in residential sector Presented program update to City Council at Nov 15, 2016 meeting 	In Progress	<ul style="list-style-type: none"> As per City Council direction, staff will return with an update on June 20, 2017 that includes ideas on increasing program participation, data on programs in other jurisdictions and suggestions moving forward 	Ongoing	1 & 2	
49 Public Works		Solid Waste Franchise Agreement Contract Preparation Process	<ul style="list-style-type: none"> Assess and review current Solid Waste Franchise Agreement (FA) Gather public input for possible changes to next proposed FA Present proposed changes to City Council for their input 	In Progress	<ul style="list-style-type: none"> Prepare timeline for FA contract review process Compile information that include services not covered by current agreement using public input and previously received comments Gather public input through a variety of methods 	FY 2017-2018 Review process FY 2019-2020 Bid process	4	
50 Public Works		Uniform Citywide Sign Program of non-regulatory City signs	<ul style="list-style-type: none"> Approved Consultant Agreement Evaluated and gave direction on proposed Citywide Sign Program Presented to City Council on 4/7/15, 10/20/15 and 2/2/16 	In Progress	<ul style="list-style-type: none"> City Council gave feedback on sign program but further direction is needed following revisions made City Council direction is needed on final selection of the signage style. A presentation is ready for scheduling, if that is the direction of City Council. 	End of 2017	1	



Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
51 Public Works		Approve Consultant Agreement to design Pier, Roundhouse and Comfort Station Improvements	<ul style="list-style-type: none"> Issue RFP for design consultant agreements for Pier and Roundhouse Aquarium Improvements Present consultant selection and contract to City Council Comfort Station Improvements were completed in 2016 and remaining work to re-install mosaic tile art will occur in early 2017. Contract was approved by City Council on February 7, 2017 Present preliminary design of the Roundhouse Aquarium to City Council Roundhouse improvements will be supported by a third party (Skechers) and design consultant selection is in progress Pier improvements will be done concurrently with the Roundhouse Aquarium improvements Consultant selection and contract was approved by City Council on February 21, 2017 	In Progress	<ul style="list-style-type: none"> Preliminary design of the Roundhouse Aquarium will be presented to City Council when available (May 2017) Staff will continue to work with the design team to move forward with this project 	FY 2018-2019	1	
52 Public Works		Report on SCE's Inventory Analysis of Street Lights	<ul style="list-style-type: none"> Provide an update regarding SCE's Inventory Analysis of Street Lights 	In Progress	<ul style="list-style-type: none"> City Council approved purchasing SCE streetlights and converting to LED technology on February 21, 2017 Staff will provide an update after SCE conducts its Inventory Analysis on street lights in Manhattan Beach as part of the purchasing process 	Summer 2017		
53 Public Works		Sepulveda Bridge Widening Project	<ul style="list-style-type: none"> Provided project update to City Council on February 16, 2016 	In Progress	<ul style="list-style-type: none"> Continue with the project 	End of 2018	2	
54 Public Works		Undergrounding District Policy and Community Survey Results	<ul style="list-style-type: none"> Undergrounding District Policy and Community Survey Results to be discussed with new Public Works Director for update 	In Progress	<ul style="list-style-type: none"> Discuss current status of Utility Undergrounding with City Council on June 6, 2017 and receive direction; Discuss future districts and policy in August 2017 Conduct Utility Underground Assessment for District #12, which will require coordination with relevant utility agencies to review updated costs Based on Assessment information, gauge community interest through methods to be determined 	End 2017	1	













City of Manhattan Beach Integrated City Work Plan and City-wide Strategic Plan Items Pending Direction		City-wide Strategic Plan Pillars Strong Governance that Values Meaningful Resident Engagement Excellent Municipal Services Provided by an Aligned and Committed Workforce Financial Sustainability		City-wide Strategic Plan Pillars Environmental Stewardship Effective Physical Asset Management - Infrastructure, Facilities and Amenities Economic Vitality <i>Note: Tan rows indicate items carried over from previous Work Plans</i>		Estimated Completion			Governance Requested	
Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completion	Activities	By		
1 City Manager		Independent Cities Association (ICA) Board Seat and Membership	<ul style="list-style-type: none"> Discuss retention of City's board seat and ongoing membership to ICA 	Unknown	<ul style="list-style-type: none"> City Council will discuss this item and provide direction Membership dues have been paid for FY 16-17 and will be due again in summer 			City Council		
2 City Clerk / City Manager / Community Development / Parks and Recreation		Review future and scope of specified Boards and Commissions	<ul style="list-style-type: none"> At their meeting on April 18, 2017, the City Council decided to review and further the Historic Preservation Commission, as well as the Library Commission, Board of Building Appeals and naming of the Parking and Public Improvements Commission (PPIC) After discussion of each of these groups, the Boards and Commissions Handbook will be updated accordingly, based on City Council direction 	On Hold	<ul style="list-style-type: none"> Meetings will be set for City Council to discuss the aforementioned Boards and Commissions with relevant City staff 	TBD		City Council		
3 Community Development/ Economic Vitality Manager		Sepulveda Corridor Study	<ul style="list-style-type: none"> Reviewing existing regulations, guidelines, studies and documents related to Sepulveda Corridor to guide future action 	On Hold Agendized	<ul style="list-style-type: none"> Scheduled for City Council on June 20, 2017 to discuss and provide direction 	TBD	2	City Council		
4 Community Development		Annual Manhattan Beach Business Employee Parking Survey	<ul style="list-style-type: none"> Conduct an annual parking survey of business employees and present to City Council 	On Hold	<ul style="list-style-type: none"> If City Council prioritizes this project, staff will prepare an online survey to be presented to City Council for approval. 			City Council		
5 Community Development		Update on Proposed Desalination Plan EIR	<ul style="list-style-type: none"> Provide an update on the Proposed Desalination Plan EIR 	Unknown	<ul style="list-style-type: none"> If City Council is interested in this item, staff will find the status of the EIR and update City Council accordingly. 			City Council		





City of Manhattan Beach Integrated City Work Plan and City-wide Strategic Plan Items Pending Direction		City-wide Strategic Plan Pillars Strong Governance that Values Meaningful Resident Engagement Excellent Municipal Services Provided by an Aligned and Committed Workforce Financial Sustainability		City-wide Strategic Plan Pillars Environmental Stewardship Effective Physical Asset Management - Infrastructure, Facilities and Amenities Economic Vitality <i>Note: Tan rows indicate items carried over from previous Work Plans</i>				
Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
6	Community Development	 Construction of Residential Basements	<ul style="list-style-type: none"> At the August 16, 2016 City Council meeting, the Neighborhood Bill of Rights was discussed and from that discussion, a request was made by Councilmember Burton to "come up with improvements to the City Codes regarding maximum grading quantity and other solutions regarding 2-3 story basements and see if they have value" 	Unknown	<ul style="list-style-type: none"> If City Council prioritizes this project, City staff will create a timeline estimate and workload assessment to be presented to City Council at a later date 			City Council
7	Community Development	 Mansionization Issue	<ul style="list-style-type: none"> City Council referred this item to Planning Commission on 11-19-2013, then re-initiated the process in Fall 2015 A Community Meeting was held November 9, 2015 	On Hold	<ul style="list-style-type: none"> This issue is On Hold until completion of Downtown Specific Plan and City Council direction 	TBD	2	City Council
8	Community Development / Public Works	Pedestrian Safety Improvements	<ul style="list-style-type: none"> Discuss possible Pedestrian Safety Improvements to be included as part of the City's CIP 	On Hold	<ul style="list-style-type: none"> This issue requires additional direction and prioritization from City Council City Council will discuss the details of this item at their City Council Retreat on May 3, 2017 			City Council
9	Finance / Economic Vitality	 Parkview Site	<ul style="list-style-type: none"> Ground lease a portion of the Parkview parking lot for development of a lifestyle hotel A report was given at the July 6, 2016 meeting on possible uses for the Parkview site 	On Hold	<ul style="list-style-type: none"> Determine if interest still exists for developing the site 	TBD	2	



City of Manhattan Beach Integrated City Work Plan and City-wide Strategic Plan		City-wide Strategic Plan Pillars		City-wide Strategic Plan Pillars		City-wide Strategic Plan Pillars		
  		  		<p>Strong Governance that Values Meaningful Resident Engagement</p> <p>Excellent Municipal Services Provided by an Aligned and Committed Workforce</p> <p>Financial Sustainability</p>		<p>Environmental Stewardship</p> <p>Effective Physical Asset Management - Infrastructure, Facilities and Amenities</p> <p>Economic Vitality</p>		
Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Requested Activities	Requested By
10	Finance / Public Works	 Water and Wastewater Rate Review	<ul style="list-style-type: none"> Evaluation of current Water and Wastewater Rates Water and Wastewater Rates were reevaluated in 2010 and set on a 5-year adjustment schedule that concluded in 2014 At the City Council meeting on August 2, 2016, it was decided to allow the new PW director to make recommendations to the City Council on this issue (which includes the Utility Master Plan and a potential update) 	On Hold	<ul style="list-style-type: none"> Review of the CIP Program for Water and Sewer existing and future infrastructure needs, and establish a timeline for rate adjustment to meet those future needs. City Council will provide direction on rate review and Utility Master Plan update 		1 & 3	
11	Finance	 Storm Water and Street Lighting General Fund Subsidies	<ul style="list-style-type: none"> Reduce/eliminate General Fund subsidies Identify revenues (storm water fees, assessments, sales tax, TOT, etc.) Streamline costs where possible 	On Hold	<ul style="list-style-type: none"> Present past discussion materials to the City Council for direction 	TBD	3	
12	Fire	 Fire Services Status	<ul style="list-style-type: none"> Provide options for the future of the City's Fire Services 	In Progress	<ul style="list-style-type: none"> The City will wait until Hermosa Beach reaches a decision regarding its Fire Services and provide City Council with recommendations based on that decision 		3	
13	Public Works	 Uniform Citywide Sign Program of non-regulatory City signs	<ul style="list-style-type: none"> Approved Consultant Agreement Evaluated and gave direction on proposed Citywide Sign Program Presented to City Council on 4/7/15, 10/20/15 and 2/2/16 	In Progress, pending City Council direction	<ul style="list-style-type: none"> City Council gave feedback on sign program but further direction is needed following revisions made City Council direction is needed on final selection of the signage style. A presentation is ready for scheduling, if that is the direction of City Council. 		1	City Council








Note: Tan rows indicate items carried over from previous Work Plans





City of Manhattan Beach Integrated City Work Plan and City-wide Strategic Plan Items Pending Direction		City-wide Strategic Plan Pillars 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 and Amenities Economic Vitality <i>Note: Tan rows indicate items carried over from previous Work Plans</i>				
Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
14 Public Works		Possibility of Reinstating Utility Undergrounding Program	<ul style="list-style-type: none"> An update regarding this item is scheduled for June 6, 2017 and will provide information about existing districts. A second presentation will be planned for a City Council meeting in August to address potential policy revisions for future districts. 	In Progress - Agendized 6/6/2017	<ul style="list-style-type: none"> Staff will move forward based on City Council direction and prioritization and work with all stakeholder groups City Council will discuss and provide direction on this item and the future of the program 		2	
15 Public Works		Public Improvement Projects and Financing Options	<ul style="list-style-type: none"> Evaluate feasibility of three large public improvement projects: Municipal Pool, Fire Station #2, Civic Center/Downtown Parking Assess financing options and public opinion for public improvement projects 	On Hold	<ul style="list-style-type: none"> Present feasibility studies and seek direction from City Council on whether to proceed with these initiatives 	TBD	1	


City of Manhattan Beach Integrated City Work Plan and City-wide Strategic Plan		City-wide Strategic Plan Pillars		City-wide Strategic Plan Pillars		City-wide Strategic Plan Pillars	
<p>City of Manhattan Beach Integrated City Work Plan and City-wide Strategic Plan</p> <p>Ongoing Items</p>			Strong Governance that Values Meaningful Resident Engagement		Environmental Stewardship		Effective Physical Asset Management - Infrastructure, Facilities and Amenities
			Excellent Municipal Services Provided by an Aligned and Committed Workforce		Economic Vitality		Financial Sustainability
			Financial Sustainability				
		<i>Note: Tan rows indicate items carried over from previous Work Plans</i>					
Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities Requested By
1 City Attorney		Review and Update of Municipal Code	<ul style="list-style-type: none"> Review and update the City's Municipal Code 	Ongoing	<ul style="list-style-type: none"> Regularly review and update the City's Municipal Code 		2
2 City Attorney		Evaluate Legal Fees	<ul style="list-style-type: none"> Evaluate and contain legal fees 	Ongoing	<ul style="list-style-type: none"> Provide information regarding the breakdown and allocation of legal fees 		2 & 4
3 City Manager / All Departments		Citizen Engagement	<ul style="list-style-type: none"> Increased engagement on social media platforms Increased use of Open City Hall Added Nextdoor.com 	Ongoing	<ul style="list-style-type: none"> Continue to review current engagement tools and gather feedback on possible opportunities 		3 & 4 City Council
4 City Manager		Employee Engagement	<ul style="list-style-type: none"> Prioritize employee engagement to improve efficiency and effectiveness in the organization Facilitate self-directed work groups to engage employees in topics they prioritize 	Ongoing	<ul style="list-style-type: none"> Continue building an organizational culture of engagement and innovation through a variety of initiatives Support and encourage existing work groups, such as MB CARES, MB GROW, MB FIT and others that bring employees together and encourage collaboration 		5 Staff
5 City Manager		City Work Plan	<ul style="list-style-type: none"> Update and maintain the City's Work Plan that identifies projects citywide and their alignment with the Pillars of Success from the City's Strategic Plan 	Ongoing	<ul style="list-style-type: none"> Coordinate with City Departments to update projects and maintain alignment with Strategic Planning Pillars and City Council priorities Provide regular updates to City Council regarding new, completed and progressing projects 		1 Both

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6	City Manager		City Council Relations	<ul style="list-style-type: none"> • Provide updates for City Councilmembers on City projects with regular meetings • Facilitate the flow of information between City staff and City Councilmembers • Organize City Council Retreats as opportunities for the City Council to meet and discuss specific topics of interest and solutions to complex issues 	Ongoing	<ul style="list-style-type: none"> • Coordinate with City Council regarding retreats and informational meetings • Continue facilitating regular updates on City projects or initiatives 	1	Both						
7	City Manager		City Council Reports	<ul style="list-style-type: none"> • Ensure that staff reports are ready for City Council consideration, as well as public review • Create staff reports for City Council based on current or upcoming legislation and proposed policy implementation 	Ongoing	<ul style="list-style-type: none"> • Establish efficient work flow for reports to incorporate all considerations, including financial and legal • Work with departments to ensure high quality writing and content, as well as appropriate supporting documents and background information 	1	Both						
8	Parks and Recreation		Social Media Communications Plan	<ul style="list-style-type: none"> • Increase public engagement with the department through Social Media and tracking effectiveness of analytics 	Ongoing	<ul style="list-style-type: none"> • Staff will continue expanding their digital communication to increase engagement and the stream of information 	4							
9	Parks and Recreation		Partnership with MBUSD	<ul style="list-style-type: none"> • Increase programming with MBUSD • Work in conjunction with the PTA, MBX Foundation, MBUSD Staff, MB Education Foundation (MBEF) • Dial-A-Ride transportation for Special Needs programs • Be Our Guest program allows free entry to MBHS productions for Older Adults 	Ongoing	<ul style="list-style-type: none"> • Evaluate joint programming and identify opportunities for replication • Communicate with MBUSD regarding level of programming and possible expansion 	4	Staff						

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Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Estimated Completion	Governance Activities	Requested By
10	Parks and Recreation	 <p>MB Fit - Wellness Committee</p>	<ul style="list-style-type: none"> Review MB FIT program engagement and data Identify opportunities to integrate goals with Human Resources 	Ongoing	<ul style="list-style-type: none"> Continue with MB FIT committee Review and evaluate programming Seek out other synergies with City departments or initiatives 		1	Staff
11	Parks and Recreation	 <p>Sponsorship Opportunities</p>	<ul style="list-style-type: none"> Evaluate sponsorship policies and evaluate internal capacity for sponsorship materials Staff determined that there was suitable capacity within the department to support sponsorship outreach Review sponsorship process in order to maximize outreach and return for the City 	Ongoing	<ul style="list-style-type: none"> Staff will continue to monitor the sponsorship process in order to maximize outreach and return for the City 		2	Staff






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Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities	Requested By	
1	  	  	2017 Municipal Election (consolidated with LA County)	<ul style="list-style-type: none"> State law SB 415 was passed on September 1, 2015. It deals with the timing of elections in local jurisdictions and requires action from the City to coordinate its elections with state or federal election dates Feedback was gathered through Open City Hall and multiple public meetings The proposed changes have been publicized through ads in The Beach Reporter and the City's social media At the July 19, 2016 City Council meeting Option 1 was chosen, which shortens the terms of those elected in the March 2017 election to three years and eight months, as well as the two councilmembers to be elected in the March 2019 election City Council also approved consolidation with LA County for the 2017 Municipal Election City Attorney drafted the Resolution as requested by City Council The City will continue to conduct its own General Municipal Elections through March 2019, after which the City will consolidate with LA County to provide elections 	Completed	<ul style="list-style-type: none"> The 2017 General Municipal Election on March 7, 2017 will be consolidated with LA County, as per City Council decision 	5/1/2018	3	N/A
2		Present and Promote City Technology Capabilities to the Community	<ul style="list-style-type: none"> Held a number of training sessions for the community to learn online tools, including Open City Hall, GovQA and ReachMB Engage external stakeholders in conversations about how best to use new tools in the community 	Completed	<ul style="list-style-type: none"> Continue promoting City technology capabilities and seeking new ways to evolve 		4	Both	






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Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Activities	Requested By	
3		Sunshine Ordinance	<ul style="list-style-type: none"> As part of the Open Government Initiatives, an ordinance was developed to ensure that the workings of City government are transparent and provide a means for the public to participate in government. Sunshine Ordinance was adopted by City Council on November 17, 2015. 	Completed			2 & 3		
4		MBUSD Joint Use Agreement Review and Renewal	<ul style="list-style-type: none"> City Manager and Parks and Recreation Director met with MBUSD representatives to review the Joint Use Agreement. A one-year Joint Use Agreement extension was approved by City Council at the 5/17/2016 meeting. 	Completed			3 & 4		
5		Investment in Key Strategic Positions	<ul style="list-style-type: none"> Evaluate and establish key strategic positions in the City, which are: <ul style="list-style-type: none"> IT Director Assistant Director of Finance Economic Vitality Manager PIO/Communications Director 	Complete	<ul style="list-style-type: none"> The Assistant Director of Finance was part of the proposed FY 2016-2018 budget but was not approved at this time Both the IT Director and Economic Vitality Manager positions were hired in Feb 2016 The City Manager's office will continue to reevaluate the benefits of the positions 		5	Staff	
6		Website Enhancements	<ul style="list-style-type: none"> Update the City's website to improve usability and accessibility of information 	Completed	<ul style="list-style-type: none"> Staff will continue to meet with the City's website provider to update the current system in a way that improves the way users interact with the website 	Early 2018	1	City Council	






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Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities	Requested By
Community Development		Downtown Specific Plan	<ul style="list-style-type: none"> • ULI Report was received in January 2015 • Four public workshops were held between October 2015 and March 2016 • Draft Downtown Specific Plan was released in March 2016 • Seven City Council and Planning Commission study sessions were held between April and August 2016 • Draft CEQA document MND was reviewed by staff and was available for public review • An Interim Zoning Ordinance (IZO) had been adopted in July 2015 and expired 7-15-16, so a new IZO was adopted by City Council on 8-2-16 • A 10-day report was presented to the City Council on 8-16-16 regarding the IZO extension • The Final Draft Downtown Specific Plan was available for public review and feedback • A Public Hearing on the draft was held on 10-26-16 at the Planning Commission meeting • The final draft was presented to City Council on 12-6-16 with Planning Commission recommendations. City Council gave direction on specific items and approved the document with changes • The final Downtown Specific Plan was presented to City Council on February 21, 2017 and was delivered to the Coastal Commission for certification process on March 24, 2017 	Completed	<ul style="list-style-type: none"> • Staff will begin actively implementing the adopted plan upon CCC certification (anticipated up to one year following submission, March 2018) 	Mar-17	1	City Council
Community Development		Mills Act Adoption and Implementation	<ul style="list-style-type: none"> • City Council adopted a Mills Act Property Tax reduction program on October 7, 2014. 	Completed	<ul style="list-style-type: none"> • Mills Act Pilot Program expired October 2016 	Feb-16	1 & 2	






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Completed Items			Strong Governance that Values Meaningful Resident Engagement		Effective Physical Asset Management - Infrastructure, Facilities and Amenities			
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			Financial Sustainability	<i>Note: Tan rows indicate items carried over from previous Work Plans</i>				
Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities	Requested By
9		Maximum Property Lot Size and Minor Exception	<ul style="list-style-type: none"> City Council approved project in Spring 2015 Submitted to CCC for Certification CCC approved on 6-9-2016 with no revisions 	Completed		Jun-16	2	City Council
10		Code Enforcement, Construction Rules, Surety Bonds, Substandard and Abandoned Structures, Nuisance Ordinance	<ul style="list-style-type: none"> Researched best practices in other municipalities and present those findings to City Council for review Information was presented to City Council on September 15, 2015 and Mandatory Mediation Language was adopted in the City's Construction Rules City Council adopted an ordinance regarding substandard and abandoned structures on September 6, 2016 City Council adopted an ordinance consolidating and codifying the City's existing construction rules on October 2, 2016 	Completed	<ul style="list-style-type: none"> Approved Construction Rules are being summarized and uploaded to the City's Municipal Code Staff will coordinate a list of properties for pro-active enforcement of substandard and abandoned structures ordinance 	End of 2016	1 & 2	City Council
11		Urban Land Institute (ULI) Advisory Services Panel	<ul style="list-style-type: none"> The ULI completed their week-long visioning charrette January 12-16, 2015. Their recommendations were presented at a public meeting to the community, then presented and approved by City Council on February 23, 2015. Some easily implemented recommendations (crosswalk/streetscape preparation) were carried out in May 2015. Other elements from the assessment have been incorporated into the City's Proposed Downtown Specific Plan, which will be presented to City Council on December 6, 2016 	Completed			2, 3 & 4	

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Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities Requested By
12	Community Development	Peck House	<ul style="list-style-type: none"> In November 2014, a local realtor and the Manhattan Beach Cultural Heritage Conservancy brought to the City Council a request to preserve the Peck House, which had recently been sold. Staff researched a number of options, including rehabilitation, relocation, etc. and the costs associated. At the April 21, 2015 City Council meeting, staff presented the information, and it was decided to not move forward with the preservation of the Peck House, unless private entities are willing to collaborate on preservation efforts. 	Completed			1 & 2
13	Community Development	Medical Marijuana	<ul style="list-style-type: none"> On 1/19/16, City Council adopted an ordinance that prohibited the cultivation of Medical Marijuana in the City and the City's Coastal Zone. A resolution transmitting amendments of the Local Coastal Program (LCP) Code due to this ordinance was also adopted. All information was submitted to the CCC, and the CCC certified the Amendment on 11/3/16 	Completed		Nov-16	2 Staff
14	Community Development	Beach Cities Transit Update	<ul style="list-style-type: none"> An update on Beach Cities Transit operations that includes Manhattan Beach specific information like ridership An Information Memo was prepared and sent to City Council in April 2017 	Completed		Apr-17	
15	Finance	Implementation of a New Centralized Cashiering System	<ul style="list-style-type: none"> Part of the ISMP was implementing a new centralized cashiering system This will work to integrate multiple systems and offer a stable platform and vendor 	Completed		Jun-15	2 & 4







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Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities	Requested By
16		Electronic Procurement Outreach	<ul style="list-style-type: none"> Staff reviewed possible e-Procurement tools in an effort to improve vendor outreach and increase the number of potential bidders for the City's needs In addition to the City's website, staff also use BidSync to advertise bids for goods and services 	Completed		Dec-15	3	
17		Use Fee/Cost Allocation Plan Studies	<ul style="list-style-type: none"> These studies ensure that the appropriate cost of service is identified and recovered for the services provided by the City (permits, water service activation, etc.) 	Completed	<ul style="list-style-type: none"> Updated July 2016 to reflect MOU changes 	Jul-16	4	
18		Enhanced Month End Financial Reporting and Accountability	<ul style="list-style-type: none"> Implement more robust month end reporting to include contract status/expiration; performance measures; and departmental accountability for results 	Completed	<ul style="list-style-type: none"> Kickoff and training of new reporting roles and responsibilities scheduled for August 30, 2016 	9/30/2016	3	Staff
19		Develop a Deployment Study for Emergency Responses	<ul style="list-style-type: none"> Contract with Citygate to perform a joint study between Hermosa Beach and Manhattan Beach on response times and arrival of effective firefighting resources to look for potential shared service opportunities 	Completed	<ul style="list-style-type: none"> Present study to City Council and receive direction on recommendations for shared service provision 	Feb-15	3	
20		Develop a Fire Permit Program	<ul style="list-style-type: none"> Developed a Fire Permit Program and outlined requirements and processes Created and released Informational Memo to City Council and the public on 7/20/2016 Upgraded software used to issue Fire Permits Began issuing permits in July 2016 	Completed	<ul style="list-style-type: none"> The City has been billing operational permits since Octobet of 2016 under the new program. 	Oct-16	3	

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Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities	Requested By
21		Developing a succession plan for all Fire Department ranks	<ul style="list-style-type: none"> Promotions in Battalion Chief, Fire Captain and Fire Engineer 	Completed	<ul style="list-style-type: none"> Battalion Chiefs appointed in March and August 2015 Fire Captain promoted in March 2015 Fire Engineer test scheduled for Sept 2016 	Fall 2016	5	
22		Alternative Work Schedule	<ul style="list-style-type: none"> City Hall and the Yard were both under a trial Alternative Work Schedule until April 2015 Staff evaluated the schedule and determined there were a number of inefficiencies with its current organization Through collective bargaining with Teamsters and the MOU approved by City Council in January 2016, the current schedule was negotiated and implemented effective 3/21/2016 A new schedule was devised that eliminated those inefficiencies and coordinated all City staff on the same schedule 	Completed	<ul style="list-style-type: none"> City Council approved the new recommended schedule for the City, which went into effect on 3/21/2016 and resulted in extended hours M-Th and alternate closed Fridays at City Offices The City continues to publicize the change and assist residents who may request services outside of the new schedule 	Apr-16	5	Staff
23		Part-time Employee Policies	<ul style="list-style-type: none"> Review part-time employee policies to ensure alignment with current City vision 	Completed	<ul style="list-style-type: none"> Transition independent contractors to Part-time employees 	Completed	4	Staff
24		Affordable Healthcare Act (ACA) Implementation	<ul style="list-style-type: none"> Meet IRS reporting requirements and evaluation/deployment of an affordable medical insurance plan available to employees who meet identified criteria Continue responding to evolutions in the ACA provisions as mandated by the Federal Government 	Completed	<ul style="list-style-type: none"> Complete updates as required by law 	Completed	5	Staff
25		Review and Update New Employee Onboarding Process	<ul style="list-style-type: none"> Continue to review the process for onboarding new employees and update as necessary 	Completed	<ul style="list-style-type: none"> Implemented orientation follow-up checklist Currently working on preparing orientation PowerPoint 	Completed	1	Staff

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Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities	Requested By
26		Harassment Training for all personnel	<ul style="list-style-type: none"> CA Law requires that supervisory employees receive harassment training every two years. Best practice is also to train non-supervisory personnel Non-supervisory personnel were trained in Dec 2014/Jan 2015 Supervisory personnel were trained in June 2016 	Completed		Jun-16	5	Staff
27		Paid Sick Leave	<ul style="list-style-type: none"> Based on state legislature, the HR department reviewed and adjusted the City's paid sick leave program to align with the state's 	Completed			5	Staff
28		Implement Recommendations from Departmental Reorganization Analysis	<ul style="list-style-type: none"> At their 3/15/2016 meeting, City Council approved a proposed reorganization of the department that eliminated inefficient part-time positions in order to create more high-functioning ones 	Completed	<ul style="list-style-type: none"> The departmental reorganization created two positions: Executive Assistant and Human Resources Assistant Applications were accepted and the positions were filled in July 2016 	Completed		Staff
29		Provide Insurance 101 for Contracts Training to Departments	<ul style="list-style-type: none"> Improve the internal process for contract approvals, specifically regarding insurance requirements Offered Insurance 101 for Contracts training to all departments on August 24, 2016 	Completed		Aug-16	2 & 3	Staff
30		Enterprise IT Security	<ul style="list-style-type: none"> Improve network security in accordance with federal and state regulations Tested solutions with current systems Conducted outreach to affected users Launched system 	Completed	<ul style="list-style-type: none"> Continue to implement next generation security solution(s) 	Winter 2016	1	Staff

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Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities	Requested By
31		Public Safety Conference Room Audio Video Enhancements	<ul style="list-style-type: none"> Upgrade audio video hardware in support of broadcast and public meeting in Public Safety Conference Room Established hardware specifications Procured necessary hardware upgrades Installed and implemented upgrades 	Completed		Fall 2016	1	Both
32		Public Safety Proximity Software Upgrade	<ul style="list-style-type: none"> Improve Public Safety proximity (door/building access) security 	Completed		Feb-16	1	Staff
33		City Website Homepage Redesign	<ul style="list-style-type: none"> Enhance City website visitors online experience Present information in an intuitive and visually appealing manner Use analytical data to inform website redesign 	Completed	<ul style="list-style-type: none"> Identify requirements for website by gathering stakeholder feedback Select and implement design Implement internal training and communication 	Apr-17	3	City Council
34		Alcohol Policy at Special Events	<ul style="list-style-type: none"> Develop an alcohol policy to regulate use at public and private events at parks, programs and events hosted or sponsored by the City 	Completed			2	Staff
35		Marketing Plan	<ul style="list-style-type: none"> Develop a comprehensive marketing plan for the department, to include: <ul style="list-style-type: none"> - school partnerships - communicate department vision - build brand awareness 	Completed	<ul style="list-style-type: none"> Review plan for next Fiscal Year 		4	Staff

City of Manhattan Beach Integrated City Work Plan and City-wide Strategic Plan City-wide Strategic Plan Pillars 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 and Amenities Economic Vitality <i>Note: Tan rows indicate items carried over from previous Work Plans</i>		City-wide Strategic Plan Pillars Strong Governance that Values Meaningful Resident Engagement Excellent Municipal Services Provided by an Aligned and Committed Workforce Financial Sustainability		City-wide Strategic Plan Pillars Environmental Stewardship Effective Physical Asset Management - Infrastructure, Facilities and Amenities Economic Vitality <i>Note: Tan rows indicate items carried over from previous Work Plans</i>				
Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities	Requested By
36	Parks and Recreation	 Facilitate the Creation of a New Skate Spot	<ul style="list-style-type: none"> City Council approved the building of a Skate Spot at Marine Avenue Park in January 2016 In Spring 2016, the City received a grant from the LA County Board of Supervisors for \$300,000 to fund the Skate Spot Held community visioning meeting to gather feedback on the proposed design Staff facilitated the construction of the Skate Spot and managed the process in order to adhere to the requirements of the grant Held a collaborative Grand Opening and Art Show on March 18, 2017 	Completed		Mar-17	2	City Council
37	Parks and Recreation	 Special Olympic World Games Local Host City	<ul style="list-style-type: none"> Assisted with planning and coordination for the Special Olympics World Games as the Local Host City Assisted in coordinating with MBUSD to provide necessary facilities for events Approximately 100 athletes stayed in local hotels for at least three days and numerous spectators visited the City 	Completed			2	City Council
38	Parks and Recreation	 Coordinate Celebration for the Department's 75th Anniversary Implement Administrative Management Software	<ul style="list-style-type: none"> Hosted large community event to mark the department's 75th Anniversary on July 24, 2016 Executed 75th Anniversary Celebration and promoted to community at large 	Completed		Jul-16		Staff
39	Police	 Implement Administrative Management Software	<ul style="list-style-type: none"> Implement grant-funded administrative management software 	Completed			3	
40	Police	 Lexipol System	<ul style="list-style-type: none"> Implement electronic policy manual system (Lexipol) to manage department policies and disseminate policies to all department employees 	Completed			3	

<p>City of Manhattan Beach Integrated City Work Plan and City-wide Strategic Plan</p> <p>City-wide Strategic Plan Pillars</p> <p>Strong Governance that Values Meaningful Resident Engagement</p> <p>Excellent Municipal Services Provided by an Aligned and Committed Workforce</p> <p>Financial Sustainability</p> <p>Environmental Stewardship</p> <p>Effective Physical Asset Management - Infrastructure, Facilities and Amenities</p> <p>Economic Vitality</p> <p><i>Note: Tan rows indicate items carried over from previous Work Plans</i></p>		<p>City-wide Strategic Plan Pillars</p> <p>Strong Governance that Values Meaningful Resident Engagement</p> <p>Excellent Municipal Services Provided by an Aligned and Committed Workforce</p> <p>Financial Sustainability</p>		<p>City-wide Strategic Plan Pillars</p> <p>Environmental Stewardship</p> <p>Effective Physical Asset Management - Infrastructure, Facilities and Amenities</p> <p>Economic Vitality</p> <p><i>Note: Tan rows indicate items carried over from previous Work Plans</i></p>				
Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities	Requested By
41		Transition Park Enforcement Responsibilities to the Police Department	<ul style="list-style-type: none"> Transition park ranger position to the Police Department to better align with the position's enforcement responsibilities 	Completed	<ul style="list-style-type: none"> As of July 1, 2016, Park Ranger position has been transitioned to the Police Department Work with the Traffic Lieutenant to define the role of the position in day-to-day and special events operational plans 	12/31/16	3	
42		Body Worn Camera Implementation	<ul style="list-style-type: none"> Implement Body Worn Cameras to enhance accountability and officer safety 	Completed		1/31/17	3	
43		Implement Background Management Software	<ul style="list-style-type: none"> Implement background management software 	Completed		1/31/17	3	
44		Enhance Intelligence/Information Sharing	<ul style="list-style-type: none"> Implement Palatir/Smart Justice to facilitate intelligence/information sharing with other law enforcement agencies Access to Smart Justice completed Worked with Information Systems to obtain access to Palantir 	Completed		3/31/17	3	
45		Implement Automated Vehicle Location	<ul style="list-style-type: none"> Implement Automated Vehicle Location Services to enhance officer safety and regional interoperability 	Completed	<ul style="list-style-type: none"> Complete user-training Complete installation of AVL devices 	12/31/16	3	
46		As Needed Engineering Consultant Agreements	<ul style="list-style-type: none"> Present for City Council action As-Needed Engineering consultant agreements to execute the City's Capital Improvement Program (CIP) Streamline procurement process and facilitate the execution of task orders 	Completed			1 & 2	

<p>City of Manhattan Beach Integrated City Work Plan and City-wide Strategic Plan</p> <p>City-wide Strategic Plan Pillars</p> <p>Strong Governance that Values Meaningful Resident Engagement</p> <p>Excellent Municipal Services Provided by an Aligned and Committed Workforce</p> <p>Financial Sustainability</p> <p>Environmental Stewardship</p> <p>Effective Physical Asset Management - Infrastructure, Facilities and Amenities</p> <p>Economic Vitality</p> <p><i>Note: Tan rows indicate items carried over from previous Work Plans</i></p>		<p>Completed Items</p>						
Departments	Pillar	Project Title	Outputs/Activities	Status	Next Steps	Completed	Governance Activities	Requested By
47		Feasibility Study of Purchasing SCE Streetlights and Converting to LED Technology	<ul style="list-style-type: none"> Evaluation of the feasibility of purchasing the City's streetlights from SCE and converting to LED technology Presented information regarding the Energy Audit recommendations and feasibility of purchasing SCE streetlights At their February 21, 2017 meeting, City Council approved agreements to authorize the purchase of SCE streetlights and conversion to LED technology 	Completed	<ul style="list-style-type: none"> Staff will move forward with the approved agreements for purchasing and conversion 	Feb-17	2	
48		Sewer System Management Plan Update	<ul style="list-style-type: none"> Update Sewer System Management Plan (SSMP) to meet 5 year Compliance Completed agreement and provided necessary information to consultant Submit final SSMP to the State 	Completed	<ul style="list-style-type: none"> Work with consultant to submit final SSMP for state approval 	Spring 2017	1	
49		Stormwater Projects and Costs	<ul style="list-style-type: none"> Create an Enhance Watershed Management Program (EWMP) Work Plan in order to meet NPDES Permit Compliance Presented the draft EWMP to City Council for approval on June 2, 2015 Submitted EWMP to Los Angeles Regional Water Quality Control Board 	Completed		Fall 2015	1	
50		Urban Water Management Plan Update	<ul style="list-style-type: none"> Update Urban Water Management Plan (UWMP) to meet 5 year compliance Approved by City Council on January 17, 2017 	Completed	<ul style="list-style-type: none"> Submitted final UWMP to State 	Feb-17	1	



City Hall 1400 Highland Avenue Manhattan Beach, CA 90266-4795

Telephone (310) 802-5000 FAX (310) 802-5001 TDD (310) 546-3501

TO: Honorable Mayor Lesser and Members of the City Council

FROM:

SUBJECT: Workload Assessment for [INSERT TOPIC HERE]

DATE:

WORKLOAD ASSESSMENT MEMORANDUM

RECOMMENDATION

[Include short recommendation]

BACKGROUND

[Include relevant background on the workload assessment, including date requested, by whom, topic researched, etc.]

ANALYSIS

[Include analysis of report that indicates why this is an appropriate item for the organization to assess, what its affects could be, results from other analyses conducted and other necessary information.]

ISSUES TO CONSIDER

[List all issues to be considered. Include current City policies, financial constraints, contractual obligations, legal costs and others.]

SUBJECT: [Insert topic here]

4/7/2017

WORKLOAD ASSESSMENT

[When conducting workload assessment, list activities required to accomplish requested task or project and include necessary number of staff members and hours, as well as the effect on specific departments and potential consequences.]

Example:

1. Research current practices and assess – 2 staff people x 40 hours = 80 hours
2. Develop a detailed survey instrument to gather precise information and current practices on requirements and implementation details from public entities w/established ordinances – 2 staff people x 50 hours = 100 hours

TRADE-OFFS / WORKLOAD DELAYS

[Include items that would be put on hold or delayed due to the commitment of resources to this item. Please use the hours calculated in the Workload Assessment portion, as well as currently available staff and hours.]

RESOURCE DEMANDS

[Include any additional resources needed.]

ADDITIONAL FISCAL IMPACT

[Include any additional fiscal impact this item might generate, whether savings realized or additional spending required. Mention added staff time, possible legal expenses, resources to be used and where the finances would come from, ie General Fund, dedicated funding, etc.]

RESOLUTION NO. 16-0049

A RESOLUTION OF THE MANHATTAN BEACH CITY COUNCIL AMENDING AND RESTATING THE RULES OF ORDER FOR THE CONDUCT OF CITY COUNCIL MEETINGS

RECITALS

- A. California's open meeting law, the Brown Act (Government Code Section 54950 et seq. ("Brown Act")), mandates that city councils adopt rules for "the conduct of business" (Government Code Section 54954) and requires that agendas for regular meetings provide "an opportunity for members of the public to directly address the legislative body on any item of interest to the public" including agenda items before or during the legislative body's consideration of the item that is within the subject matter jurisdiction of the legislative body (Government Code Section 54954.3). Periodically, the Manhattan Beach City Council reviews and amends its rules of order to facilitate the efficient and transparent conduct of the City's business at a reasonable hour.
- B. Government Code Section 54954.3(b) provides that city councils "may adopt reasonable regulations to ensure the intent" of the Brown Act is carried out. The primary intent of the Brown Act is that the people's business be conducted openly and transparently, after providing an opportunity to the largest number of members of the public to directly address the council before the council takes action on any item. The rules of order, as amended by the City Council, provide an opportunity for members of the public to directly address the City Council on any item on the agenda before consideration of the item, in full compliance with the Brown Act, at a reasonable time.
- C. The City Council desires to amend the rules of order to facilitate effective and efficient meeting management, greater transparency and meaningful public participation.

NOW, THEREFORE, THE MANHATTAN BEACH CITY COUNCIL HEREBY RESOLVES AS FOLLOWS:

Section 1. Resolution No. 15-0048 is hereby repealed.

Section 2. Meeting Times

- A. The regular meetings of the Manhattan Beach City Council shall be on the first and third Tuesday of each month beginning at 6:00 p.m. and ending at 11:00 p.m. on the same day. The City Council may, by a 4/5th vote extend the meeting. Whenever the day for holding any of the meetings falls on a holiday, the meeting shall be held on the next business day unless otherwise ordered by the City Council at a prior meeting. The meetings shall be held in the Manhattan Beach City Hall City Council Chambers unless otherwise ordered by the City Council.

Section 3. Agenda

- A. A written agenda shall be prepared for each City Council meeting.
- B. The agenda must contain a brief general description of each item of business to be transacted or discussed at that meeting.
- C. Each agenda shall contain a clear statement of the time and location of the meetings. Each agenda shall state that reports and documents relating to each agenda item (the "Agenda Packet") are available for public inspection at the City's main library and the Police Department at least 72 hours in advance of any regular Council meeting.
- D. The agenda shall be posted in full compliance with the Brown Act on bulletin boards outside each entrance to City Hall, in locations that are freely accessible to the public. The agenda is also posted on a bulletin board at the main library. The agenda also shall be posted on the City's website. The agendas and agenda packets may be provided via other electronic means. The person posting the agenda shall complete and sign a certificate of posting.
- F. The call and notice of a special meeting shall be posted in accordance with the Brown Act.
- G. Emergency meetings pursuant to Government Code Section 54956.5 and other applicable law can be held without complying with the agenda requirements of this Section 3.
- H. The City Council shall not take any action on any item which does not appear on the posted agenda except as follows in accordance with Government Code Section 54954.2:
 - 1. Emergency Situation. An emergency situation, as defined in Government Code Section 54956.5, exists. Before proceeding to act upon an emergency item not appearing on the agenda, the City Council shall by a majority vote determine that an emergency situation exists and that prompt action is required by the City Council. The Council shall include in the minutes of its meeting the facts upon which it relied in finding the existence of an emergency situation.
 - 2. Need to Take Action on Non-agenda Items. The City Council may act upon an item not appearing on the agenda if it finds, by a two-thirds vote of the members present at the meeting or if less than two-thirds of the members are present, by a unanimous vote of the members present, that there is a need to take immediate action on the non-agenda item and such need to act came to the Council's attention after the posting of the agenda. If such a determination is to be made, a statement of facts upon which the determination is based shall be included in the minutes supporting the action taken.
 - 3. Held Over Items. Items not appearing on the posted agenda for a specific meeting may be acted upon at that meeting if:
 - a. The item appeared on a properly posted agenda for a previous meeting;
 - b. The previous meeting occurred not more than five calendar days prior to the date of the meeting at which the item is proposed to be considered; and

- c. The item was continued from the previous meeting to the meeting at which action is proposed to be taken.

Section 4. Public Participation

A. Requests for Items to be Placed on Agenda

1. Any person who wants the Council to consider an item shall submit a request, in writing, to the City Manager, with as much detail as possible.
2. The City Manager may either place the item on the agenda or respond to the request.

B. Opportunities for Public Comment

1. City Council and Community Organization Announcements of Upcoming Community Events. Toward the beginning of the agenda, City Council Members and community organization representatives may provide brief announcements, not-to-exceed one minute in duration for any speaker, of upcoming community events.
2. Public Comment. Speakers may provide public comments on any matter that is within the subject matter jurisdiction of the City Council, including items on the agenda. Each speaker may speak for up to three minutes per matter, up to a total of six minutes if a speaker wants to comment on more than one matter. With respect to non-public hearing agenda items, speakers may provide their comments during "Public Comment" or at the time the agenda item is being considered. Speakers shall provide their comments at "Public Comment" on any item on the Consent Calendar that has not been previously removed by the Council for individual consideration. With respect to public hearing agenda items, speakers are encouraged to speak during the public hearing, if they want their comments to be included in the record of the public hearing. Unless a majority of the Council objects, the Mayor may provide to speakers more or less time to speak.
3. Public Hearings. Speakers may address the City Council on the subject matter of the public hearing, in accordance with the following process:
 - a. The City Clerk shall certify that public hearing has been duly noticed and inform whether further correspondence has been received.
 - b. The Mayor shall open the public hearing.
 - c. Staff shall present its report on the matter.
 - d. The Mayor will invite the applicant (if applicable) and the appellant (if applicable) to present oral and written evidence.
 - e. The Mayor will invite members of the public to speak. The Mayor may inquire if there are many persons who wish to speak, and if so, to request that they appoint a spokesperson. Each speaker will be requested to provide his or her name for the record. The Mayor will provide three minutes to each speaker, unless the Mayor establishes a shorter or longer period.

- f. The Mayor will provide an opportunity for rebuttal to the applicant and appellant.
- g. The Mayor shall close the public hearing.
- h. There will be no additional evidence presented after the close of the hearing unless the Mayor reopens the public hearing.
- i. The Council may, by motion, continue the public hearing to a specific date and time. Such motion may be made either before or after the close of the public hearing.

Section 5. Order of Business

A. The business of the City Council shall be considered in substantially the following order, except as may otherwise be ordered by the Mayor or a majority of the Council:

1. Pledge to the Flag
2. Roll Call
3. Ceremonial
4. Approval of the Agenda

By motion of the City Council, this is the time to: (a) notify the public of any changes to the agenda; (b) remove items from the consent calendar for individual consideration; or (c) rearrange the order of the agenda.

5. City Council and Community Organization Announcements of Upcoming Events (up to a maximum of one minute each)
6. City Manager Report
7. City Attorney Report
8. Public Comment

Members of the public may address the Council regarding any matters within the subject matter jurisdiction of the City Council, including any agenda item. Pursuant to the Brown Act, the Council cannot discuss or take action on any items not on the agenda unless authorized by law. Matters not on the agenda may, at the Council's discretion, be referred to the City Manager and placed on a future agenda. Each speaker may speak for up to three minutes per matter, up to a total of six minutes if a speaker wants to comment on more than one matter. With respect to non-public hearing agenda items, speakers may provide their comments at this time or at the time the agenda items is being considered. Speakers shall provide their comments at this time on any item on the consent calendar that has not been previously removed by the Council for individual consideration.

Members of the public wishing to speak are asked to come forward to the microphone and state his or her name for the record. Each speaker may speak for three minutes per item up to a total of six minutes. Unless a majority of the Council objects, the Mayor may provide more time or less time to the speaker. Any documents for review should be presented to the City Clerk for distribution.

9. Planning Commission Quasi-Judicial Decisions (receipt and file)
10. Consent Calendar

Items on the consent calendar are considered to be routine and customary and are enacted by a single motion with the exception of items previously removed by a member of the City Council during "Approval of the Agenda" for individual consideration. The Mayor shall move such items removed to a later portion of the agenda.

11. Public Hearings
12. Old and Continued Business
13. New Business
14. City Council Reports, Other City Council Business, and Committee and AB 1234 Reports

Council members may provide brief reports, including reports on meetings and conferences attended at the expense of the City, and discuss any agenda item placed on the agenda by an individual Council Member at a prior meeting. As to items placed on the agenda by a Council Member, no staff time shall be incurred in connection with such item, other than incidental time, such as reproducing correspondence or making minor revisions to conform a resolution provided by an outside entity to the City's resolution format.

15. Forecast Agenda and Future Discussion Items
16. Informational items (for items that do not require Council action, such as minutes of city commissions.)
17. Closed Sessions
18. Adjournment

Section 6. Recording of City Council
Votes

When deemed appropriate, and as required by State law, the votes taken by City Council shall be recorded by use of electronic means or an oral roll call vote by the City Clerk or designee.

Section 7. Council
Authority

A super majority of the Council shall have the authority to waive provisions of the procedures established by this Resolution unless the procedure is required by law. Failure of the Council to follow the procedures established by this Resolution shall not invalidate or otherwise affect any action of the Council.

Section 8. This Resolution shall take effect immediately.

Section 9. The City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED July 19, 2016.

Ayes: Burton, Powell, Howorth, Lesser and Mayor D'Errico
Noes: None
Absent: None
Abstain: None



TONY D'ERRICO
Mayor, City of Manhattan Beach

ATTEST:



LIZA TAMURA City Clerk

City Council Regular Meeting

Regular Meeting

SAMPLE AGENDA

6:00 PM

City Council Chambers



Mayor David J. Lesser
Mayor Pro Tem Amy Howorth
Councilmember Steve Napolitano
Councilmember Nancy Hersman
Councilmember Richard Montgomery

Executive Team

Mark Danaj, City Manager
Quinn Barrow, City Attorney

Robert Espinosa, Fire Chief
Teresia Zadroga-Haase, Human Resources Director
Eve R. Irvine, Police Chief
Stephanie Katsouleas, Public Works Director
Mark Leyman, Parks & Recreation Director

Nadine Nader, Assistant City Manager
Anne McIntosh, Community Development Director
Bruce Moe, Finance Director
Liza Tamura, City Clerk
Sanford Taylor, Information Technology Director

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

MANHATTAN BEACH'S CITY COUNCIL WELCOMES YOU!

Your presence and participation contribute to good city government.

By your presence in the City Council Chambers, you are participating in the process of representative government. To encourage that participation, this agenda provides an early opportunity for public comments under "Public Comments," at which time speakers may comment on any matter within the subject matter jurisdiction of the City Council, including items on the agenda.

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are available for review on the City's website at www.citymb.info, the Police Department located at 420 15th Street, and are also on file in the Office of the City Clerk for public inspection. Any person who has any question concerning any agenda item may call the City Clerk's office at (310) 802 5056.

In compliance with the Americans With Disabilities Act, if you need special assistance to participate in this meeting, you should contact the Office of the City Clerk at (310) 802 5056 (voice) or (310) 546 3501 (TDD). Notification 36 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting. The City also provides closed captioning of all its Regular City Council Meetings for the hearing impaired.

CERTIFICATION OF MEETING NOTICE AND AGENDA POSTING

I, Liza Tamura, City Clerk of the City of Manhattan Beach, California, state under penalty of perjury that this notice/agenda was posted on Wednesday, _____, 2017, on the City's Website and on the bulletin boards of City Hall, Joslyn Community Center and Manhattan Heights.

BELOW ARE THE AGENDA ITEMS TO BE CONSIDERED. THE RECOMMENDED COUNCIL ACTION IS LISTED IMMEDIATELY AFTER THE TITLE OF EACH ITEM IN BOLD CAPITAL LETTERS.

A. PLEDGE TO THE FLAG

B. ROLL CALL

C. CEREMONIAL CALENDAR

D. APPROVAL OF AGENDA AND WAIVER OF FULL READING OF ORDINANCES

By motion of the City Council, this is the time to: (a) notify the public of any changes to the agenda; (b) remove items from the consent calendar for individual consideration; or (c) rearrange the order of the agenda.

E. CITY COUNCIL AND COMMUNITY ORGANIZATION ANNOUNCEMENTS OF UPCOMING EVENTS (1 MINUTE PER PERSON)

City Councilmembers and community organization representatives may inform the public about upcoming events.

F. CITY MANAGER REPORT

G. CITY ATTORNEY REPORT**H. PUBLIC COMMENTS (3 MINUTES PER PERSON FOR ONE ITEM, A MAXIMUM OF 6 MINUTES IF A SPEAKER WANTS TO COMMENT ON MORE THAN ONE ITEM)**

Speakers may provide public comments on any matter that is within the subject matter jurisdiction of the City Council, including items on the agenda. The Mayor may determine whether an item is within the subject matter jurisdiction of the City Council. While all comments are welcome, the Brown Act does not allow City Council to take action on any item not on the agenda. Each speaker may speak for up to 3 minutes per matter, up to a total of 6 minutes if a speaker wants to comment on more than one matter. With respect to non-public hearing agenda items, speakers may provide their comments during "Public Comments" or at the time the agenda item is being considered. This is also the time for speakers to comment on items on the consent calendar that have not been previously removed by the City Council for individual consideration. For public hearings, speakers are encouraged to speak during the public hearing, if they want their comments to be included in the record for the public hearing.

Please complete the "Request to Address the City Council" card by filling out your name, city of residence, the item(s) you would like to offer public comment, and returning it to the City Clerk.

I. PLANNING COMMISSION QUASI-JUDICIAL DECISIONS (RECEIVE AND FILE)

This is an opportunity for a Councilmember to submit a written request that the City Council review the Planning Commission decision, in which case a duly noticed public hearing on the matter will be scheduled for a later date. In the absence of a written request, the matter will be received and filed by order of the chair.

The Planning Commission recently took action on the following matter(s):

J. CONSENT CALENDAR (APPROVE)

Items on the "Consent Calendar" are routine and customary business items and will be enacted with one vote. Removal of items from the Consent Calendar for individual consideration will be at a City Councilmember's discretion. In such case, the item will be heard during general business.

K. PUBLIC HEARINGS (2 MINUTES PER PERSON)**L. OLD BUSINESS****M. NEW BUSINESS****N. CITY COUNCIL REPORTS, OTHER COUNCIL BUSINESS, AND COMMITTEE AND TRAVEL REPORTS****O. FORECAST AGENDA AND FUTURE DISCUSSION ITEMS****P. INFORMATIONAL ITEMS**

This section is for items that do not require City Council action.

Q. CLOSED SESSION

R. ADJOURNMENT

S. FUTURE MEETINGS

CITY COUNCIL MEETINGS

BOARDS, COMMISSIONS AND COMMITTEE MEETINGS

T. CITY OFFICES CLOSED

CITY HOLIDAYS:

CITY OFFICES CLOSED ON FOLLOWING ALTERNATIVE FRIDAYS:

**FORECAST OF UPCOMING CITY COUNCIL MEETING ITEMS,
INFORMATIONAL MEMOS, & FUTURE AGENDA ITEMS**

(Items placed on the Forecast may not necessarily be in the order in which they will appear on the Agenda)

5/3/2017	<i>City Council Retreat and Closed Session – 8:30 AM Wednesday</i>
	Pledge –
5/4/2017	<i>Budget Study Session – 6:00 PM Thursday</i>
	Pledge –
	1. FY 2016-2017 Budget Status Report; Presentation of FY 2017-2018 Operating Budget Modifications for the Second Year of the Biennial Budget (Finance Director Moe) (Old Business)
	2. Presentation of Updated Pension Forecast; Options for Addressing Pension Unfunded Liabilities and Rising Pension Contributions; Establishment of a Pension Stabilization Trust Fund (Finance Director Moe) (Old Business)
	3. Presentation of the Proposed 5-Year Capital Improvement Program (CIP) for FY 2017/18 Through FY 2021/22 (Public Works Director Katsouleas) (Old Business)

**FORECAST OF UPCOMING CITY COUNCIL MEETING ITEMS,
INFORMATIONAL MEMOS, & FUTURE AGENDA ITEMS**

(Items placed on the Forecast may not necessarily be in the order in which they will appear on the Agenda)

5/16/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. Recognition to Northrop Grumman in Celebration of their Historic and Continued Development and their Production of Groundbreaking Chip Technology (Ceremonial)
	2. City Council Minutes (City Clerk Tamura) (Consent)
	3. Resolution of Intention to Provide for Annual Levy and Collection of Resolution No. 17-0045 Assessment for the Downtown Business Improvement District and Setting June 20, 2017 for a Public Hearing (Economic Vitality Manager Sywak) (Consent)
	4. Financial Report: Schedules of Demands: April 13, 2017 (Finance Director Moe) (Consent)
	5. Resolution Approving Assessment Engineer’s Report for Annual Levy of Street Lighting Assessments for Fiscal Year 2017-2018 (Finance Director Moe) (Consent)
	6. Resolution Declaring City Council's Intention to Provide for Annual Levy and Collection of Assessments for Street Lighting Maintenance and Setting of Public Hearing for June 20, 2017 (Finance Director Moe) (Consent)
	7. Approve Contract Amendment No.1 with Contemporary Kronos Incorporated to Provide Telestaff Workforce Management Software Update, User and Administrator Training, and Project Management Services in the Amount of \$--- and Annual Maintenance Fees of \$5,000 Each Year for Three Years (Fire Chief Espinosa) (Consent)
	8. Third Amendment to the Pass-Thru Agreement with Eyestone-Jones Environmental, LLC. for Environmental Review and Related Services for the Manhattan Village Mall Renovation Project (Community Development Director McIntosh) (Consent)
	9. Resolution Awarding Construction Contract to --- for the Manhattan Beach Boulevard Pavement Resurfacing, Traffic Signal Modification and Median Improvement Project (Sepulveda Boulevard to Aviation Boulevard) and Redondo Avenue, 10 th Street, 11 th Street and Oak Avenue Resurfacing Project for \$--- (Public Works Director Katsouleas) (Consent)
	10. Resolution Approving an Amendment to Task Order No. 2 with Anderson Penna Partners, Inc. in the Amount of \$55,200 for the Construction Management and Inspection Services for the Strand Stairs Rehabilitation Project (Public Works Director Katsouleas) (Consent)
	11. Resolution Awarding a Professional Services Agreement to Psomas for Engineering Design Services for Street Improvements Within Liberty Village and Along Marine Avenue Between Aviation Boulevard and Sepulveda Boulevard for an Amount Not to Exceed \$104,450 (Public Works Director Katsouleas) (Consent)
	12. Resolution Awarding a Construction Contract to Contractor --- for the 3 rd Street Improvement Project (Johnson Street to West End (Cul-de-Sac)) (Public Works Director Katsouleas) (Consent)
	13. Boards and Commissions Appointment (If Needed) (City Clerk Tamura) (Old Business)
	14. Reauthorization and Appropriation for Temporary Use of a Portion of General Fund Reserves for a Joint Funding Agreement Between the Cities of Manhattan Beach, Gardena and Hawthorne to Provide Advanced Funding to the South Bay Regional Public Communications Authority (RCC) for a Department of Homeland Security, Urban Areas Security Initiative (UASI) Reimbursable Grant for Construction of Interagency Communications Interoperability Systems (Finance Director Moe) (Old Business)
	15. Veterans Parkway Preliminary Design Presentation (Public Works Director Katsouleas) (Old Business)
	16. Presentation Regarding the Proposed Design Improvements to the Harrison Greenberg Foundation Roundhouse Aquarium Beautification Project. (Public Works Director Katsouleas) (Old Business)
	17. Valley Drive Neighborhood Traffic Management Plan Initial Measures (Community Development McIntosh) (New Business)

TENTATIVE DRAFT – SUBJECT TO CHANGE

**FORECAST OF UPCOMING CITY COUNCIL MEETING ITEMS,
INFORMATIONAL MEMOS, & FUTURE AGENDA ITEMS**

(Items placed on the Forecast may not necessarily be in the order in which they will appear on the Agenda)

5/30/2017	<i>Budget Study Session – 6:00 PM</i>
	Pledge –
6/5/2017	<i>Parks and Recreation, Library and Cultural Arts Commission Joint Meetings – 6:00 PM Monday</i>
	Pledge –
6/6/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge – Pacific Elementary School
	1. Recognition of Outgoing Commissioners (Ceremonial)
	2. Resolution Approving an Agreement with the City Prosecutor (City Attorney Barrow) (Consent)
	3. City Council Minutes (City Clerk Tamura) (Consent)
	4. Financial Report: Schedules of Demands: April 27, 2017 (Finance Director Moe) (Consent)
	5. Resolution Approving the Side Letter Agreement with the Manhattan Beach Fire Association Regarding Temporary Administrative Assignments (Human Resources Director Zadroga-Haase) (Consent)
	6. Authorize Enrollment in Cal-WARN, Authorize the City Manager to Sign the 2007 Omnibus Mutual Assistance Agreement, and Appoint the Public Works Director or Assigned Designee as the Representative Emergency Contact (Public Works Director Katsouleas) (Consent)
	7. Public Hearing Regarding the Renewal of Downtown Business Improvement District (BID) for Fiscal Year 2017-2018 Including Authorization to Enter Into an Agreement with the Downtown Manhattan Beach Business and Professional Association; and Authorization to Disburse Fiscal Year 2016-2017 Assessments Collected (Finance Director Moe) (Public Hearing)
	8. Conduct Public Hearing for an Appeal of a Use Permit for the Expansion for Skechers USA, Inc. (Community Development McIntosh) (Public Hearing)
	9. Discussion Regarding the Current Status of Utility Undergrounding (Public Works Director Katsouleas) (Old Business)
	10. Report on Southern California Edison’s Power Reliability in the City of Manhattan Beach (Public Works Director Katsouleas) (Old Business)
	11. Annual Review of the 9/80 Work Schedule (Human Resources Director Zadroga-Haase and Finance Director Moe) (New Business)
	12. Award RFP No. 1099-17 to Magellan Advisors, LLS and Adopt Resolution No. 17-0052 Approving and Agreement with Magellan Advisors, LLC for Fiber Master Plan Professional Services for the Amount of \$149,875 (Information Technology Director Taylor) (New Business)

**FORECAST OF UPCOMING CITY COUNCIL MEETING ITEMS,
INFORMATIONAL MEMOS, & FUTURE AGENDA ITEMS**

(Items placed on the Forecast may not necessarily be in the order in which they will appear on the Agenda)

6/20/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. Proclamation for the Month of July: (Ceremonial) a) Declaring July 2017 as Parks and Recreation Month b) Declaring July 2, 2017 as Salute to the Troops Day
	2. Recognition of Carter Gaede – Winner of the 7-9 Boys Division of the 2017 Drive, Chip & Putt Championship at Augusta National Golf Club (Ceremonial)
	3. City Council Minutes (City Clerk Tamura) (Consent)
	4. Approve Contract for Closed Captioning Professional Services for City Council and Planning Commission Meetings (City Clerk Tamura and Information Technology Director Taylor) (Consent)
	5. Financial Report: Schedules of Demands: May 11, 2017 (Finance Director Moe) (Consent)
	6. Public Hearing Adopting a Resolution of Intention to Provide for Annual Levy and Collection of Resolution No. 17-0045 Assessment for the Downtown Business Improvement (Economic Vitality Manager Sywak) (Public Hearing)
	7. Conduct Public Hearing Regarding Annual Levy and Collection of Street Lighting and Landscaping District Maintenance Assessments for Fiscal Year 2017-2018 (Finance Director Moe) (Public Hearing)
	8. Public Hearing and Adoption of Budget (Finance Director Moe) (Public Hearing)
	9. Consider Participation in a Community Choice Aggregation Program (Public Works Director Katsouleas) (Old Business)
	10. Update on Food Waste Recycling Program (Public Works Director Katsouleas) (Old Business)
	11. Report on Potential Downtown Maintenance Enhancements (Public Works Director Katsouleas) (Old Business)
	12. Discussion of Historic Preservation Commission (City Clerk Tamura and Community Development Director McIntosh) (New Business)
	13. Discussion of the Possible Reduction of the Board of Building Appeals from 5 to 3 Members; and Proposing New Parking and Public Improvements Commission Name (City Clerk Tamura and Community Development Director McIntosh) (New Business)
6/21/2017	<i>Planning, Parking and Parking Improvements and Historic Preservation Commission Joint Meetings – 6:00 PM Wednesday</i>
	Pledge –
7/5/2017	<i>Regular Meeting – 6:00 PM Wednesday</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Approval of Final Version of the Modernized and Updated Boards and Commissions Handbook (City Clerk Tamura) (Consent)
	3. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)
	4. Update on the Transfer of Broadcasting Services to PEGasus Studios (Information Technology Director Taylor) (Old Business)
	5. Manhattan Beach Economic Update (Economic Vitality Manager Sywak) (New Business)
	6. City Council Follow Up Regarding the March 7, 2017 General Municipal Elections (City Clerk Tamura) (Informational)

TENTATIVE DRAFT – SUBJECT TO CHANGE

**FORECAST OF UPCOMING CITY COUNCIL MEETING ITEMS,
INFORMATIONAL MEMOS, & FUTURE AGENDA ITEMS**

(Items placed on the Forecast may not necessarily be in the order in which they will appear on the Agenda)

7/18/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)
	3. Update on Report Received from SCE Regarding Manhattan Beach’s Inventory Analysis (Public Works Director Katsouleas) (Old Business)
	4. Approval of Boards and Commissions Draft Work Plans (Parks and Recreation Director Leyman and Community Development Director McIntosh) (New Business)
	5. Review of Potential Zoning Change Related to Medical Office Buildings and Urgent Care Facilities (Community Development Director McIntosh) (New Business)
	6. Sepulveda Corridor Process (Community Development Director McIntosh and Economic Vitality Manager Andy Sywak) (New Business)
8/1/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)
	3. Streetlight Pole and Lease Policy (Public Works Director Katsouleas and Information Technology Director Taylor) (New Business)
8/15/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)
9/5/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)
9/19/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. Recognition of the 40 th Anniversary of the Manhattan Beach 10K Run (Ceremonial)
	2. City Council Minutes (City Clerk Tamura) (Consent)
	3. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)
10/3/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)
10/17/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)
11/7/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)

TENTATIVE DRAFT – SUBJECT TO CHANGE

**FORECAST OF UPCOMING CITY COUNCIL MEETING ITEMS,
INFORMATIONAL MEMOS, & FUTURE AGENDA ITEMS**

(Items placed on the Forecast may not necessarily be in the order in which they will appear on the Agenda)

11/21/2017	<i>Regular Meeting – 6:00 PM Tuesday – City Council Reorganization Mayor Howorth/Mayor Pro Tem (TBD)</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)
	3. Capital Improvements Corporation (Finance Director Moe) (CIC)
12/5/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)
12/19/2017	<i>Regular Meeting – 6:00 PM Tuesday</i>
	Pledge –
	1. City Council Minutes (City Clerk Tamura) (Consent)
	2. Financial Report: Schedules of Demands: (Date) (Finance Director Moe) (Consent)

TENTATIVE DRAFT – SUBJECT TO CHANGE

**FORECAST OF UPCOMING CITY COUNCIL MEETING ITEMS,
INFORMATIONAL MEMOS, & FUTURE AGENDA ITEMS**

(Items placed on the Forecast may not necessarily be in the order in which they will appear on the Agenda)

INFORMATIONAL MEMOS

City Council Date Requested	Memo	Anticipated Date
9-1-15	Facility Strategic Planning	TBD
11-17-15	Update on Mediation Data	Q1 2017
8-2-16	Report on Details of Land Use and Soil Report for Parkview Site	Q1 2017
02-07-17	Information on Funding Sources to Increase the Service Area of the Downtowner and City’s Possible Use(s) for Measure M Funding	Q2 2017
01-17-17	Information on Zoning Code Requirements for Minimum Lot Size and Variance Requirements for Substandard Size Lot	Q1 2017
01-17-17	Update/Discussion of Joint Powers Between the Beach Cities Fire Departments	Q2 2017

FUTURE AGENDA ITEMS (Date TBD)

City Council Date Requested	Item	Anticipated Date
10-04-16	Discussion of Ongoing Membership with ICA	
	Report on the Timeline Estimates for Staff to Gather Stakeholder Feedback Regarding Construction of Residential Basements	
04-18-17	Report on the Future Plans Regarding National Pollutant Discharge Elimination System (NPDES) Stormwater Permit Requirements	
04-18-17	Report on Possible Funding Opportunities from Metro	
	Environmental Program Work Plan	

FUTURE MEETINGS TO BE SCHEDULED

City Council Date Requested	Item	Anticipated Date
	Joint City Council/Beach Cities Health District Meeting	TBD
	Joint City Council/Manhattan Beach Unified School District Meeting	TBD
	Joint City Council/Planning Commission Meeting - Mansionization	TBD
	Study Session Regarding Potential Impacts of Fire and Medical Services in Manhattan Beach (Presentation in Two Months)	TBD



Legislation Details (With Text)

File #: 14-0127 **Version:** 1

Type: Gen. Bus. - Staff Report **Status:** Passed

In control: City Council Regular Meeting

On agenda: 4/15/2014 **Final action:** 4/15/2014

Title: Update on Six Month Trial Period on Meeting Management and Open Government Initiatives (Senior Management Analyst Biggs).
RECEIVE REPORT AND APPROVE MODIFICATIONS

Sponsors:

Indexes:

Code sections:

Attachments: 1. Meeting Management Matrix, 2. August 13, 2013, Meeting Management Staff Report, 3. Updated Public Records Act Request Log

Date	Ver.	Action By	Action	Result
4/15/2014	1	City Council Regular Meeting	approved	
4/15/2014	1	City Council Regular Meeting		
4/15/2014	1	City Council Regular Meeting	approved	Pass

TO:
Honorable Mayor and Members of the City Council

THROUGH:
John Jalili, Interim City Manager

FROM:
Senior Management Analyst, David Biggs

SUBJECT:
Update on Six Month Trial Period on Meeting Management and Open Government Initiatives (Senior Management Analyst Biggs).
RECEIVE REPORT AND APPROVE MODIFICATIONS

RECOMMENDATION:
Receive report on Meeting Management and Open Government Initiatives and modify 1) agenda posting deadline to be end of day Wednesday, and 2) revert to action minutes in conjunction with enhanced video capabilities.

FISCAL IMPLICATIONS:
The only recommended action with a fiscal impact would be the return to Action minutes which would result in savings of \$24,000 a year or more of third-party vendor costs.

BACKGROUND:
The City Council has been engaged in two significant initiatives related to Meeting Management and Open Government.

The Meeting Management efforts were undertaken by the City Council as a whole. The culmination of these efforts occurred on August 13, 2013, with the final actions embodied in a resolution approved by the City Council on October 1, 2013. The Meeting Management items were implemented as set forth in Attachment 1 - Meeting Management Matrix. The Meeting Management Matrix was developed following the numbering system presented in the August 13, 2013, agenda item (Attachment 2), with modification/additions made based on how the items evolved. The Open Government initiative was initiated in 2011 and was tasked to the Ad Hoc Open Government Subcommittee consisting of Mayor Howorth and Councilmember Lessor. The Subcommittee identified 28 open government items which have been implemented over a period of time, with direction on the final six of the 28 also discussed by the City Council on August 13, 2013, with final decisions also made on October 1, 2013.

There is a level of overlap between the two initiatives which has been previously identified. Staff understood that the intent of the City Council was to review the general status of the items implemented at the six-month mark. Given the staggered adoption dates of various items, with the last implementing actions having been October 1, 2013, this item is being presented now to provide that review. It should be noted that there were five items where the City Council articulated a specific desired review period or feedback:

Meeting Management

- 1.b Parking Restrictions at City Hall During Council Meetings - modified restrictions approved with a 90 day trial period.
- 2.a Council Meeting End Time - the 10:30 PM and 11:00 PM rules were deleted.
- 2.b Posting of City Council Agendas - approved to require posting and production of agendas by the Wednesday before the regular Council meeting with staff to report back on any problems.
- 2.f I Setting a 15 Minute total Time Limit Per Speaker Per Meeting- setting a 15 minute total time limit per speaker each meeting for non-public hearing items was implemented on a six month trial basis.

Open Government

- 8. Policy on the format of minutes (action vs. summary) - summary minutes were to be produced for a six month trial period with an assessment of the additional cost and staff effort.

For some of the items implemented, April 15th would be the end of the six month period. An updated Public Record Act Request Log is also attached as that was an element of the Open Government discussions (Attachment 3). In addition, one element of the Open Meeting initiative was the discussion of a Sunshine Ordinance. Elements of what has been implemented related to Open Government fall within the scope of a typical Sunshine Ordinance. Examples of Sunshine Ordinances were reviewed by the Ad Hoc Open Government Subcommittee and a Sunshine Ordinance was touched upon by the City Council during the review and consideration of the Meeting Management and Open Government initiatives.

DISCUSSION:

The assessment of options and the implementation of the Meeting Management and Open Government initiatives occurred over an incremental period. Some of the items implemented have been in place since approximately May, 2013. Others were implemented as of October 15, 2013, and as such are near the end of a six month timeframe. This item has been developed to allow the City Council to assess and take measure of those items which have been implemented and to determine if there are any changes or modifications needed. It is also possible that this assessment could result in the identification of additional desired measures given the experience over the assessment period. This item will also allow for public input on the Meeting Management and Open Government initiatives.

Staff has also undertaken an assessment from an internal operations perspective and based on feedback received. The staff assessment is presented in two components. First the five items specified under Background above are reviewed and assessed below:

Parking Restrictions at City Hall During Council Meetings

As of October 25, 2013, 90 days had passed since the parking restrictions had been changed to allow for free parking after 5 PM weekdays. Staff had been making regular observations regarding how the lot was functioning under these revisions and the Council was solicited for any of their observations at that time. In December the City Traffic Engineer concluded an evaluation and found that beach parking or downtown employee parking was not evident on any occasion in the lower level of the Civic Center Parking Lot on various days after work hours. It was noted that the typical parking demand after 6pm on days without a public meeting is comprised of about 15 private vehicles and 15 city-owned vehicles. The lower level of the parking lot holds 103 vehicles. Based on the minimal parking demand, the City Traffic Engineer concluded that the existing parking restrictions are satisfactory at this time.

Council Meeting End Time

Elimination of the previous 10:30 PM and 11:00 PM rules and process has not seemed to hamper the conduct of the City Council meeting. The Council's current practice of handling the Council meeting duration and determining end time on an informal basis seems satisfactory.

Posting of City Council Agendas

City staff has been mostly successful in getting the Agenda posted and delivered on Wednesdays, but not by 4 PM for the posting and not always by 6 PM for delivery. The process for the development of the agenda and staff reports concludes with a final review of the draft agenda in the Department Head meeting conducted by the City Manager on Wednesday at 10 AM. Often there are revisions required to the agenda and/or staff reports which preclude it being posted by noon that day. Staff would recommend that the goal be revised for the posting of the agenda to be by the end of the day on Wednesday with the delivery of the packages to the Council by 6:00 PM on Thursday. The above modification would be implemented on a forward going basis subject to review of the agenda development and creation process by the new City Manager.

Setting a 15 Minute total Time Limit Per Speaker Per Meeting

The 15 minute time limit does not appear to be a problem for most wanting to participate in a City Council meeting. On occasion, one or two regular commenters have come close to the total time

limit. The tracking of cumulative time is a burden on staff and is not yet finely tuned, but seems to be working without any great detriment on staff's ability to facilitate the City Council meeting.

Policy on the format of minutes (action vs. summary)

The transition from action minutes to detailed summary minutes with the meetings also fully documented via the video archives has been costly in both dollars and staff time. The cost of the third-party vendor who prepares the summary minutes is \$175.00 for each hour of the meeting. City Council meetings last an average of 6 hours at a cost of \$1,050.00. With more than 24 City Council meetings a year, the total cost will exceed \$24,000 annually. In addition, once the draft summary minutes are received from the third-party vendor, they have to be reviewed by staff in the City Clerk's Office to ensure they are accurate, especially as to the spelling of names of those persons and locations with which the vendor is not familiar, and to ensure the motions and actions taken are correct. This often requires staff to review the video which is also time consuming and somewhat duplicative of the vendor's effort but unavoidable.

Given the high cost and the additional staff effort associated with the preparation of detailed summary minutes, staff recommends ending the trial period and returning to action minutes. This should be done in connection with enhancing the ability for those interested in reviewing the videos of the meetings to do so in a more user friendly manner.

Second, other observations and recommendations regarding the other items implemented or deferred are as follow:

- **Placing Items on the Agenda - At various City Council meetings, Councilmembers have asked about the process for a Councilmember placing an item on the agenda. The existing agenda format has a section for Other Council Business, Committee and Travel Reports, and Future Discussion Items. In most communities, items raised for future placement on an agenda require the concurrence of a majority of Councilmembers or are considered through a two-step process. The current practice in Manhattan Beach is that if two Councilmembers concur regarding a future agenda item it can be placed on a future agenda. Clarification as to the City Council's preferred option should be included in the meeting management resolution.**
- **Removal of Consent Calendar Items by the Public - This practice has been implemented with items pulled by the public. At times, a member of the public may pull an item which is deferred until later in the evening and the member of the public is not present when the item is taken up. This requires staff to stay for an item, often for many hours, only to find that there is no need to have stayed. In most communities, the public is provided an opportunity to comment on Consent Calendar items not pulled by a Council Member before action. This presents an opportunity for the Council or staff to respond to questions while still taking action on the Consent Calendar item or alternatively adding that item to those items pulled before action. An alternative to the current process may be desirable.**

The Ad Hoc Subcommittee on Open Government did discuss the interplay between their efforts and a Sunshine Ordinance in a number of meetings. The possibility of adopting a Sunshine Ordinance will be considered by the City Council at a later date.

CONCLUSION:

The Meeting Management and Open Government initiatives implemented six months or more ago

overall seem to be working well with modifications recommended in two areas: extending the agenda posting to the end of day Wednesday and delivery deadline to 6:00 PM Thursday; and reverting to Action minutes in association with enhanced video review capabilities. In addition, the City Council can provide direction as to other possible modifications or changes.

Attachments:

1. Meeting Management Matrix
2. August 13, 2013, Open Government Staff Report
3. Updated Public Records Act Request Log

Chapter 10.100 - APPEALS AND COUNCIL REVIEW^[3]

Sections:

Footnotes:

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Editor's note— Ord. No. 15-0015, § 3, adopted June 16, 2015, amended Chapter 10.100 in its entirety to read as herein set out. Former Chapter 10.100, §§ 10.100.010—10.100.060, pertained to appeals, and derived from Ord. No. 1832, amended January 17, 1991; Ord. No. 1838, renumbered July 5, 1991; Ord. No. 1951, effective July 4, 1996 and Ord. No. 2118, effective November 21, 2008.

10.100.010 - Appeals.

- A. Decisions of the Community Development Director may be appealed to the Planning Commission, and decisions of the Planning Commission may be appealed to the City Council. The decisions of the Planning Commission will be placed on a City Council agenda within the time period specified below for Council review.
- B. Anyone wishing to appeal pursuant to this chapter must timely file with the City Clerk a written notice of appeal, on a form provided by the Community Development Department, and with the applicable required appeal fee set by City Council resolution. The notice of appeal shall specify the basis for the appeal.
- C. The appeal period ends at the close of the business day for City Hall on the twentieth day following the decision. If the twentieth day falls on a weekend or City holiday, the appeal period ends at the close of business on the next working day.
- D. The appeal shall be heard within sixty (60) days of the City Clerk's receipt of the appeal, unless the applicant and appellant consent to a later date. An appeal shall be heard at a public hearing de novo if the decision being appealed required a public hearing. Notice of such a public hearing shall be given in the same manner required for the decision being appealed.
- E. The effectiveness of a decision subject to appeal shall be stayed pending completion or withdrawal of the appeal.

(§ 3, Ord. 15-0015, adopted June 16, 2015)

10.100.020 - Council review.

- A. The City Council shall review a Planning Commission decision if a Council member files a Council review form with the City Clerk on or before the twentieth day following the decision. For all requests for review, it shall be presumed that the reason for the request is that the decision may have significant and material effects on the quality of life within the City, or that the subject matter of the decision may have City-wide importance warranting review and determination by City's elected officials. Bias shall not be presumed or inferred due to a request for review.

The City Clerk shall prescribe a review form, which shall be available free of charge. The City Clerk shall schedule the review hearing for commencement within sixty (60) days of the request for review. The review shall otherwise follow the same procedures as appeals in this Chapter.

- B. Public notice of the hearing shall be provided in the same manner, if any, as was provided in connection with the consideration by the Planning Commission.
- C. The Council review hearing shall be conducted as a hearing de novo.
- D. The effectiveness of a decision subject to Council review shall be stayed pending completion of the Council review proceedings.

(§ 3, Ord. 15-0015, adopted June 16, 2015)

10.100.030 - Decision.

The appellate or reviewing body may uphold, overturn, or modify the decision of the inferior body. Any such action shall be made by resolution and supported by findings. Alternatively, the appellate or reviewing body may remand the matter for further consideration by the inferior body. In the event of a tie vote by the Planning Commission, the decision of the Community Development Director is effective. In the event of a tie vote by the City Council, the decision of the Planning Commission is final.

(§ 3, Ord. 15-0015, adopted June 16, 2015)

10.100.040 - Effective date.

A decision by the City Council regarding an appeal or Council review shall become final on the date of the decision. A decision by the Planning Commission regarding an appeal shall become final on the date of the decision, unless appealed to the City Council, or called up for review pursuant to Section 10.100.020.

(§ 3, Ord. 15-0015, adopted June 16, 2015)

10.100.050 - Resubmittal.

In the event the Commission or City Council takes final action to deny an application or request, such application or request cannot be resubmitted within one year, unless the denial is made without prejudice.

(§ 3, Ord. 15-0015, adopted June 16, 2015)

MAJOR PROJECTS BY DEPARTMENT (Resource Intensive)

POLICE	FIRE	INFORMATION TECHNOLOGY
<ul style="list-style-type: none"> ➤ ALPR & Community Camera Project Implementation ➤ Interoperability Enhancement Project/Radio Replacement ➤ Computer Aided Dispatch Replacement ➤ Records Management System Replacement ➤ Crisis Response/Mental Illness Training ➤ 2016-2018 Strategic Plan Implementation ➤ Blue Checks Fingerprint Reader Implementation ➤ Engagement with Citizens via Social Media 	<ul style="list-style-type: none"> ➤ Developing a succession plan for all Fire Department ranks ➤ Improving report documentation and data collection, including use of new technologies ➤ Implementing the recently created fire permit program for occupancies and processes and working with affected parties ➤ Comprehensive update to fire's records management system and considering coordination with new dispatch software 	<ul style="list-style-type: none"> ➤ City Website Redesign ➤ City-wide Fiber Master Plan ➤ Enterprise Resource Planning (ERP) system to support Finance and Human Resources operations ➤ New Permits System with online user interface ➤ Research and review possible Agenda Management solutions ➤ Complete Network Expansion project to support free public WiFi and increase the capacity of current network
PARKS AND RECREATION	PUBLIC WORKS	HUMAN RESOURCES
<ul style="list-style-type: none"> ➤ Joint Use Agreement with the Manhattan Beach Unified School District ➤ Update Field Allocation and Facility Policy ➤ Update Special Event Policy ➤ Update Tree and Bench and Strand Bench Donation programs and policies. ➤ Parks Master Plan Request for Proposal ➤ Manhattan Village Turf Replacement and Marine Avenue Park Infield Turf ➤ Installation in Partnership with Community Sports Groups. ➤ Commission Work Plan Development with the Cultural Arts, Parks and Recreation and Library Commissions ➤ Implement Sand Dune and Tennis Reservation system updates ➤ Evaluate Sponsorship Opportunities 	<ul style="list-style-type: none"> ➤ Sepulveda Widening Construction Project ➤ Other Significant CIP Projects <ul style="list-style-type: none"> - Peck Reservoir Replacement - Poinsettia Sewer Lift Station Reconstruction - Pier and Roundhouse Aquarium Renovation - Citywide Wayfinding Signage - Citywide Facility Improvements ➤ Big 3 – Fire Station 2, City Hall and Begg Pool ➤ Complete Street Tree Master Plan ➤ Veterans Parkway Masterplan and Access Improvements ➤ Renewable and Energy Efficiency Programs <ul style="list-style-type: none"> - Community Choice Aggregation (CCA) - Environmental Workplan Update - Streetlight Purchase and LED Retrofit ➤ Residential Utility Undergrounding 	<ul style="list-style-type: none"> ➤ Complete transition to new Risk Pool ➤ Update and Implement City's Safety Policy and Program. ➤ Develop Medical Provider Network for treatment of Workers Compensation injuries. ➤ Develop a risk funding policy. ➤ Develop a rate allocation policy for appropriately allocating charges to departments for ISF funding contributions. ➤ Review and update Personnel Rules and Personnel Instructions. ➤ Negotiate first collective bargaining agreement with the newly formed MBMEA. ➤ Complete city-wide total compensation survey and analysis.

MAJOR PROJECTS BY DEPARTMENT (Resource Intensive)

FINANCE	MANAGEMENT SERVICES	COMMUNITY DEVELOPMENT
<ul style="list-style-type: none"> ➤ Non-Profit Funding Policies and Procedures ➤ Audits of City Ground Leases, including: <ul style="list-style-type: none"> - Manhattan Country Club - 1334 Parkview Office Building - Metlox complex ➤ Conduct audit of MBS Media Campus business license agreement ➤ Streamline contracting procedures and payment processes while also improving internal controls ➤ Audit of utility bills from utility providers ➤ Selection of new Enterprise Resource Planning (ERP) system ➤ Revisit Storm Water and Street Lighting funding analyses and options ➤ Pension issues: <ul style="list-style-type: none"> - Options for addressing unfunded pension liabilities (rate stabilization fund, pay-down, re-amortization, etc.) - Absorbing increased pension costs from new discount rate ➤ FASB74 implementation for FY 2016-2017, which applies the same rules as CASB68 (net pension liabilities) to Other Post Employee Benefits (OPEB) 	<ul style="list-style-type: none"> ➤ Employee Engagement and Development Programming ➤ Organizational Leadership ➤ Facilitate City Council Initiatives and Support Ongoing Success ➤ Ongoing Civic Engagement ➤ Business Engagement Activities <ul style="list-style-type: none"> - Website/Social Media - Printed collateral - Coordinate BID's <ul style="list-style-type: none"> - Assist local businesses ➤ Update agreement with MBUSD ➤ Automated Agenda Solution and Closed Caption Services ➤ Campaign and Conflict of Interest Filing on City Website ➤ Digital Public Records Online, including Contract Management and E-Signatures 	<ul style="list-style-type: none"> ➤ Downtown Specific Plan Implementation ➤ Historic Preservation ➤ Mobility Plan Update ➤ Development Projects <ul style="list-style-type: none"> - Manhattan Village Mall Project - Gelson's Project <ul style="list-style-type: none"> - Crossing Guard Study - Skechers HQ EIR - Rosecrans/Highland (NE corner) Mixed-Use project ➤ Document Management System ➤ Permitting Software Solution ➤ Management Solutions Space Planning ➤ Special Traffic Studies/Grants <ul style="list-style-type: none"> - HSIP 2012 Sepulveda/8th St. Project - Neighborhood & Traffic Safety Studies - Veterans Parkway Crossing Study ➤ Downtown Parking Management Plan Update ➤ Accessory Dwelling Units ➤ Short-Term/Vacation Rentals

Efficiency Measures by Department

Police

1. Implemented Administrative Investigations Management software.
2. Moved the Park Ranger functions to PD to enhance efficiency and effectiveness of park enforcement.
3. Installed Automatic Vehicle Location services in patrol and field vehicles to make operations and regional response more efficient.
4. Trained additional personnel in Nixle to enhance efficiency of communication with our community.
5. Implemented the Residential and Commercial Security Camera Registration Program to enhance efficiency of the investigative process.
6. Implement Training Management Software.
7. Implement Background Investigations Management software.
8. Enhance field investigations through the deployment of mobile fingerprint identification technology for patrol vehicles.
9. Implement Palantir/Smart Justice access to enhance information sharing and expedite investigations.
10. Make interoperable communications more efficient by transitioning to the ICIS communication system.
11. Enhance investigative abilities with the installation of community cameras and ALPRS at points of ingress and egress.
12. Create a comprehensive Communication Plan.

Fire

1. Collecting patient care records electronically (ePCRs), which improves data collection and ambulance billing documentation.
2. Modified vehicle serving schedules to better coordinate with trainings and fire inspections.
3. Monthly station inspection program to identify maintenance concerns and reduce work related injuries.
4. New child car seat installation trainings to certify CERT members and Fire Department staff in performing those installations.

Community Development

1. Creation of Performance Measure Logs that will track Plan Check turnaround logs for Planning and Building.
2. A counter tracking system to determine counter flow, type of service and wait-times.
3. Revamped inspection log, which has increased the efficiency of inspection requests.
4. Building Record Report processing time has been reduced well over 50+% due to cross training. Wait time has been reduced from 10-20 working days, to 5 working days or less.

Parks and Recreation

1. Restructured Dept. Administration structure to enhance communication and collaboration among different divisions, while providing salary cost savings.
2. Reviewed use of no show letters and resulting outcomes and chose to discontinue practice, saving significant staff time and community confusion.
3. Implemented digital, real-time routing information system for Dial a Ride scheduling and tracking, which has improved communication and data collection.
4. Introduced tablets to be used for park inspections and access to real-time information regarding class registration at different facilities.
5. Installed Comet Tracker app on City-issued phones to allow for easy staff location when necessary.
6. Moved the Park Ranger functions to PD to enhance efficiency and effectiveness of park enforcement.
7. Increased use of digital tools and resources, including releasing the quarterly Manhappenings online and promotion of events via social media and email, which creates cost savings by cutting back on printing and postage.
8. Leveraged Los Angeles County grant funding to construct new community Skate Park.
9. Implemented more efficient processes for participants to make clay purchases and reserve open studio time, which decreased redundancy and scheduling errors.
10. Introduced a Sports Coordinator position that eliminated redundant part-time positions and will manage playing field use and expand adult sports leagues, increasing revenue.
11. Established an Older Adults Program phone line for reservations, which allows for more accurate reservation tracking.
12. Maintain and fortify partnerships with community groups and agencies in order to offer additional programming at minimal cost to City.
13. Outsourcing non-essential staff functions, such as event staging, in order to more effectively use staff skills.

Public Works

1. Transitioning City-owned highway safety lights above signaled intersections to LED lamps, which will create approximately \$31,000 in savings each year.
2. Implemented Water Distribution System Flushing maintenance program to clear pipelines, while significantly reducing water loss by up to 29 million gallons of water.

Management Services

1. Consolidated Public Records Requests so each dept. has one contact person and all requests come through the same trackable system.
2. Review of contract processes in the City and standardization of contract approvals.
3. Created standard staff report template with common language and brief description to streamline reporting.

4. Uploading physical contracts, resolutions, agendas and other documents that are not currently available in a digital format and making them accessible through the City's website.
5. Increased capacity of City Manager to authorize purchases below a certain dollar amount.
6. Implemented transparency measures for financial information and civic processes, such as Sunshine Ordinance.
7. Added online engagement options for community members to provide feedback outside of meetings

Finance

1. Implemented internal monthly budget and fiscal performance checklists for each department to ensure careful review of monthly budget activity.
2. Designated a Budget Lead for each department to coordinate report reviews and financial reporting.
3. Published a "Budget-At-A-Glance" document that summarizes relevant budget information and increases accessibility and transparency.
4. Upgraded cashiering system to integrate with current financial management solution for more efficient information tracking.
5. Completed cross-training in Revenue Services so that more employees were trained in multiple functions, which improves functionality and customer service.
3. Improvements to the City Yard that better address storm water pollution, maximize the facility's limited space and provide more secure private storage.

Human Resources

1. New Hire Onboarding Checklist for the first full year of employment to track follow-up with new hires to address concerns/issues and facilitate.
2. Development of onboarding PowerPoint that will be available on the intranet for use and reference by new hires.
3. Tracking of part-time, temporary and retired annuitant employees and development of notification system to alert hiring departments to hours limits.
4. Tracking of and reporting performance evaluation due dates to departments.
5. Tracking of grievances and appeals to collect information about outcomes, mediators, ALJ's, etc.
6. Improving organization and communication around training programs (considering development of semiannual training publication and designation of department training liaisons).
7. Development and delivery of contracts processing training
8. Transitioned from the City's current risk pool to a more efficient and regionally appropriate pool that results in comprehensive coverage, maximized risk smoothing due to increased geographic and member diversity and market leverage for competitive rates.

Information Technology

1. Initiated City website redesign based on website use data and analytics, which increases accessibility of information and user experience.

2. Outsourcing broadcast services to receive cost savings, gain more efficient use of staff time and reduce use of overtime hours.
3. Renegotiated City's telecommunications data plan for cost savings and more appropriate coverage.

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Contemporary Challenges in Local Government: Evolving Roles and Responsibilities, Structures, and Processes

Editor’s Note: The International City/County Management Association (ICMA) celebrates the 100th anniversary of its founding in 2014. This article is the first of several that will appear during the next year about the council-manager plan to commemorate ICMA’s 100th anniversary.

JLP

Three contemporary leadership challenges face local governments today. The first encourages department heads to more actively work the intersection between political and administrative arenas. The second promotes collaborative work, synchronizing city and county boundaries with problems that have no jurisdictional homes. The third argues that citizen engagement is no longer optional—it is imperative—and that connecting engagement initiatives to traditional political values and governing processes is an important mark of successful community building. These three leadership challenges stem from a widening gap between the arenas of politics and administration—that is, between what is politically acceptable in public policy making and what is administratively sustainable. The gap is fueled by conflicting trends experienced locally and common internationally. Failure to bridge this gap between political acceptability and administrative sustainability results in decreasing legitimacy for governing institutions and increasing challenges.

The purpose of this article is to stimulate conversations around contemporary leadership challenges in local government. The challenges that we identify represent adaptations in local government roles and responsibilities, structures, and processes in response to a changing local government environment. Most prominent in that environment is the increasingly difficult task of connecting what is “politically acceptable” and “administratively sustainable”—politics and administration. The difficulty is

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accentuated as the widespread trends of administrative modernization and the politics of identity are experienced locally.

We begin by describing the forces of modernization and the politics of identity and how their juxtaposition widens the gap between what is politically acceptable and administratively sustainable. Then, we briefly discuss bridging the gap as the fundamental prerequisite for effective governance. That is followed by identification and discussion of how local governments are attempting to bridge the gap and the challenges encountered. We conclude with practical and conceptual guidance for the local government professional administrator.

Administrative Modernization and the Politics of Identity

In the mid-2000s, the International City/County Management Association (ICMA) launched a project to identify practices that professional local government administrators bring to their communities. The findings reinforced the chief administrative officer’s role working in and bridging the gap between the arenas of politics and administration (Keene et al. 2007). Among the six practices identified, one in particular conveys an expectation that city and county managers should become more involved with community partners, including elected officials, to facilitate community and enable democracy: *Professionals help build community and support democratic and community values.*

Professional managers help build community by facilitating partnerships among sectors, groups and individuals. They work with informal groups of people as well as established groups, organizations, and other governing institutions. Local government professionals—through their values, training, and experience—support

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democratic values and work effectively toward inclusion, accountability, and transparency. Developing effective partnerships with elected officials and generating community engagement are as important as the efficiency and effectiveness of service delivery in helping to build a sense of community (Keene et al. 2007, 38).

Today, the professional manager's role in policy making and community building is widely accepted, yet role expectations once again have garnered attention. Contemporary city and county managers find their facilitating or bridging role in community building complicated by two contemporary forces that we refer to as "administrative modernization" and the "politics of identity" (Nalbandian 2005). These forces extend well beyond individual communities, informing discussions of international relations. James Rosenau suggests their breadth and significance: "the best way to grasp world affairs today requires viewing them as an endless series of distant proximities in which the forces pressing for greater globalization and those inducing greater localization interactively play themselves out" (2003, 4). We contend that understanding these trends is critical to comprehending the serious challenge posed by bridging the gap between political acceptability and administrative sustainability in local communities. Failure to make the connection means that public concerns are unattended or addressed ineffectively, and lack of trust and legitimacy in government results (Pew Research Center 2012).

Administrative Modernization

According to Rosenau, modernization includes these elements:

- A communications revolution that rapidly transmits ideas, information, images, and money across continents
- A transportation revolution that hastens the boundary-spanning flow of people and goods
- An organizational revolution that has shifted the flow of authority, influence, and power, beyond traditional boundaries
- An economic revolution that has redirected the flow of goods, services, capital, and ownership (2003, 51).

The impact of these revolutions is to create more administrative homogeneity throughout the world than previous generations saw. The literature on modernization and globalization suggests two characteristics that affect the design and practice of contemporary public administration. First, hard data drive out soft data when there is confidence in an understanding of cause and effect in production processes (Thompson 1967). One would not think today of assessing property without the benefit of electronic databases and statistical formulas, and actuarial tables are essential to pension calculations, for example. Second, the efficiency goal of administrative practice is to increase quality and reduce variation in outputs (Deming 1986) at the cheapest cost.

Standardization and centralization—based on confidence in cause-and-effect relationships in production processes grounded in empirical evidence—are designed to produce high-quality efficiency.

Politics of Identity

Simultaneously, increasing quality and reducing variation through standardization

and evidence-based best practices challenges what is spontaneous, unique, and experiential because these are sources of variation. The second trend, the politics of identity, is the desire to hold on to variation and to place value on one's experiences and to differentiate oneself, one's group, or one's community from others. Today's emphasis on branding in local governments internationally reflects this desire to differentiate one jurisdiction from another to counter the modernizing pressures toward standardization; the desire to tell a community's story offers soft evidence that uniqueness—variation—is valued. Howard Gardner insightfully writes about storytelling and leadership by employing examples of compelling narratives that speak to the mind but reach for the heart (Gardner and Laskin 1995). According to Gardner, the most powerful stories are those that touch one's identity—who we were, who we are, and what we can become. Here are a couple of examples of the ways in which identity and associated emotions and beliefs play out in local policy issues:

- A set of three San Francisco suburban cities came to an agreement on shared fire and emergency response services based on discussions about efficiency and effectiveness. The stumbling block was whether the smaller jurisdictions would have to give up their logos on the equipment.¹ This seems trivial, until one realizes that the logo symbolizes independence and a sense of community identity.
- The city of Owasso, Oklahoma, passed a resolution in 2002, declaring itself a "City of Character." The city's Character Initiative is overseen by Owasso's human resources department and a Character Council, composed of members from each sector in the community. The city focuses on a new character trait each month, and the Character Council helps promote it to the public. Banners throughout the community are changed to reflect the new monthly character trait, information is disseminated through utility bills, and a separate Web site promoting Owasso's Character Initiative has been developed (<http://www.owassocharacter.org>). Michele Dempster, the city's human resources director and character coordinator, believes that the majority of community members support this initiative and that bringing "character" into a community-wide discussion has reflected very positively on Owasso's identity.²

In the quest for identity, Gardner (1991) issues caution in introducing us to the concept of the "unschooled mind." The unschooled mind is driven by intuition and emotion that emanates from interests that touch one's self-regard. It is comparable to the allure of the "confirming mind," a human predisposition that seeks confirmation of one's views rather than challenges (Bialik 2012; Festinger 1957; Finkelstein, Whitehead, and Campbell 2008).

In contrast, in the arena of administrative modernization, enhanced analytical capacity means more data, which reveals more complexity. Problems that formerly might have been seen in relatively simple terms are now subject to complex statistical analyses growing out of increasingly large databases, often producing alternatives qualified by probabilities. But the increasing sophistication of policy development and analysis is undermined by the

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simplistic themes and symbols contained in today's political stories and campaigns, often anchored in an idyllic sense of a past dominated by images of "the way we never were" (Coontz 2000). The city and county manager and administrative staff work in the realm of data and analysis with sober concerns for what is administratively sustainable, while elected officials are working to develop what is politically acceptable within the often emotional context of community identity. The juxtaposition of the trends of modernization and identity accentuates and accelerates the gap.³ And we should remind ourselves of the proposition that connecting the two is a prerequisite for effective governance (Appleby 1949, 47).

Leadership Challenges and Methodology

We have identified three leadership challenges associated with bridging the gap between what is administratively sustainable and what is politically acceptable.⁴ The three focus on roles and responsibilities, structures, and processes of local government, suggesting their scope and importance. We will identify them and then describe how they were selected.

- **Leadership Challenge 1:** Create and reinforce roles and responsibilities below the position of city/county manager or chief administrative officer that bridge the gap while avoiding political alignment or administrative compromise.
- **Leadership Challenge 2:** Synchronize government jurisdictions and other structures of authority with problems to be solved, valuing networks, collaborative relationships, and skills.
- **Leadership Challenge 3:** Integrate citizen and other forms of engagement (planned and spontaneous, including social media) with traditional local government structures and processes.

We employed a variety of qualitative approaches to identify the challenges. These included in-depth discussions with the leadership team in the city of Olathe, Kansas; electronic consultation with a professional network of local government administrators and academicians created when the ICMA challenged its members to articulate the value that professional management contributes to local jurisdictions (Keene et al. 2007); and the personal and professional experiences of the team of authors, which incorporates a wide range of academic and professional local government perspectives.

We drew on the experiences of the Olathe, Kansas, leadership team to develop our leadership agenda. Engagement with the city of Olathe was stimulated by the Alliance for Innovation's request to identify contemporary challenges facing an innovative Midwestern city, and the Alliance suggested that we focus on Olathe. At the Alliance for Innovation's Big Ideas Conference in Fort Collins, Colorado, in the fall of 2011, we shared our findings alongside those from San Jose, California, and local governments in North Carolina.

The leadership team in Olathe consisted of the city manager, assistant city manager, eight department heads, and 11 of their immediate staff, including division managers. There were 21 people on the team in this city of approximately 125,000, located in the Kansas City metropolitan area. Olathe is a suburban community with a

history of growth. It is accustomed to professional government, has a stable council, and is regarded nationally among local government professionals and academicians as innovative. In the last decade, the city has seen significant growth in its immigrant population and, like other local jurisdictions, has found itself in a retrenchment mode for a couple of years.

We met with the leadership team on three occasions; the leadership challenges were identified as a result of these meetings. At the first meeting, we suggested to team members that bridging the gap between political acceptability and administrative sustainability is the fundamental prerequisite for effective governance. We asked team members to think about challenges that they face bridging this gap, and we agreed that the challenges could be grouped into three broad categories: roles and responsibilities, structures, and processes of governance. On the second and third occasions, a discussion was held with the leadership team further refining the challenge areas. Following these meetings and a literature review, the final versions of three challenges were established. We then asked leadership team members to provide written examples of the challenges, which they provided to the authors by e-mail.

To test the validity of these three challenges among local government professionals more generally, we subjected them to national scrutiny. We invited a select group of 75 city and county managers, drawn from an ICMA professionalism task force (Keene et al. 2007), to comment on each of the leadership challenges. This group of city and county managers was sent the following phrasing for the challenge areas, with each sent in a separate e-mail:

Leadership Challenge 1: How to create and reinforce bridge-building roles and problem-oriented approaches without becoming politically aligned or administratively compromised; Leadership Challenge 2: How to synchronize government jurisdiction and other structures of authority with problems to be solved—imperative for collaborative relationships and skills; Leadership Challenge 3: How to incorporate citizen engagement (planned and spontaneous, including social media) with traditional local government structures and processes.

We received 13 responses. The first leadership challenge, focusing on roles and responsibilities, drew the most interest, with the responses suggesting that it is an emerging and controversial practice in local government. A discussion of each leadership challenge follows.

Leadership Challenge 1: Roles and Responsibilities

Create and reinforce roles and responsibilities below the position of city/county manager or chief administrative officer that bridge the gap while avoiding political alignment or administrative compromise.

City and county managers and some mayors are familiar with "working the gap" between administrative sustainability and political acceptability (Nalbandian 2001; Nalbandian and Nalbandian 2002, 2003; Svava 2009), and much has been written about the importance of council-staff effectiveness since initiation of the

We have identified three leadership challenges associated with bridging the gap between what is administratively sustainable and what is politically acceptable.

council-manager form in the early twentieth century (Nalbandian and Portillo 2006). Today, most managers recognize this as part of their role. For example, in an e-mail correspondence (March 2, 2012), Jim Ley, former county manager of Sarasota County, Florida, asked philosophically, “Is it not our responsibility [city and county managers] to be the stewards of the system we manage, to teach where teaching is absent, to demand accountability to our fundamental values of governance . . . Are we courageous enough to manage the narrative of the public good that is based in assuming such a role?” More directly, Ken Hampian, former city manager of San Luis Obispo, California, suggested that bridging the gap is a core requirement for many positions and that city (and county) managers must be the role models for department heads in this regard. Further, he suggested that some city (and county) managers “just don’t get the more textured nature of the job and public and organizational leadership skills/attitudes needed today. They tend to work within a paradigm that is black and white (where staff, of course, is wearing the white hat and is protector of all that is good, just and honorable)” (e-mail correspondence, February 19, 2012).

As the gap increases—to a significant degree, attributable locally to the tensions between administrative modernization and the politics of identity—the city and county manager’s role as a “bridge builder” is accentuated, and he or she is likely to spend more time with the governing body and community members than in the past. This leaves less time for managers to translate political thinking into administrative problems to be solved for the benefit of staff. One important consequence is that department heads—who formerly earned respect for running their departments efficiently and effectively and producing policy-related information and recommendations—are now expected to move into the gap and to understand, respect, and contribute to the concept of “political acceptability.” According to O’Neill (2012), once in the gap, they are expected to broaden their mental maps to focus on common public problems such as economic development, safety and security, health care, education, and the environment, requiring an interdisciplinary, interdepartmental approach that may extend beyond the organization itself.

This effect was confirmed in our discussions with the Olathe leadership team and in the responses from the national respondents. Those department heads who today add value are not the ones who simply accept “politics” or who in the past have worked the gap to their own department’s advantage. Instead, they understand the values trade-offs that are taking place, and they increasingly find themselves involved in the world of politics—which the manager can no longer shield them from—becoming sensitized to political dynamics, it is hoped, without being captured by them (Nalbandian 2001). Katy Simon, county manager of Washoe County, Nevada, made this point succinctly: “I believe considerable training and mentoring is needed to help department leaders successfully navigate the political landscape. Another angle on this issue is the perilous tendency of some department heads to coalesce with a single elected leader or a faction that expresses particular interest in their department . . . this

can result in numerous meetings without the manager, information exchanges that do not include the manager or assistant manager, and the risk of engendering ill will with the other electeds” (e-mail correspondence, February 17, 2012).

Debra Figone, city manager of San Jose, California, added, “Department heads are agents of the city manager, not free agents; working in the gap to meet my expectations is imbedded in this principle” (e-mail correspondence, February 20, 2012). However, as Michael Wilkes, city manager of Olathe, Kansas, pointed out, because of the complex environment that administrative staff find themselves in (described in Leadership Challenge 2), the city or county manager must trust that department heads will act in concert with team goals and culture. This puts the manager in a vulnerable position, risking that department heads will use their discretion in working the gap to increase their own power base and credibility, possibly at the manager’s expense (e-mail correspondence, March 23, 2012). Simon alluded to this earlier.

While political capture or alliance requires caution as department heads move into the gap, the department head faces another challenge: appearing to his or her staff as abandoning administrative and professional integrity, as well as standing up for his or her department employees. Figone reinforced this point when she observed that in San Jose, where there is acute fiscal stress, attention has shifted to pension obligations. She noted that the chiefs of the public safety departments are put in a particularly difficult position, as they must weigh their obligations as agents of the city manager with obligations to their staff. Likewise, Wilkes indicated that although ideological politics are filtering down to the local level with more evidence of uncompromising positions, it is not unusual for the city or county

manager to be challenged by an administrative cadre that (1) has become more specialized and discipline oriented and (2) at times is not ready to accept that a “reset” in local government is occurring (interview, September 7, 2011). In a subsequent correspondence, Wilkes continued to discuss this challenge: “The manager may intuitively know that a staff initiative is politically unacceptable at the same time that staff feels it is not only administratively sustainable, but an administrative imperative. These moments challenge the manager’s ability to lead the organization, raising questions in staff’s eyes regarding the manager’s commitment to the organization and professionalism” (March 23, 2012).

Leadership Challenge 2: Structures and Values

Synchronize government jurisdictions and other structures of authority with problems to be solved, valuing networks, collaborative relationships and skills.

A widening gap signifies the inability, reluctance, or lack of authority of government institutions to effectively deal with public problems (Pollitt and Bouckaert 2011; U.S. House of Representatives 2011). At the local level, the scope of the problems faced often extends beyond the jurisdiction’s authority (Frederickson 2007;

As the gap increases—to a significant degree, attributable locally to the tensions between administrative modernization and the politics of identity—the city and county manager’s role as a “bridge builder” is accentuated, and he or she is likely to spend more time with the governing body and community members than in the past.

Rosenau 2003). Classic cases involve policy issues such as economic development, transportation, the environment, and land use in metropolitan areas. Meanwhile, the desire for local identity, one of our dominant trends, and community branding may actually work against the integrated responses needed to solve problems that cross jurisdictions (Tschirhart, Christensen, and Perry 2005).

A classic response to challenges in which formal jurisdictional authority and problem dimensions are incongruent is the creation of regional public authorities (Dodge 2010). In these cases, the authority is legitimized in the law. Yet even here, the issue may be much more complex and go well beyond organizations that have legal authority. For example, dealing with issues of homelessness locally may involve not only government action that is grounded in the law but also the work of churches, nonprofits, and foundations—each of which has its own claim to legitimacy. Rosenau (2003) employs the concept of “structure of authority” to explain that any party may claim legitimacy, with some being able to elicit more compliant responses and engagement than others. He observes that beyond the law, authority may reside in expertise, tradition, and moral claims. The structure of authority concept is helpful in crafting the second challenge. Because no single entity, regardless of its source of legitimacy, can solve perplexing problems that extend beyond its boundary of legitimacy, the leadership challenge is how to assemble and coordinate various structures of authority into effective networks of responsibility and sources of service delivery (Feldman 2010; Frederickson 2007).

Meanwhile, the space between what is politically acceptable and administratively sustainable becomes a source of significant power. That is, as the gap widens, both established and emergent third parties can seize an opportunity to exercise influence previously reserved for those operating only within formal governing structures and processes. Data from the Urban Institute’s National Center for Charitable Statistics show that from 1999 to 2009, the number of nonprofit organizations grew from 1,202,573 to 1,581,111, a 31.5 percent increase (Urban Institute n.d.). The proliferation of third parties such as foundations, nonprofits, private sector conveyors of services, and ad hoc advocacy groups has become commonplace, as have terms such as “governance,” “the hollow state,” “the extended state,” “shared services,” and “cross-sector partnerships” (Dubnick and Frederickson 2011; Kettl 2000; Mathur and Skelcher 2007; Milward and Provan 2000; Soni 2011).

Under these circumstances, bridging the gap requires an ability to manage networks of groups and actors. Thus, a corollary challenge within the second leadership challenge is an understanding that network management is different from managing within hierarchy (Agranoff and McGuire 2003; Bozeman 2007; Emerson, Nabatchi, and Balogh 2012; Getha-Taylor 2008; Goerdel 2006; Romzek, LeRoux, and Blackmar 2012; Silvia and McGuire 2010; Thomson and Perry 2006). Collaboration, with its attendant issues, is key to network management: What is the network’s source of authority? Who should be involved? How will responsibility be assigned? How should participants deal with delegates who come to the table with different levels of discretion, as well as sector-based incentives that drive each structure of authority? The answers to these questions vary with the type of collaboration. For example, looking beyond the creation of a legal public authority, an alternative response may

resemble the creation of a shared services agreement like the one that the “Business Support Services” unit in Charlotte has consummated with surrounding county, municipal, state, and even federal agencies.

However, it is not uncommon for these leadership attempts to be rejected. For example, if networks include faith-based institutions, questions of freedom of religion and church and state may be raised. These types of entities and agreements connect to Figone’s advice that we need to be clear about which structure is truly accountable even in networked worlds. In order to maintain public accountability in complex networks, Figone believes that stronger and more sophisticated leadership from elected and professional staff is needed (e-mail correspondence, February 20, 2012).

Also embedded in the second challenge is a crucial consideration focusing on the way nongovernmental structures of authority deal with public values such as representation, social equity, and individual rights, as well as efficiency (Andrews and Entwistle 2010; Warner 2011). An example can be seen in the Kresge Foundation’s urban renewal initiative in Detroit. The Kresge Foundation has expended considerable sums of money to assist in renewal and redevelopment of Detroit. However, the fundamental question raised by some in Detroit is “who is running our city?” (Dolan 2011), with the implied question, “whose values will prevail?”

Summarizing the second challenge, the increasing emphasis on third-party governance raises issues of accountability to public values, government institutions, and processes and increases the challenge of coordinating and managing multiple independent initiatives in the absence of formal community-wide coordinating mechanisms. This brings us to the third leadership challenge.

Leadership Challenge 3: Processes

The first challenge focused on roles and responsibilities, and the second challenge primarily on structure and values. The third addresses the issue of processes and the imperative of engaging parties with differing interests, authority, and motives.

Integrate citizen and other forms of engagement (planned and spontaneous, including social media) with traditional local government structures and processes.

Collaborative engagement, the focus of the third leadership challenge, is a mechanism that can be employed to coordinate disparate structures of authority, turning them into working networks. While this leadership challenge complements the second challenge, it should not be confused with it; the second challenge focuses on the importance of structure when working within a networked environment, while the third challenge’s focus is collaborative engagement as a process.

Whether within a single jurisdiction or a network of independent structures of authority, one of the challenges associated with engagement is finding ways to successfully merge multiple sources of information and communication with traditional governing structures and processes (Bryer 2009; Cooper, Bryer, and Meek 2006; Fagotto and Fung 2009; Leighninger 2006). Because citizens are also stakeholders, we believe that if engagement is not integrated with

the processes of government institutions, the expressions of desired outcomes will not be weighed against a full array of public values. For example, governing bodies must engage the conflicts among values such as representation, efficiency, social equity, and individual rights (Nalbandian 2006)—all fundamental democratic values. Advocates, whether expressing their views in person or electronically, do not have the same obligations. The challenge is how to connect the issue-specific and passionate views of advocates, or the players in a network context in which there are different missions, motivations, and identities, with the totality of democratic value considerations.

Mary Furtado, assistant manager in Catawba County, North Carolina, described this challenge: “The communication dilemma manifests itself in both extremes: comments/feedback that is so niche-specific that it belies a narrow view of government versus feedback that is so general in expression containing broad citizen sentiments and ungrounded in specifics as to not be useful for much at all. Then there is the problem that the confluence of input coming at government leaders may dilute its impact due to sheer volume. If the stream of citizen input is constant, it can become overwhelming and therefore easier to tune out some or all of it” (e-mail correspondence, March 6, 2012).

Social media highlights this challenge. Its popularity provides new opportunities for local governments to engage its citizens, but it also poses significant challenges. At an early juncture, we asked the Olathe leadership team about difficulties in producing valid and relevant information, given the prevalence of social media and other accessible information sources. The fact that the city’s leadership team includes a communication and engagement manager indicates the central importance that Olathe places on navigating this challenge, especially as it links to the organization’s emphasis on performance management. Tim Danneberg, the communication and engagement manager, pointed to the ease with which people can compile a breadth and depth of information on a topic today via the Internet; the validity and quality of the information, however, is another matter, and one that the city must address:

In an era that prides itself on data-driven decisions, much of the information available via the Internet is instead opinion, perception, rhetoric and supposition rather than hard, factual data. . . . Everyone has an opinion and the opinions have been amplified in their velocity, intensity and frequency by the Internet. Politicians and other decision makers can now continuously and instantaneously consume mass quantities of information that strengthen and often morph an array of opinions.

Olathe’s performance measurement initiatives serve well in meeting this challenge. To combat the overload of available information, factual data must be continually collected, analyzed and reported. . . . Data must be provided not only to those that make the decisions but also to those who may try to influence decision makers. The provision of quality,

The challenge is how to connect the issue-specific and passionate views of advocates, or the players in a network context in which there are different missions, motivations, and identities, with the totality of democratic value considerations.

relevant data may diminish the desire to search for answers on an Internet overloaded with information and opinions. (e-mail correspondence, September 11, 2011)

Put into the context of bridging the gap, the issue with citizen engagement, whether electronic or in person, is how the communication transaction affects either political acceptability or administrative sustainability. Additionally, and perhaps most importantly, is the question of whether the engagement

serves as a bridge between the two.

Conclusions

We have argued that a fundamental and widening gap exists between what is politically acceptable and what is administratively sustainable and that connecting the two is a prerequisite for effective governance. The gap is accentuated by two global trends: administrative modernization, which has a homogenizing influence on individuals, administrative processes, and standards and on communities themselves, and the opposing trend, the search to create, maintain, and preserve a sense of political identity and community. These trends operate independently and often simultaneously and can conflict. We identified three leadership challenges that must be met by local government managers if they are to bridge this gap and lead effectively in this environment.

Several conclusions emerge. First, we can easily fit the challenges into fundamental elements of local government—roles and responsibilities, structures, and processes—suggesting important and lasting change. And we suggest that effective managers, elected officials, and department heads of the future will embrace the challenges and understand the impact that bridging the gap has on trust and legitimacy. But in order to be effective, understanding must be translated into behavior that is organizationally valued—reflected in strategic thinking about human resource management and then in job descriptions, performance appraisals, and incentive systems.

Second, we have incorporated network management into the leadership challenges. Networks imply boundaries, and we suspect that the concept of “boundary management” may add an element to this challenge. The idea of matching problems to be solved with structures of authority implies that for some problems, boundaries can be strong and fixed, while for others, boundaries must be permeable. “Managing boundaries” provides a conceptual lens through which we can view decision making and role expectations. An internal organizational analogy may be useful here. In some cases, a department head may draw boundaries rigidly and contrast the department’s interests and responsibilities with those of other departments. But on other occasions, the same department may have to drop its defining boundary and adopt a larger or smaller one to address a relevant problem. The implication here is that managers must exercise judgment about the permeability of the boundaries that define responsibilities and competence.

Third, while the city and county manager’s role has evolved gradually into one broadly conceptualized as facilitating community and

enabling democracy, department head roles and responsibilities are changing sharply: from running the department efficiently and providing policy choices and recommendations to becoming an ally and team member in the manager's cadre as he or she works the gap. The principal-agent concept that city manager Debra Figone used to describe the relationship between the city or county manager and department heads is evolving. Many department heads now work in an environment in which structures of authority and geographic jurisdiction are disarticulated. And they are exercising more independent discretion in their search for effectiveness. While we have described an expectation that department heads move vertically into the gap, they also work horizontally, both interdepartmentally and between jurisdictions and sectors. One suspects that the principal-agent relationship in this environment is found not in the military metaphor of a command structure but instead in the metaphor of a symphony leader (Pink 2005).

Finally, within each challenge is evidence of a common paradox. While each challenge expands the boundaries and the actors and entities involved in governance, new collective initiatives that operate without an influential role for government institutions may shortchange consideration of a comprehensive set of democratic values. The first challenge that we identified creates expectations that department heads will regard efficiency as just one in a broader range of political values to be considered in public policy making. In this regard, a key responsibility of the city and county manager is modeling the engagement of conflicting values in a way that preserves administrative integrity yet acknowledges and builds on what is politically acceptable. This issue of political values is noteworthy in the second challenge because we do not expect mission-based nonprofits or profit-driven private sector actors to embrace a full range of democratic values. Regarding the third challenge, while we commonly associate citizen engagement with democratic values, the association should be isolated to the value of representation. There is no guarantee that engagement will embrace the values of efficiency, equity, and/or the individual rights of others. It is passion reflecting one value or a combination of values that energizes the engagement process.

The comprehensive inclusion of democratic values such as representation, efficiency, social equity, and individual rights may be absent as we explore the three challenges and administrative responses. These values are fundamental to the democratic social contract, and they are embedded within the structures and processes of the same democratic government institutions that are losing credibility as the gap widens. As we move toward a governance model of dealing with issues of collective concern, it remains to be seen whether non-government actors or partnerships in which government does not play a prominent role can enact a comprehensive set of values and accept responsibility for enabling democracy.

The insights on contemporary leadership challenges facing local governments that emerged from this research provide a foundation for public administration scholars and practitioners to further explore the future manager's roles and responsibilities, as well as

structures and processes of governance. As the base of research on these contemporary leadership challenges grows, we anticipate that further guidance can be provided to local government professionals who face these challenges in their daily work.

Acknowledgments

The authors express their appreciation to the city of Olathe's leadership team for its time and effort helping develop the leadership challenges described in this article. The original version of this article was prepared for the Alliance for Innovation, Big Ideas Conference, Fort Collins, Colorado, 2011. In addition, many of the ideas for the section on administrative modernization were introduced in Nalbandian (2005).

Notes

1. Conversation with Pat Martel, city manager, Daley City, California, April 20, 2011, Lawrence, Kansas.
2. Phone conversation with Michele Dempster, human resources director and character coordinator, Owasso, Oklahoma, October 25, 2012.
3. For further reading on administrative modernization and politics of identity, see Friedman (1999).
4. We present the three basic challenges here. Many challenges that fall within each of the three categories are available in the precursor to this paper available at http://transformgov.org/en/learning/Big_Ideas#6. As an example, under the roles and responsibilities challenge, a more specific question is, "How do emerging roles and responsibilities for bridging the gap affect confidence that elected officials and administrative staff have in the city manager and department heads? Specifically, as department heads begin to move into the gap and gain more understanding of political acceptability will their role undermine confidence of those who work for them? Will credibility be questioned by elected officials, and what implications could this have on the level of confidence placed in the organization's leaders?"

While each challenge expands the boundaries and the actors and entities involved in governance, new collective initiatives that operate without an influential role for government institutions may shortchange consideration of a comprehensive set of democratic values.

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City of Manhattan Beach Sunshine Policy

1. PURPOSE

The City of Manhattan Beach (“City”) is committed to transparency, open government and providing the public with timely and wide-ranging access to its meetings, written records and information.

This Sunshine Policy is the culmination of the work initiated by the City’s Ad Hoc Open Government Subcommittee which was established in order to improve transparency, openness and accessibility. From 2011 to 2013, the Ad Hoc Open Government Subcommittee held multiple public input meetings to discuss many open government best practices. Through the research conducted, the Ad Hoc Open Government Subcommittee created and revised numerous Open Government Initiatives, and developed an Open Government Initiatives Matrix. In some instances, the City Council directed staff to go above and beyond the minimum requirements of the Ralph M. Brown Act (Brown Act). In other instances (e.g. Appendix A, No. 2), City Council directed staff to fully comply with the Brown Act.

The purpose of this policy is to compile the work of the Ad Hoc Open Government Subcommittee into one cohesive policy with the goal of ensuring the public has easier access to City government, so that they may be more informed about what their City is doing, and so that they may be involved in a more meaningful and knowledgeable way.

2. FINDINGS

The Manhattan Beach City Council finds as follows:

A. The Ralph M. Brown Act states: "The people of this State do not yield their sovereignty to the agencies which serve them."

B. It is the City’s duty to serve the public and to accommodate those who wish to obtain information about or participate in the process of making decisions by providing comment and input, prior to any official decision.

C. Elected City officials, commissions, boards, advisory bodies and other agencies of the City exist to conduct the people’s business. This policy is intended to assure that the deliberations of these bodies and the City’s operations are open to the public.

D. Each member of the public is afforded the following: the ability to attend City Council meetings and provided an opportunity to directly address the council “before or during” consideration of an agenda item. In those rare and unusual circumstances where the business of government may be conducted behind closed doors, those circumstances must be carefully and narrowly defined to prevent any abuse.

E. This policy is intended in part to clarify and supplement the Ralph M. Brown Act and the California Public Records Act to assure that the people of the City of Manhattan Beach can be fully informed and thereby retain control over the instruments of local government in their City.

City of Manhattan Beach Sunshine Policy

3. DEFINITIONS

Unless defined herein, the definitions in the Ralph M. Brown Act and the California Public Records Act and related laws shall govern.

4. SUNSHINE INITIATIVES

The City of Manhattan Beach goes above and beyond the minimum requirements of the Brown Act. The following initiatives reflect the work of the Ad Hoc Open Government Subcommittee as well as additional implemented Sunshine initiatives:

A. Public Forums, Hearings and Meetings.

The City Council has adopted the attached Meeting Management Resolution (Resolution No. 16-0049), or its successor, amends and restates the rules of order for the conduct of City Council meetings and includes a number of Sunshine Initiatives, including:

- a. **Public Comment** - Provides the public an early opportunity to comment on any agenda item, or non-agenda item within the subject matter jurisdiction of City Council.
- b. **Planning Commission Quasi-Judicial Decisions** - Provides the public early notification of Planning Commission Quasi-Judicial Decisions.
- c. **Forecast Agenda and Future Discussion Items** - Provides the public early notification of future City Council Agenda items.

(Resolution 16-0049; Appendix A, No. 9, No. 10, No. 23 and No. 31).

1. City Council Agenda and Agenda Packet Noticing and Distribution Timeframes:

- a. Posting a copy of the agenda in a location freely accessible to the public 24 hours a day, no later than six days before the date of the meeting, and shall specify the time and location of the regular meeting (Appendix A, No. 1) and;
- b. All agendas shall be posted on the bulletin boards located outside of City Hall and the bulletin boards at the Joslyn Community Center, the Manhattan Heights Community and on the City's website no later than six days before the date of the meeting. Complete agenda packets for each body shall be made available at the office of the City Clerk, the Manhattan Beach Police Department, the Joslyn Community Center and the Manhattan Beach Public Library as well as posted on the City's website, to the extent fiscally and technologically feasible, no later than six days before the date of the meeting, and shall be available for immediate public inspection at the locations listed above during normal business hours,

City of Manhattan Beach Sunshine Policy

except for the Manhattan Beach Police Department which will be available 24 hours a day, seven days a week (Resolution 16-0049) and;

c. All agendas and agenda packets of every regular City Council meeting shall be available to the public by an email subscription through the City's email notification (E-Notify) system (Appendix A, No. 1, No. 19 and No. 26). Such service shall be provided free of charge and shall be provided to the subscriber until the request for the service is cancelled by the subscriber or the email address is no longer valid. The email shall be sent at the time of the posting of the agenda for the meeting.

d. By reference, the attached Resolution 16-0049 or its successor, City Council meeting agendas shall include a tentative agenda forecast of upcoming City Council meetings and items that need to be agendized for future meetings, Consent Calendar section (Resolution 16-0049; Appendix A, No. 4, No. 11, No. 12, No. 13, and No. 28).

e. When applicable, a comprehensive public outreach section is now incorporated into the new staff report format. This new format includes a Public Outreach/Interest section which will be utilized to discuss planned outreach efforts that have occurred with various stakeholders (Appendix A, No. 14) and;

f. Documents provided to the City Clerk after the posting of an agenda will be distributed to the City Council and hard copies will be made available for the public at the City Council meeting (Resolution 16-0049).

g. All agendas of every quasi-judicial body shall be available to the public by an email subscription through the City's email notification (E-Notify) system (Appendix A, No. 1). Such service shall be provided free of charge and shall be provided to the subscriber until the request for the service is cancelled by the subscriber or the email address is no longer valid. The email shall be sent at the time of the posting of the agenda for the meeting.

h. Early notification of recent Planning Commission decisions will be posted on the City's website and distributed through the City's E-Notify system (Appendix A, No. 31).

Notwithstanding any other provision of this policy, the inability of an agenda subscriber to timely receive the agenda or agenda-related material via the City's E-Notify system pursuant to this section, shall not constitute grounds for invalidation of the actions of the body taken at the meeting for which the agenda or the agenda-related material was not timely received.

2. Closed Session Language, Settlement Transparency.

This policy will provide more information to the public regarding the language on Closed Session agendas pertaining to litigation matters and settlement agreements. The language is listed below:

City of Manhattan Beach Sunshine Policy

- a. **Existing Litigation** - The City will provide additional information to describe closed sessions concerning existing litigation to adequately inform the public of the nature of the litigation.
- b. **Anticipated Litigation** - The City will provide additional information as to the existing facts and circumstances to describe closed sessions concerning anticipated litigation.
- c. **Settlement Agreements** - Proposed settlements of litigation will be placed on the open session portion of City Council meeting agendas for Council action except where the City Council finds, based upon the advice of legal counsel, that open discussion would prejudice the position of the City.

3. Minutes.

- a. Each body covered by the Brown Act shall record the minutes for each meeting convened under the provisions of the Brown Act. The format of the minutes for City Council meetings will be action minutes (Appendix A, No. 8). The draft action minutes of each City Council and Planning Commission meetings shall be available for inspection and copying upon request within the shortest possible time after the meeting (Appendix A, No. 7). In addition, the City shall also provide closed captioning of all City Council meetings and Planning Commission meetings (excluding Closed Sessions) for the hearing impaired (Appendix A, No. 22).

B. Knowledge, Acquisition and Information Accessibility.

1. Cell Phone and Electronic Device Policy.

- a. City Councilmembers, Commissioners and Board Members shall not use electronic devices at any time during a City Council, Commission or Board meeting, with the exception of electronic tablets used for accessing City Council, Commission or Board agendas and reports (and relative subject matter notes using City-sponsored software).
- b. The foregoing limitation shall not apply to receipt of telephone calls or text messages from family members in the event of an urgent family matter. The City Councilmember, Commissioner or Board Member wishing to respond to such a message during the meeting shall do so during a recess or shall request to be excused from the meeting to place the return call or text in a manner that does not disrupt the meeting.

City of Manhattan Beach Sunshine Policy

2. Technology and Transparency.

a. The City shall also receive public comment on its website on agendas, topics and issues within the City's jurisdiction and related to official City business. The purpose of receiving public comment through the City's website is to expand the City's civic engagement efforts in order to reach out and obtain comments and feedback from a broader segment of the City's population. The City will also use its website and internet based platforms to disseminate important information to the public. The City will employ multiple internet based platforms to receive public comment, feedback, ideas and suggestions (Appendix A, No. 15, No. 20, No. 21, No. 30, and No. 33). These internet based platforms will be made available on the City's website and may include but are not limited to:

1. Facebook.
2. Twitter.
3. Nixle.
4. Open City Hall.
5. Information Memos.
6. Budget Transparency Platform.
7. GovQA (Internet based, public records request portal used for submitting and reviewing Public Records Requests and any corresponding documents).

The City will make all reasonable efforts to ensure these services will be available 24 hours a day, seven days a week, excluding any software or hardware failure which the City has taken customary precautions.

b. A video and audio recording of each City Council meeting shall also be recorded and made available for inspection and copying upon request within the shortest possible time after the meeting. Any additional meetings held by bodies covered under the Brown Act conducted outside of the City Council chambers, at nearby City facilities, will be broadcast to the extent where technologically feasible (Appendix A, No. 5 and No. 6).

c. The City will put forth its best effort to utilize the latest advancements in technology, where financially and technologically feasible, to improve transparency and increase open government, including but not limited to Granicus Legistar and Live Manager, or other electronic meeting management software or technology (Appendix A, No. 16, No. 17 and No. 18).

City of Manhattan Beach Sunshine Policy

5. BUDGET PROCESS

This policy incorporates new open government measures regarding the City's budget process, going above and beyond what is legally required. Community budget meetings will be held prior to the creation of the City's budget to assess spending priorities for the coming fiscal year. The City will also provide quarterly budget updates regarding the City revenues and expenditures in conjunction with the online Budget Transparency Platform to increase financial transparency and public oversight. The budget process will also include a review of performance measures, and implement revised performance measures when necessary to meet the long-term strategic goals established by the City (Appendix A, No. 21 and No. 29).

6. TRAINING

Annual training will be provided to Councilmembers, Commissioners and City staff on the Brown Act, California Public Records Act and conflicts of interest. The City Attorney's Office will provide training. (Appendix A, No. 3, No. 34 and No. 35).

7. CONFERENCE AND TRAVEL REPORTS

Per Assembly Bill 1234 (AB 1234), City Councilmembers are required to provide a report regarding any City related travel or conferences they attended in their capacity as an elected official. City Councilmembers must provide this report at the first regular City Council meeting after returning from their travels.

This policy also requires the City Manager and all other senior City staff members to provide a report on any City related travel or conferences they attended, going above and beyond the requirements of AB 1234. These reports will be incorporated into an Information Memo distributed through the City Manager's Weekly Update that will be posted to the City's website and sent out through the City's E-Notify system (Appendix A, No. 24, No. 25 and No. 32).

8. PUBLIC RECORDS ACT

Release of public records by a body or by any department, whether for inspection of the original or by providing a copy, shall be governed by the Public Records Act in any particulars not addressed by this policy (Appendix A, No. 27). In addition, the City has supplemented the Public Records Act with its own Public Records Act Protocol.

Agenda Date: 5/3/2017

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Mark Danaj, City Manager

FROM:

Bruce Moe, Finance Director
Henry Mitzner, Controller
Libby Bretthauer, Financial Analyst

SUBJECT:

FY 2016-2017 Budget Status Report; Presentation of FY 2017-2018 Operating Budget Modifications for the Second Year of the Biennial Budget (Finance Director Moe).

RECEIVE REPORT

RECOMMENDATION:

Staff recommends the City Council receive a report on the status of the Fiscal Year 2016-2017 budget, and recommended modifications for the second year (FY17-18) of the biennial budget.

(Please note that the associated PowerPoint presentation for this report will be posted on Monday, May 1, 2017)

FISCAL IMPLICATIONS:

Current trends indicate the City's FY 2016-2017 General Fund operating budget will finish the year with revenues exceeding expenditures by \$832,228. Taking into account year-end projections and anticipated transfers to the Insurance, Street Lighting and Storm Water Funds, staff projects an unreserved General Fund balance of \$3.4 million at fiscal year-end.

Other funds are trending within projections with the exception of the Insurance Fund. Substantial activity in Workers' Compensation continues beyond expectations. Currently, the Insurance Fund is running over budget by approximately \$574,000. Staff will return to City Council later in the year with a clean-up appropriation to adjust for the excess activity. Council may recall that in FY 2015-2016, Council approved annual transfers from the General Fund to the Insurance Fund of \$667,000 over three years (\$2 million total) which is scheduled to end after FY 2017-2018. If not for the projected savings from the move to the new insurance pool, and the resulting \$1.1 million savings, further immediate General Fund

transfers would be necessary to address the Workers Compensation cost trends.

The fiscal year 2017-2018 budget as approved last year included expenditures across all funds totaling \$132,963,397. The General Fund was balanced with revenues of \$69,733,976 and expenditures of \$69,571,459 resulting in a projected surplus of \$162,517. Modifications to the plan, described later in this report, result in revenues exceeding expenditures by \$468,201. Without anticipated one-time revenues and nonrecurring equipment expenditures, core (on-going) revenues exceed core expenditures by \$686,786. Carry forward projects and one-time expenditures are discussed in detail below.

While the City is maintaining a balanced General Fund budget, there are significant financial issues looming which need to be proactively addressed in the near future, which will require City Council leadership and a strong commitment to the long term fiscal health of the City. Please refer to the “Financial Planning” section below.

BACKGROUND:

A new biennial budget cycle commenced in FY 2016-17. On June 21, 2016, the City Council adopted the FY 2016-17 Operating Budget and approved the FY 2017-18 Operating Budget. The FY 2016-17 Budget was adopted with a General Fund operating budget surplus of \$416,425.

Revenues	\$67,822,465
Expenditures	<u>\$67,406,040</u>
FY 16-17 Adopted Surplus/(Deficit)	\$416,425

The City’s two year operating budget is on the City’s website:

<http://www.citymb.info/ProposedFY17BiennialBudget>

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.

Under the two-year budget, the first year of the biennial budget (2016-2017) was adopted and the second year (2017-2018) was approved as a spending plan but not adopted - that occurs before the beginning of the second year. With that time now occurring, staff performed a review process for any critical changes to the second year spending plan, which are now presented for City Council consideration. Once determined and final direction given, City Council will formally adopt the second year spending plan (FY 2017-2018). The entire biennial budget process will commence with a new two-year budget for FY 2018-2019 and FY 2019-2020.

One of the greatest benefits to the two-year budget involves the City’s Capital Improvement

Plan (CIP). Previously, under the one-year budget process, the development and approval of the CIP occurred concurrently with the operating budget. This did not provide adequate time for a thorough review of one the City’s major spending components - capital projects.

Now, with the two-year budget, the first year (FY 2016-2017) centered on the operating budget, with year two more closely focusing on the five year CIP. Any changes Council directs for the CIP that affect FY 2017-2018 will be incorporated into the adopted budget.

DISCUSSION:

After a thorough review of financial activity and trends to date, staff has estimated a year-end surplus of \$832,228 for FY 2016-17:

Revenues	\$67,743,815
Expenditures	<u>\$66,911,587</u>
FY 16-17 Estimated Surplus/(Deficit)	\$832,228

Overall, the fiscal year 2016-17 General Fund budget-to-actuals through March are performing near budget. Revenues are estimated to be slightly under the adjusted budget by \$143,650 (-0.2%). Expenditures (including all budget adjustments subsequent to adoption) are expected to total \$1,331,433 (-2.0%) under the adjusted budget (the adjusted budget includes City Council-approved amendments during the current year as well as encumbrances carried forward from the prior year).

Over half of the FY 2016-17 Estimated Surplus is a result of carryforward requests (totaling \$542,008) for delayed projects and capital equipment purchases, which are now included in the FY 2017-2018 budget adjustments presented. These requests include funds set aside for previously approved City initiatives, including the ERP system upgrade (\$178,585), Police Department ALPR cameras (\$100,000), building permit system upgrade (\$74,123), implementation of the Historic Preservation commission and program (\$176,200) and the purchase of a work order management system and laptop in Public Works (\$13,100). These costs already exceed the amount by which revenues exceeded expenditures in the Approved FY 2017-18 Operating Budget approved last June.

Revenues	\$69,733,976
Expenditures	<u>\$69,571,459</u>
FY 17-18 Approved Surplus/(Deficit)	\$162,517

However, with the changes identified in the FY 2017-18 Proposed Budget, revenues are projected to exceed expenditures by \$468,201.

General Fund Revenues

The following are highlights of several key revenues. Please see Table 1 on Attachments #1 (FY 2016-2017) and #2 (FY 2017-2018) for a list of key General Fund revenue variances.

Property Tax

Property tax is the General Fund’s largest revenue source, accounting for approximately 40% of total revenue. Property Tax as a group is forecasted to come in \$244,859 (0.9%)

over budget and \$1,722,643 (6.5%) ahead of last year. Net taxable assessed property values have grown 7.1% from fiscal year 2016, reflecting the continued strength of the Manhattan Beach housing market. This continues the trend from the prior year's growth of 8.1%.

FY 2014 Revenue:	\$23,353,741
FY 2015 Revenue:	\$24,435,184
FY 2016 Revenue:	\$26,344,276
FY 2017 Budget:	\$27,822,060
FY 2017 Full Year Estimate:	\$28,066,919

Fiscal Year 2017-2018 estimates indicate a slowing in the housing market. Growth in assessed values for next fiscal year are budgeted at 5.34% as opposed to the 7.1% growth last year. However, this is still greater than the 4% estimated last year (the 4% was also calculated on a conservative year end estimate which was below final year end results).

FY 2017-2018 Budget as Approved: \$28,857,000
FY 2017-2018 Recommended for Adoption: \$29,511,005
Change: \$654,005 (+2.3%)

Real Estate Transfer Tax

Real Estate Transfer Tax revenue is derived from a charge of fifty-five cents per \$500 of sales price, split evenly between the City and the County of Los Angeles. Available data for single-family home sales indicate the sales volume in calendar year 2016 was consistent with the prior year (Source: HdL, Coren & Cone).

Residential Home Sales by Calendar Year:

2016:	427
2015:	424
2014:	486
2013:	498
2012:	489
2011:	427
2010:	393

Although the number of sales in 2016 are roughly the same as in calendar year 2015, the median single family sales price increased to \$2.0 million in 2016, up just 2.8% from the prior year. Sales activity was stronger in the first half of 2016 than in July through December, which falls into the current fiscal year. Hence, transfer tax collections in FY 2016-17 are trending down from the prior fiscal year. Conservatively estimating the number and value of transfer tax collections from all properties (residential and commercial), collections are expected to be 24.3% below the prior year, and to underperform budget by \$250,000 (29.4%).

FY 2014 Revenue:	\$642,718
FY 2015 Revenue:	\$720,826
FY 2016 Revenue:	\$792,830

FY 2017 Budget: \$850,000
FY 2017 Full Year Estimate: \$600,000

For Fiscal Year 2017-2018, budgeted revenues have been lowered to reflect the most recent trend:

FY 2017-2018 Budget as Approved: \$860,000
FY 2017-2018 Recommended for Adoption: \$600,000
Change: -\$260,000 (-30.2%)

Sales Tax

Sales Tax, the city's second largest General Fund revenue source (15% of total revenue) has not generated the same growth as seen in the past few years. Flat or declining retail "Point of Sale" returns and continued low fuel prices have contributed to the decline in growth. The FY 2016-17 budget of \$9.3 million was a conservative estimate based on the year-end projection for FY 2015-16 at the time. However, with the unwinding of the "Triple Flip," the State realigned its cash flows resulting in a one-time increase to the City's sales tax receipts in FY 2015-16. New projections developed in consultation with the City's sales tax consultants (HdL) indicate Sales Tax for the current year should come in at approximately \$9.0 million, \$348,605 (-3.7%) below last year or 3.2% below budget. In the fourth quarter of 2016, the City's restaurants and hotels performed 1.4% better than the fourth quarter of 2015, but general consumer goods underperformed the prior year by about 1.3%. Sales tax from online sales (received through State and County Pools) increased by 3.5% over the prior year.

FY 2014 Revenue: \$9,135,807
FY 2015 Revenue: \$9,171,515
FY 2016 Revenue: \$9,348,605
FY 2017 Budget: \$9,300,000
FY 2017 Full Year Estimate: \$9,000,000

FY 2017-2018 Budget as Approved: \$9,500,000
FY 2017-2018 Recommended for Adoption: \$9,000,000
Change: -\$500,000 (-5.3%)

Transient Occupancy Tax

Also known as the hotel bed tax, the City levies a 10% Transient Occupancy Tax (TOT) on hotel and motel rooms with 8.5% going to the General Fund. The remaining 1.5% goes to the Capital Improvement Fund to fund Police & Fire Facility debt service and future projects. Based on recent month-over-month trends, General Fund TOT revenues for the full year are expected 2.5% (-\$111,666) below budget and 0.5% (\$20,893) below the prior year (the budget forecasted growth at 4.5% over the prior year estimate, and 2.1% over year end results).

General Fund

FY 2014 Revenue: \$3,565,093
FY 2015 Revenue: \$3,955,209
FY 2016 Revenue: \$4,409,227

FY 2017 Budget: \$4,500,000
FY 2017 Full Year Estimate: \$4,388,334

During adoption of the FY 2016-2017 budget, Council directed that \$500,000 per year be dedicated to the CIP Fund for deferred maintenance of facilities. In FY 2016-2017, that funding was accomplished through a transfer from the General Fund (and therefore did not affect the revenue-expenditure balance). For FY 2017-2018, Council directed that the deferred maintenance funding be considered part of the revenue-expenditure equation. However, staff is recommending that Council revisit that direction because the General Fund cannot afford to reduce revenues while expenditures continue to grow. This is particularly true given last year's addition of the Pension Stabilization Reserve Fund expenditure of \$500,000, which staff also would like to review with the City Council. As presented, the deferred maintenance TOT has been re-directed to the General Fund, subject to Council discussion.

FY 2017-2018 Budget as Approved: \$4,200,000
FY 2017-2018 Recommended for Adoption: \$4,526,500
Change: \$326,500 (7.8% including redirection of \$500,000 from CIP Fund)

Building Permit & Plan Check Fees

With the new cost recovery fee structure approved in 2015, the City collects less for plan check services but more for permit issuance which requires more staff resources. Taken together, Building Permit and Plan Check fees collected in FY 2016-17 are anticipated to be higher than the prior year by \$329,464 or 11.9%.

In the first six months of the fiscal year, the volume of plan checks is trending about the same as the prior year but the valuation of plan checks was \$59 million higher this year. This spike was largely due to two large plan check submittals (Village Mall and Skechers on Sepulveda) as well as developers hurrying to submit plans before January 2017 building code changes went into effect. Taking these anomalies into account, Building Plan Check fees for the year are projected at \$1,500,000, 18.4% or \$233,000 over budget. On the other hand, building permit fee revenues are expected to come in 18.0% under budget (-\$348,000) due to lower cost recovery charges and exclusion of permit fees anticipated from the Manhattan Village Mall remodel (when the budget was adopted last June, it was anticipated that Plan Check fees for the mall project would be collected in FY 2015-16 with Permit fees collected in FY 2016-2017). These permit fees are now anticipated in FY 2017-18.

Plan Check

FY 2014 Revenue: \$1,409,954
FY 2015 Revenue: \$1,410,028
FY 2016 Revenue: \$1,063,654
FY 2017 Budget: \$1,267,000
FY 2017 Full Year Estimate: \$1,500,000

FY 2017-2018 Budget as Approved: \$1,330,400
FY 2017-2018 Recommended for Adoption: \$1,400,000
Change: \$69,600 (5.2%)

Although Building Permit fees from the Manhattan Village Mall project are conservatively projected to bring in an additional \$100,000, fee revenue is still down from prior years due to the changes in the cost recovery model.

Building Permits

FY 2014 Revenue:	\$1,031,410
FY 2015 Revenue:	\$1,196,592
FY 2016 Revenue:	\$1,696,882
FY 2017 Budget:	\$1,938,000
FY 2017 Full Year Estimate:	\$1,590,000

FY 2017-2018 Budget as Approved: \$2,034,900
FY 2017-2018 Recommended for Adoption: \$1,737,700
Change: -\$297,200 (-14.6%)

Business License Tax

Business license tax, which is generally calculated upon a business' gross receipts, is estimated to come in slightly higher than last year's collections. This revenue showed resilience against the troubled economy and has remained level or had slight increases year over year. Analysis of previous years showed this revenue is somewhat inelastic to the ebbs and flow of the economy. Despite modest declines and increases in businesses' total gross receipts, business license tax has remained steady, likely due to the fact that around 70 businesses pay the maximum gross receipts business license, and changes in their gross receipts are unlikely to impact their total license tax.

FY 2014 Revenue:	\$3,140,273
FY 2015 Revenue:	\$3,376,113
FY 2016 Revenue:	\$3,475,794
FY 2017 Budget:	\$3,525,000
FY 2017 Full Year Estimate:	\$3,525,000

FY 2017-2018 Budget as Approved: \$3,600,000
FY 2017-2018 Recommended for Adoption: \$3,600,000
Change: \$0 (0.0%)

Interest Earnings

The City invests its idle cash in a number of instruments ranging from the state-run Local Agency Investment Fund and corporate debt, to U.S. Treasury notes, Governmental Agencies and Certificates of Deposit. During the last recession and associated economic problems, interest rates declined dramatically and have remained at very low levels. As a result, the City's maturing investments are reinvested at the current low rates. However, the portfolio was recently yielding 1.295%, up from 1.079% one year ago, and additional rate increases are predicted in 2017. This category includes interest income as well as an offset for investment amortization.

FY 2014 Revenue:	\$379,576
FY 2015 Revenue:	\$329,148

FY 2016 Revenue:	\$483,737
FY 2017 Budget:	\$418,590
FY 2017 Full Year Estimate:	\$477,040

Given the health of the U.S. economy, the Federal Reserve Open Market Committee has raised interest rates twice in the past six months, with more rate increases expected in the coming months. As a result, staff expects the yield on the City's portfolio to increase as maturing investments are re-invested at higher rates than previously received. The City Treasurer and staff work closely to monitor markets for opportunities to invest idle funds with the goals of Safety, Liquidity and Yield in that order.

FY 2017-2018 Budget as Approved: \$444,631
FY 2017-2018 Recommended for Adoption: \$544,631
Change: \$100,000 (22.5%)

Other General Fund Revenues

Other revenues worth mentioning include:

Miscellaneous Revenues

The Miscellaneous Revenue category includes Workers' Compensation Salary Continuation, which is a reimbursement to the General Fund for wages paid to injured employees receiving benefits. Based on recent workers' compensation claim activity in FY 2016-17, reimbursement revenue has exceeded budget (\$400,000) by \$212,706 through the end of March. Workers' Compensation Salary Continuation revenue is projected to be over budget by \$250,000 or 62.5% at year-end. The source of this revenue is the Insurance Fund which reimburses the General Fund for salary continuation.

Risk Management and Finance staff are collaborating on funding methodology alternatives that will stabilize the effects of claims volatility in Workers Compensation funding. Risk Management is also in the planning stages for development of Workers' Compensation program elements designed to gain control over medical provider protocols as allowed under the Labor Code. The intended outcomes of these efforts are: 1) reduction in medical costs; 2) reduction in temporary disability expenditures; and 3) improved medical outcomes for injured employees. Program development and any required labor discussions will proceed through FY17/18.

Parking Citations

In July 2015, parking citation fees were increased by \$5 in alignment with other comparable cities. However, downtown parking revenues and citations were also impacted by the streetscape project occurring in the fall of 2015. Several meters had to be temporarily removed for concrete sidewalk replacement during the project, which took away both meter revenue and the expired meter citations. Parking conditions have since normalized and the number of citations is on par with earlier years before the construction. General Fund citation revenue is projected to end the year at \$2.6 million, which exceeds FY 2015-16 revenue by \$263,953 or 11.3% and exceeds budget by \$14,000.

While a General Fund revenue source, a portion of the revenue from Parking Citations (\$4 of all citations except expired meters) goes to the CIP Fund. The CIP fund utilizes the

moneys to pay debt service on the Police/Fire facility and to fund other general CIP projects.

General Fund Expenditures

For Fiscal Year 2016-2017, within the Salary and Wages category, regular salaries are projected to be over budget by \$74,756, or 0.6%, and sworn salaries (Police and Fire) are trending over budget by \$498,787 or 3.9%. As in previous years, a vacancy factor of 4% (\$1.4 million in the General Fund) was built into the budget to recognize the salary savings achieved from vacancies naturally occurring throughout the year due to attrition and retirements. Regular and sworn overtime costs are projected to remain within budget. Current trends indicate ending the year under budget by \$24,362 or 0.6%. Part-time salaries are estimated to end the year under budget by \$53,515 or 2.6%.

Employee Benefits are estimated at 3.2% or \$448,854 under budget for the full year, mainly due to the "superfunded" status of the City's other postemployment benefits (OPEB) liability thus eliminating the need for a contribution. Although a medical retirement contribution of \$238,512 was budgeted in FY 2016-17, a payment has not been required since FY 2014-15. All other employee benefits are projected to end the year \$210,342 or 1.5% under budget. In addition to vacancies, this change can be attributed to Group Medical Insurance trending \$79,774 (2.3%) under budget due to medical premium increases rising at a lower rate than budgeted.

Regular and Sworn employee pension costs are estimated under budget by 3.0% (\$172,766) totaling \$5,597,648 in the General Fund (\$6,038,292 across all funds) in FY 2016-17. In addition to vacancies, prepaying the unfunded liability contribution in July added to the savings by about \$61,000. CalPERS payments in FY 2016-17 include the normal cost portion (\$1,321,466 for Regular and \$2,154,197 Sworn) as well as \$2,562,629 toward paying down the City's Unfunded Liability.

Contract and Professional Services is estimated under budget by \$287,830 or 3.3%. A significant part of this savings is due to the Historic Preservation program and commission originally scheduled for implementation in FY 2016-17. Budgeted funds totaling \$176,200 will not be spent this fiscal year, but staff has incorporated this amount in the requested budget amendments for implementation in FY 2017-18. Computer contract services will also end the year under budget due to the re-evaluation of the building permit system implementation. About \$74,000 in funding related to this project will also be recommended for re-budgeting in FY 2017-18. Offsetting these savings, legal services is trending over budget by about \$143,000 (30.8%) due to unanticipated legal proceedings.

Utility costs and Internal Service Charges are both anticipated to end the year under budget. Cost increases assumed during the development of utility budgets have not materialized, thus causing the lower trend in actual expenditures to date. In addition, fleet maintenance costs are also trending lower.

Property and Equipment will not be fully expended by year end, and is expected to come in under budget by \$375,747. Much of these costs are related to Information Systems Master Plan projects which are not expected to be completed by year end (e.g. Financial and Human Resources software system upgrades). Remaining unspent budgets for these projects are included in the budget amendments (carry forwards) proposed for FY 2017-18.

In 2016, the City refinanced variable rate bond debt on Marine Avenue Park to fixed rate Certificates of Participation. Interest payments on the variable rate debt had been budgeted at an artificially high interest rate in line with bond covenants. Because actual interest rates were always lower than the budgeted rate, budgetary savings were realized every year. In addition, administrative fees/letter of credit fees on the variable rate debt cost the City about \$80,000 per year. By refinancing with fixed rate bonds, the City is realizing significant budget savings. The revised full-year estimate for debt service in FY 2016-17 is \$141,376 under budget and the proposed budget for FY 2017-18 was reduced by \$122,431.

Overall, General Fund expenditures are trending 2.0% or \$1,331,433 under the adjusted budget in FY 2016-17.

Other Funds

Worth noting are other Funds receiving subsidies from the General Fund, which diverts resources from Police, Fire and other general governmental services. Over the next five years, General Fund subsidies to the Storm Water and Street Lighting & Landscape District Funds are projected between \$1 million and \$2 million per fiscal year.

The Street Lighting and Landscaping Fund currently has no fund balance and assessments are inadequate to fund operations or provide for future capital needs. As a result, the General Fund subsidizes this fund every year, estimated at \$206,903 in FY 2016-17.

The General Fund's subsidy to the Storm Water Fund is estimated at \$1,263,233 in FY 2016-17, which includes the addition of \$221,415 for emergency Stormwater repairs approved by City Council on March 21, 2017 (if the City's claim to recover the moneys is successful, the General Fund will be reimbursed). The General Fund transferred \$841,286 in FY 2015-16. Stormwater operations will continue to encounter higher operating costs due to legislative action to clean storm water runoff and limits, which reduces funds for highly needed capital improvement projects. Capital projects such as the storm drain debris filters therefore continue to be underfunded and must be paid for out of the General Fund.

In addition to Street Lighting and Stormwater Fund transfers, the City Council approved a phased transfer plan from the General Fund Unreserved Fund Balance to the Insurance Fund on November 17, 2015. Transfers in the amount of \$667,000 were approved for fiscal years 2015-16, 2016-17, and 2017-18 to correct a fund imbalance that was a result of higher than expected claims activity during FY 2014-15 (the transfers in FY 2015-16 and 2016-17 have been made and are reflected in fund balance estimates stated in this report).

Workers' compensation claims activity resulted in \$4,057,854 in claims paid in FY 2015-16. Based on workers' compensation claims activity through March 2017, paid claims for the fiscal year are projected to total \$3.8 million for the year (\$1,020,000 over budget).

FY 2014-15	\$3,779,780
FY 2015-16	\$4,057,854
FY 2016-17 Estimate	\$3,800,000

Liability claims activity is anticipated to be under budget by \$500,000, which will help offset the higher costs due to workers' compensation. As a result, an appropriation of

approximately \$600,000 will be needed so that total fund expenditures do not exceed total fund appropriations. A budget adjustment will be requested in the coming weeks once the amount is finalized.

As previously stated, Risk Management and Finance staff are collaborating on funding methodology alternatives that will stabilize the effects of claims volatility in Workers Compensation funding. Risk Management is also in the planning stages for development of Workers' Compensation program elements designed to gain control over medical provider protocols as allowed under the Labor Code. The intended outcomes of these efforts are: 1) reduction in medical costs; 2) reduction in temporary disability expenditures; and 3) improved medical outcomes for injured employees. Program development and any required labor discussions will proceed through FY17/18.

On the basis of actual results in FY 2015-16 and projected results in FY 2016-17, a budget amendment for claims paid is included in FY 2017-18 to conservatively align the budget with prior years. Although workers' compensation claims paid is increasing by \$960,000, liability claims are being reduced by \$400,000. In addition, premium costs have been adjusted down by \$1.1 million to reflect recent estimates received from the City's new risk sharing pool, the California State Association of Counties-Excess Insurance Authority (CSAC-EIA). Overall, these changes reduce projected expenditures in FY 2017-18 by \$537,728.

Fiscal Year 2017-2018 Budget Highlights

While the FY17-18 budget was approved by the City Council last year, the actual adoption and appropriation of funds must take place now, before the commencement of the new fiscal year. The budget as presented with amendments is as follows:

Revenues	\$71,013,648
Expenditures	<u>\$70,545,447</u>
FY 17-18 Proposed Surplus/(Deficit)	\$468,201

Policy Changes vs. Technical Changes

Staff is recommending a number of modifications to the approved FY 17-18 budget to be incorporated into the adopted spending plan. The changes are listed on Attachment #4 and have been placed into two categories: 1) **policy-related changes** requiring direction from the City Council, and 2) **technical changes** that staff recommends as routine mid-course adjustments. These technical changes mainly include adjustments to revenues to reflect recent trends both positive and negative, as well as expenditure adjustments necessary to meet operational needs. All recommended changes are expected to result in revenues exceeding expenditures by \$468,201 in the General Fund.

The following policy changes for Council direction have been included in the proposed budget modifications for FY 2017-2018. All involve the General Fund unless otherwise noted:

Addition of four Senior Civil Engineers

At the April 10th Capital Improvement Projects study session, City Council gave tentative approval to add four Senior Civil Engineers in order to provide resources for the timely execution of the CIP plan. The CIP plan as presented is contingent upon those resources.

The cost of the four positions is \$674,950. The funding for these positions is derived from Water, Wastewater, CIP and Special Revenue Funds (Proposition C, Measure R, etc.) and has no net impact on the General Fund.

Reallocation of Specific Purpose Funds

Last year, the City Council allocated funds to two purposes: 1) \$500,000 to establish a Pension Stabilization Reserve Fund to address rapidly rising pension costs, and 2) \$500,000 to be dedicated to the CIP Fund for deferred maintenance at City facilities. The pension funding was added as an expenditure to the FY 2016-2017 budget (and included in all future years). The deferred maintenance contribution was treated as a transfer from the General Fund to the CIP Fund in FY 2016-2017, while in FY 2017-2018 TOT revenues were reduced by \$500,000 in the General Fund and dedicated as revenue to the CIP. The net impact on the General Fund of these allocations is a reduction of available General Fund resources of \$1 million.

Upon review of the second year of the biennial budget, it became apparent that General Fund structural deficits would be incurred given the reduction of \$1 million in resources. In an effort to balance the FY 2017-2018 budget and the future years, staff has recommended reducing the pension stabilization reserve allocation from \$500,000 to \$250,000 per year, and discontinuing the \$500,000 allocation of TOT from the General Fund to the CIP fund for deferred maintenance. These reallocations increase General Fund resources by \$750,000, and eliminate the structural deficits.

The reduction in allocation to CIP will not have a significant impact on addressing deferred maintenance. Sufficient resources are already budgeted and are aligned with staffing resources proposed.

The five year forecast (Attachment #5) has been updated for FY 2017-18 through FY 2021-22, and includes the reallocations described above. As presented, the General Fund has surpluses ranging from a low of \$110,144 to a high of \$665,639 over the five-year period. It is important to note that while the deficits are addressed, the subsidies from the General Fund to Storm Water, and Street Lighting and Landscaping Districts, continue to draw down General Fund balances. This includes the use of Economic Uncertainty reserves beginning in FY 18/19 (which are depleted by FY 21/22), and draws against the City Council policy designation of 20% of expenditures starting in FY 21/22.

Ambulance Operator Program

Also included in this budget is expansion of the Fire Department ambulance operator program with no net effect on the budget. Expenditure increases of \$115,720 are offset by revenues of \$115,720, the latter of which is a conservative estimate.

The program is in the process of being revamped to provide consistent, reliable basic life support ambulance transportation services utilizing paid part time staffing. This replaces the prior method of utilizing Fire Department reserves which, due to the nature of the work and limited shifts, did not provide the staffing stability needed to successfully run the program. This is a revenue-generating program that relies on staffing availability to operate.

Using Ambulance Operators to transport residents with non-acute medical needs to a local hospital keeps paramedic resources available for life threatening emergencies. Using a basic

life support ambulance to transport a person to the nearest emergency room can, at a minimum, tie-up the ambulance for 2 hours. Not only will the paramedics be available for advanced life support medical emergencies, but are part of our effective firefighting resources for non-medical emergencies. Lastly, with the potential for Hermosa Beach contracting services to Los Angeles County Fire Department, this is a resource that will be necessary to maintain current service levels.

Crossing Guards

The City received a request for two additional crossing guards. The City Traffic Engineer reviewed the request and opined that the additions are justified based on a ranking system and statewide crossing guard guidelines. On March 23, 2017, the PPIC recommended approval of two additional adult crossing guards at the intersections of Pacific Avenue/17th Street and Rowell Avenue/Gates Avenue. The cost of the added guards is \$36,000 per year through an existing contract.

Reinstatement of Equipment Mechanic Position (Fleet Fund)

The Public Works Department previously had three full time Equipment Mechanics. One of the positions was held by an employee who was out on a long term work-related injury. During that time the department utilized a temporary employee to maintain service levels. After the injured employee retired, the City eliminated the third full time position in FY11-12. However, the need for additional mechanic services did not dissipate as the equipment/fleet count/work load was not reduced. As a result, the department consistently used long term temporary employees to help meet the needs of the Fleet Division. In order to meet federal and state regulations, including CalPERS, as well as meet workload, staff is recommending that the contract employee be converted/reinstated to a full time employee.

The estimated budget adjustment necessary to effect this change is \$33,438 in the Fleet Fund. However, the new rate from the temporary agency for 2017 indicates that the actual difference between continuing with temporary labor versus a full time employee is \$16,700 annually.

The balance of the adjustments, which are considered technical in nature, are listed on Attachment #4. These include adjustments to revenues and expenditures based on trends, additional one time capital purchases, carryforwards (re-budgeting) of prior year projects yet to be completed, and changes to the CIP Plan as proposed by the Public Works department.

Other notable proposed budget adjustments:

- A one-time assessment from the South Bay Regional Public Communications Authority to replace the 9-1-1 dispatch software system (\$238,648)
- The addition of revenue from Measure M transportation funding from a voter approved sales tax increase (\$415,899)
- A reduction in contributions to the City's Other Post-Employment Benefits (OPEB) trust fund (\$264,660 across all funds) due to the overfunded (160%) status. No contributions are required at this time.
- The one-time purchase of a replacement kiln for the Parks and Recreation ceramics program for \$45,000

Pension Costs

Chief among the issues for the City are retirement system costs. For FY 2016-2017, the City budgeted \$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 increases by \$673,934 to \$6.9 million for these benefits.

In FY 2014-2015 the City hired an independent actuary to review 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 results in more accurate planning farther on the horizon.

Recently, the actuary updated projections given recent CalPERS phased reductions in the discount rate (the assumed rate of return on invested funds) from 7.5% to 7% over three years, investment policy changes, and the less-than-adequate investment returns achieved the last two years. Please note that these new projections have been incorporated into the revised five year forecast provided with this report. The actuary, John Bartel, will present information on the new rate projections at the May 4th City Council Budget Study Session.

Investment returns in FY 2014-2015 (2.4%) and FY 2015-2016 (0.61%) 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. For Manhattan Beach, contributions are expected to rise from \$6.9 million in FY 2017-2018 to up to \$12.0 million by FY 2021-2022. Fortunately, our five year forecast indicates the ability to absorb these increases, however, clearly these additional costs crowd-out the ability to enhance service levels or fund other priorities.

Street Lighting and Landscaping Districts

At the April 4th City Council meeting, in response to the commencement of annual renewal of the Street Lighting and Landscaping District assessments for FY 2017-2018, Councilmember Napolitano requested that staff review costs of the districts to ensure that they are as low as possible, this in advance of any possible discussion on raising assessments which have remained unchanged since 1996. A review of the data from FY 2016-2017 indicates the following:

- Revenues across all districts total \$396,139 from assessments
- Expenditures total \$619,794
 - Energy costs alone from electricity and gas total \$404,154 (102% of total revenue)
 - 63% of district costs are for electricity and natural gas used to power the lighting
 - Contract Services make up 23% of total costs (mainly in the Downtown Streetscape zone) and include:
 - Power washing the downtown district - \$60,900
 - Landscape maintenance downtown - \$61,660

- Contract electrician for maintenance and repairs (\$8,200)
- The annual assessment report required to renew the districts (\$7,000)
- City overhead costs (admin fee and fleet costs) total \$58,339 (9% of total district costs). Please note that the most recent cost allocation plan from 2015 reduced the administrative fee by \$34,097.

The districts as a whole have run a deficit since 2007. Once available fund balances were depleted in 2009, the General Fund began subsidizing the activities, which now cumulatively total \$1.76 million. Broken out by district, the FY 2016-2017 subsidies total \$207,408:

General Street Lighting - \$84,471

Downtown Streetscape - \$54,558

Gas Lamp - \$38,042

Strand Lighting - \$20,733

Arbolado Tract - \$5,175

Walkstreets - \$4,429

As the City reviews cost associated with these districts, staff believes there is limited ability to reduce costs without affecting service levels. However, one opportunity that is being pursued is an audit of energy costs. Earlier this year, staff issued an RFP and contracted with a utility audit firm to ensure that the City is charged appropriate electricity, natural gas and other utility rates, not just in the lighting districts, but for all City paid utility bills. This may result in further changes in the costing structure of the districts. The audit is scheduled to be completed by August 2017.

Asset Forfeiture

Last year's approval of the FY 2017-2018 budget included the lease/purchase of new mobile radios for the Police and Fire Departments in order to take advantage of new interoperability features being deployed through the RCC. The Police Department's share of the radios are to be purchased mainly through Asset Forfeiture funds.

The budget assumed a certain revenue stream from forfeitures to support the lease/purchase. However, for budgeting purposes, the City may not assume such revenues. As a result, the Asset Forfeiture Fund is presented as having a negative fund balance starting in FY 18-19 in the five year forecast. Staff is searching for grant opportunities for these radios (including the Fire Department portion). Any purchase of radios is predicated upon sufficient funding sources, budgeted or otherwise.

Five Year Forecast

Each year as the budget is prepared, staff updates the Five Year Forecast for all funds. This document is invaluable in determining affordability of programs and services, and in spotting the effects of developing trends.

The FY 2017-2018 to FY 2021-2022 forecast includes certain assumptions on revenue and expenditure growth as determined on a line item by line item basis. The current forecast assumptions are included with Attachment #5.

The forecast presented with this report illustrates:

- The General Fund is balanced over the next five years with surpluses ranging from \$432,202 to \$3,854
- The General Fund balance is reduced by \$7,431,791 million over the next five years due to subsidies and transfers
- Those subsidies and transfers will result in the Economic Uncertainty Reserve being depleted by FY 2021-2022, with the Financial Policy reserve being tapped into that same year
- The Storm Water Fund is being subsidized by the General Fund for \$6,609,582 million from 2017-2018 through 2021-2022
- Street Lighting and Landscaping will receive \$1,165,765 from the General Fund over that same timeframe
- CalPERS contributions, while funded from on-going revenues, will nearly double to \$12 million by FY 2021-2022
- The City's ability to fund any significant general capital improvements is limited by year-end General Fund surpluses (which historically were transferred to the CIP Fund) and lack of available General Funds
- The Parking Fund generates only enough revenue to pay for operational expenses and debt service; there is insufficient funding for any capital improvements or major maintenance projects
- With significant progress on water and wastewater projects expected, and the concomitant use of fund balances to effect the construction, the current rate structures (adopted in 2009) need to be reviewed for sufficiency vis-à-vis the next round of system maintenance and improvements
- Workers Compensation costs continue to grow. While recent cost reductions from changing risk pools are beneficial, further General Fund support to the Insurance Fund may be necessary to ensure sufficient funding if claims trends continue

These issues and trends point to the need for a comprehensive long range financial plan.

FINANCIAL PLANNING

The City has enjoyed a long history of fiscal stability. General Fund budgets have been balanced with year-end surpluses. Reserves have been retained and grown. Debt levels are low, and the City continues to maintain its Triple-A credit rating, which was recently reaffirmed by Standard & Poor's in 2016 under new, more stringent criteria. At the same time, the City has been able to support programs and services to meet the needs of the community while controlling costs. The City's positive fiscal position is a direct result of thoughtful and deliberate actions of past and present City Council's to support the City's financial wellbeing.

However, the City's fiscal future is in need of immediate and proactive City Council action. A list of the funding issues to be addressed include:

- Pension Costs
- General Fund Subsidies of the Storm Water (Enterprise Fund)
- General Fund Subsidies of Street Lighting and Landscape District (Special Revenue

Fund)

- Parking Operations and Facilities
- General Infrastructure and Capital Improvements
- Water and Wastewater Rates
- Measure R Support of Proposition A
- School District Support
- Workers Compensation/Insurance Fund

Staff understands that solutions to these issues may come from identifying acceptable cost savings as a first step. In fact, searching and identifying efficiencies and cost savings is standard protocol for all departments (Attachment #10 is a list of recent efficiency measures by department). Cost savings must also be weighed against service level reductions to determine the desirability of the outcome.

Solutions may also include the need to seek new revenues. For example, as described above, Street Lighting rates have not increased since 1996. The revenues in all districts are insufficient to cover even the energy costs associated with the lighting. Cutting costs may result in unacceptable service levels, and will likely not be sufficient to correct the imbalance. As a result, additional resources may be necessary to maintain acceptable service levels.

This list of issues requires crafting a coordinated and comprehensive financial plan that fully identifies and vets the issues, presents potential solutions (on both the expenditure and revenue sides) and remedial processes, and assigns a timetable for completion. To that end, staff recommends that the City Council consider adding a comprehensive long range financial plan as a work plan item for the coming year. Further consideration may be given to assigning oversight of the development of the plan to the Finance Subcommittee, with a final report being provided to the full City Council.

Historical Staffing Levels

Attachments #8 and #9 to this report provide a 12-year perspective on the General Fund budget by department. It includes salaries and benefits information as well as headcount by department. A listing of the positions added and deleted is also included. This will be reviewed at the May 4th City Council meeting.

PUBLIC OUTREACH/INTEREST:

After analysis, staff determined that public outreach was not required for this issue.

ENVIRONMENTAL REVIEW

Not applicable.

LEGAL REVIEW

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

Attachments:

1. FY 2016-17 General Fund Year-End Estimates
2. FY 2017-18 General Fund Proposed Budget
3. FY 2017-18 All Funds Comparison
4. FY 2017-18 Budget Amendment Requests
5. Five Year Forecast
6. P&R Profit and Loss Estimates for FY 2017-2018
7. General Fund Budget History
8. General Fund History - Salaries & Benefits
9. History of Position Changes
10. Departmental Efficiencies
11. City Council Staff Report (Due to the large number of pages for this particular staff report, this is an alternative option to review the complete staff report. This attachment is only available online.)

Estimated General Fund Revenues and Expenditures
Fiscal Year Ending June 30, 2017

Attachment 1

General Fund Revenues	2016 Actuals	FY 2017		FY 2017 Full Year Estimate			
		Adj Budget*	Full Yr Est	From 2017 Budget		From 2016 Actuals	
Core Revenues							
Property Tax	\$26,344,276	\$27,822,060	\$28,066,919	\$244,859	0.9%	\$1,722,643	6.5%
Sales & Use Tax	9,348,605	9,300,000	9,000,000	(300,000)	(3.2%)	(348,605)	(3.7%)
Charges for Services	5,508,739	5,211,340	5,735,087	523,747	10.1%	226,349	4.1%
Transient Occupancy Tax	4,409,227	4,500,000	4,388,334	(111,666)	(2.5%)	(20,893)	(0.5%)
Business License Tax	3,475,792	3,525,000	3,525,000	-	-	49,208	1.4%
Rents & Leases	3,106,405	3,043,155	3,144,155	101,000	3.3%	37,750	1.2%
Fines	2,503,274	2,796,000	2,773,000	(23,000)	(0.8%)	269,726	10.8%
Building Permits	1,696,881	1,938,000	1,590,000	(348,000)	(18.0%)	(106,881)	(6.3%)
Other Taxes & Assessments	1,791,982	1,891,000	1,801,000	(90,000)	(4.8%)	9,018	0.5%
Building Plan Check Fees	1,063,652	1,267,000	1,500,000	233,000	18.4%	436,348	41.0%
Licenses & Permits	1,099,956	1,096,390	1,047,890	(48,500)	(4.4%)	(52,066)	(4.7%)
Miscellaneous	715,286	512,900	773,500	260,600	50.8%	58,214	8.1%
Real Estate Transfer Tax	792,829	850,000	600,000	(250,000)	(29.4%)	(192,829)	(24.3%)
Interest Earnings	483,737	418,590	477,040	58,450	14.0%	(6,697)	(1.4%)
From Other Agencies	436,023	249,500	249,111	(389)	(0.2%)	(186,912)	(42.9%)
Operating Transfers In	2,996,532	2,996,530	2,996,530	-	-	(2)	(0.0%)
Subtotal Core Revenues	\$65,773,197	\$67,417,465	\$67,667,566	\$250,101	0.4%	\$1,894,370	2.9%
One-time Revenues & Adjustments							
Unrealized Investment Gain/Loss	\$205,857	-	-	-	-	(\$205,857)	(100.0%)
Grants	88,195	70,000	76,249	6,249	8.9%	(11,946)	(13.5%)
Lease Purchase Proceeds	-	400,000	-	(400,000)	(100.0%)	-	-
Property Transfer Fee	780,000	-	-	-	-	(780,000)	(100.0%)
Subtotal One-time Revenues & Adj	\$1,074,052	\$470,000	\$76,249	(\$393,751)	(83.8%)	(\$997,803)	(92.9%)
Total General Fund Revenues	66,847,249	67,887,465	67,743,815	(143,650)	-0.2%	896,567	1.3%

Positive Variance indicates above budget; negative variance indicates below budget.

General Fund Expenditures	2016 Actuals	FY 2017		FY 2017 Full Year Estimate			
		Adj Budget*	Full Yr Est	From 2017 Budget		From 2016 Actuals	
Core Expenditures							
Salary & Wages	\$31,106,824	\$31,394,625	\$31,890,291	\$495,665	1.6%	\$783,466	2.5%
Employee Benefits	12,634,560	13,924,836	13,475,982	(448,854)	(3.2%)	841,422	6.7%
Contract & Professional Services	8,438,532	8,627,977	8,340,147	(287,830)	(3.3%)	(98,385)	(1.2%)
Materials & Services	2,690,881	3,057,887	2,879,258	(178,630)	(5.8%)	188,376	7.0%
Utilities	1,128,866	1,241,754	1,193,705	(48,049)	(3.9%)	64,839	5.7%
Internal Service Charges	7,480,026	8,387,550	8,126,080	(261,470)	(3.1%)	646,054	8.6%
Property Leases & Rentals	-	85,238	-	(85,238)	(100.0%)	-	-
Bond Debt Service	358,670	586,376	445,000	(141,376)	(24.1%)	86,330	24.1%
Operating Transfers Out	47,606	18,007	18,007	-	-	(29,599)	(62.2%)
Subtotal Core Expenditures	\$63,885,965	\$67,324,251	\$66,368,469	(\$955,782)	(1.4%)	\$2,482,504	3.9%
One-time Expenditures							
City Manager Loan	2,092,765	108,224	\$108,224	-	-	(\$1,984,541)	(94.8%)
Property & Equipment	371,599	810,545	434,894	(375,651)	(46.3%)	63,295	17.0%
Subtotal One-time Expenditures	\$2,464,364	\$918,769	\$543,118	(\$375,651)	(40.9%)	(\$1,921,246)	(78.0%)
Total General Fund Expenditures	66,350,330	68,243,020	66,911,587	(1,331,433)	-2.0%	561,258	0.8%

Positive Variance indicates above budget; negative variance indicates below budget.

General Fund Summary	2016 Actuals	FY 2017	
		Adj Budget*	Full Yr Est
Total Revenues	\$66,847,249	\$67,887,465	\$67,743,815
Total Expenditures	66,350,330	68,243,020	66,911,587
Projected Surplus/(Deficit)	496,919	(355,555)	832,228

*The Adjusted Budget includes City Council-approved amendments during the current year as well as encumbrances carried forward from the prior year.

Proposed General Fund Revenues and Expenditures
Fiscal Year Ending June 30, 2018

Attachment 2

General Fund Revenues	2017 Estimate	FY 2018		FY 2018 Proposed			
		Approved*	Proposed	From 2018 Approved		From 2017 Estimate	
Core Revenues							
Property Tax	\$28,066,919	\$28,857,000	\$29,511,005	\$654,005	2.3%	\$1,444,086	5.1%
Sales & Use Tax	9,000,000	9,500,000	9,000,000	(500,000)	(5.3%)	-	-
Charges for Services	5,735,087	5,342,910	5,760,755	417,845	7.8%	25,668	0.4%
Transient Occupancy Tax	4,388,334	4,200,000	4,526,500	326,500	7.8%	138,166	3.1%
Business License Tax	3,525,000	3,600,000	3,600,000	-	-	75,000	2.1%
Rents & Leases	3,144,155	3,051,315	3,051,315	-	-	(92,840)	(3.0%)
Fines	2,773,000	2,796,000	2,796,000	-	-	23,000	0.8%
Building Permits	1,590,000	2,034,900	1,737,700	(297,200)	(14.6%)	147,700	9.3%
Other Taxes & Assessments	1,801,000	1,916,000	1,916,000	-	-	115,000	6.4%
Building Plan Check Fees	1,500,000	1,330,400	1,400,000	69,600	5.2%	(100,000)	(6.7%)
Licenses & Permits	1,047,890	1,139,890	1,033,860	(106,030)	(9.3%)	(14,030)	(1.3%)
Miscellaneous	773,500	512,900	712,900	200,000	39.0%	(60,600)	(7.8%)
Real Estate Transfer Tax	600,000	860,000	600,000	(260,000)	(30.2%)	-	-
Interest Earnings	477,040	444,631	544,631	100,000	22.5%	67,591	14.2%
From Other Agencies	249,111	251,500	251,500	-	-	2,389	1.0%
Operating Transfers In	2,996,530	2,996,530	3,671,482	674,952	22.5%	674,952	22.5%
Subtotal Core Revenues	\$67,667,566	\$68,833,976	\$70,113,648	\$1,279,672	1.9%	\$2,446,082	3.6%
One-time Revenues & Adjustments							
Unrealized Investment Gain/Loss	-	-	-	-	-	-	-
Grants	76,249	70,000	70,000	-	-	(6,249)	(8.2%)
Lease Purchase Proceeds	-	830,000	830,000	-	-	830,000	-
Property Transfer Fee	-	-	-	-	-	-	-
Subtotal One-time Revenues & Adj	\$76,249	\$900,000	\$900,000	-	-	\$823,751	1080.3%
Total General Fund Revenues	67,743,815	69,733,976	71,013,648	1,279,672	1.8%	3,269,833	4.8%

Positive Variance indicates above budget; negative variance indicates below budget.

General Fund Expenditures	2017 Estimate	FY 2018		FY 2018 Proposed			
		Approved*	Proposed	From 2018 Approved		From 2017 Estimate	
Core Expenditures							
Salary & Wages	\$31,890,291	\$31,846,450	\$32,601,968	\$755,518	2.4%	\$711,677	2.2%
Employee Benefits	13,475,982	14,951,133	14,615,571	(335,562)	(2.2%)	1,139,589	8.5%
Contract & Professional Services	8,340,147	8,280,997	8,757,722	476,725	5.8%	417,574	5.0%
Materials & Services	2,879,258	2,988,623	2,985,013	(3,610)	(0.1%)	105,755	3.7%
Utilities	1,193,705	1,268,643	1,268,643	-	-	74,938	6.3%
Internal Service Charges	8,126,080	8,562,259	8,562,259	-	-	436,179	5.4%
Property Leases & Rentals	-	240,191	154,953	(85,238)	(35.5%)	154,953	-
Bond Debt Service	445,000	585,156	462,725	(122,431)	(20.9%)	17,725	4.0%
Operating Transfers Out	18,007	18,007	18,007	-	-	-	-
Subtotal Core Expenditures	\$66,368,469	\$68,741,459	\$69,426,861	\$685,402	1.0%	\$3,058,391	4.6%
One-time Expenditures							
City Manager Loan	108,224	-	-	-	-	(\$108,224)	(100.0%)
Property & Equipment	434,894	830,000	1,163,585	333,585	40.2%	728,691	167.6%
Subtotal One-time Expenditures	\$543,118	\$830,000	\$1,163,585	\$333,585	40.2%	\$620,467	114.2%
Total General Fund Expenditures	66,911,587	69,571,459	70,590,446	1,018,987	1.5%	3,678,858	5.5%

Positive Variance indicates above budget; negative variance indicates below budget.

General Fund Summary	2017 Estimate	FY 2018	
		Approved*	Proposed
Total Revenues	\$67,743,815	\$69,733,976	\$71,013,648
Total Expenditures	66,911,587	69,571,459	70,590,446
Projected Surplus/(Deficit)	832,228	162,517	423,202

*FY 2017/18 Approved Budget as included with 2016/17 Biennial Budget adopted on June 21, 2016.

All Funds Budget Comparison

Attachment #3

Fund	Budgeted Revenues			Budgeted Expenditures		
	2016-2017	2017-2018	%-Change	2016-2017	2017-2018	%-Change
General	\$67,822,465	\$71,013,648	4.7%	\$67,406,040	\$70,590,446	4.7%
<u>Special Revenue Funds</u>						
Street Lighting & Landscape	396,134	396,139	0.0%	603,547	619,794	2.7%
Gas Tax	784,911	1,036,987	32.1%	1,990,000	532,060	(73.3%)
Asset Forfeiture & Safety Grants	58,300	708,300	1,114.9%	186,920	1,041,113	457.0%
Police Safety Grants	101,400	101,400	0.0%	105,000	105,000	0.0%
Proposition A	680,260	679,839	(0.1%)	871,193	896,687	2.9%
Proposition C	673,521	1,393,172	106.8%	190,000	1,369,183	620.6%
AB 2766	50,412	50,412	0.0%	11,300	11,300	0.0%
Measure R	421,111	420,887	(0.1%)	1,185,000	275,311	(76.8%)
Measure M	-	415,899	0.0%	-	242,185	0.0%
<u>Capital Project Funds</u>						
Capital Improvement Project	1,568,304	1,726,804	10.1%	2,308,538	3,651,100	58.2%
Underground Assessments District	1,800	1,800	0.0%	-	-	0.0%
<u>Enterprise Funds</u>						
Water	14,897,000	14,931,000	0.2%	14,271,425	15,620,243	9.5%
Stormwater	354,300	354,300	0.0%	1,100,267	1,336,718	21.5%
Wastewater	3,358,500	3,350,500	(0.2%)	1,300,567	5,533,589	325.5%
Refuse	4,282,562	4,293,026	0.2%	4,141,558	4,219,000	1.9%
Parking	2,593,000	2,597,000	0.2%	3,353,910	3,151,455	(6.0%)
County Parking Lots	798,500	798,500	0.0%	611,997	619,319	1.2%
State Pier & Parking Lot	609,600	608,600	(0.2%)	497,358	477,439	(4.0%)
<u>Internal Service Funds</u>						
Insurance Reserve	6,869,640	7,147,960	4.1%	6,555,285	6,514,941	(0.6%)
Information Technology	2,293,140	2,333,880	1.8%	2,587,668	2,317,487	(10.4%)
Fleet Management	2,232,420	3,433,420	53.8%	2,046,195	3,705,293	81.1%
Building Maintenance & Operations	1,858,135	1,893,969	1.9%	1,849,132	1,895,996	2.5%
<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	\$120,834,442	6.1%	\$114,350,560	\$125,917,000	10.1%

FY 2016/17 to FY 2017/18					
Year-Over-Year Change in Budget					
Fund Type	Funds	Revenues	% Change	Expenditures	% Change
General	General	\$3,191,183	4.7%	\$3,184,406	4.7%
Special Revenue	Gas Tax, Prop A, Prop C, Asset Forfeiture, Street Lighting, Measure R, Measure M	2,036,986	64.3%	(50,327)	(1.0%)
Enterprise	Water, Wastewater, Refuse, Parking, etc.	39,464	0.1%	5,680,684	22.5%
Capital Projects	CIP Fund	158,500	10.1%	1,342,562	58.2%
Internal Service	Insurance, Information Technology, Fleet, Building	1,555,894	11.7%	1,395,437	10.7%
Trust & Agency	Underground Assessment, Pension Trust, UAD Loan	9,000	0.8%	13,678	1.2%
Total Increase/(Decrease)		\$6,991,027	6.1%	\$11,566,440	10.1%

Adj. Type	Category	Description	Revenues	Expenditures	Comments
Policy Changes					
Revenue/Personnel	Operating Transfers In/Salaries & Ben.	Four Senior Civil Engineers	674,950	674,950	Rev Reimb from other funds
Revenue	Transient Occupancy Tax	Transient Occupancy Tax	326,500	-	Transfer \$500,000 back from CIP
Other	Employee Benefits	Reduce Pension Fund Additional Payment	-	(250,000)	
Revenue/Personnel	Salary & Wages	Ambulance Operator Program	115,720	115,720	
Other	Contract & Professional Services	Add Crossing Guards at two locations	-	36,000	
		Subtotal	1,117,170	576,670	
Technical Changes					
Revenue	Property Tax	C.Yr Secured Property Tax	604,005	-	
Revenue	Sales & Use Tax	Sales & Use Tax	(500,000)	-	
Revenue	Building Permits	Building Permits	(397,200)	-	
Revenue	Real Estate Transfer Tax	Real Estate Transfer Tax	(260,000)	-	
Revenue	Miscellaneous	Workers' Compensation Salary Continuation	200,000	-	
Revenue	Charges for Services	Right of Way Permits	184,500	-	
Revenue	Interest Earnings	Interest Earnings	100,000	-	
Revenue	Charges for Services	Special Events *	94,600	-	
Revenue	Building Plan Check Fees	Building Plan Check Fees	69,600	-	
Revenue	Charges for Services	Arts/Education Classes *	(53,500)	-	
Revenue	Charges for Services	Planning Filing Fees	52,000	-	
Revenue	Property Tax	Supplemental Property Tax	50,000	-	
Revenue	Charges for Services	Facility & Parks Reservations *	50,000	-	
Revenue	Charges for Services	Building Record Report Fees	(41,500)	-	
Revenue	Licenses & Permits	Fire Code Permits - Annual	(40,000)	-	
Revenue	Licenses & Permits	Building Permits Surcharge	(39,900)	-	
Revenue	Licenses & Permits	Other Construction Permits	(36,800)	-	
Revenue	Charges for Services	Sports Leagues & Tournaments *	(16,000)	-	
Revenue	Charges for Services	Fire Inspection Fees	10,800	-	
Revenue	Charges for Services	Sports Classes *	10,000	-	
Revenue	Charges for Services	Special Activity Classes *	8,925	-	
Revenue	Charges for Services	Swimming Classes *	8,000	-	
Revenue	Charges for Services	Fire Plan Check	(6,000)	-	
Revenue	Licenses & Permits	Police Alarm Permits	5,500	-	
Revenue	Licenses & Permits	Studio Tenant Fees	5,000	-	
Revenue	Licenses & Permits	Fire Permits - One Time	4,500	-	
Revenue	Licenses & Permits	Outdoor Facilities Permits	(2,330)	-	
Revenue	Licenses & Permits	Fire Construction Inspections	(2,000)	-	
Revenue	Charges for Services	Traffic Engineer - Special Events	300	-	
Other	Employee Benefits	Medical Retirement Contributions	-	(238,512)	
One-time	Contract & Professional Services	SBRPCA and Replacement of Dispatch Software	-	238,648	Split 25% Fire/75% Police
One-time	Property & Equipment	Carryforward Finance/HR System (ERP) Enhancement	-	178,585	
Carryforward	Contract & Professional Services	Carryforward Historic Preservation Program	-	176,200	\$75k One-time; \$100k 3-5 yrs
Other	Bond Debt Service	Savings from Marine Bond Refunding	-	(122,431)	
One-time	Property & Equipment	Carryforward License Plate Reader & Camera Project	-	100,000	
Other	Property Leases & Rentals	Remove Lease Purchase Financing for ALPR Cameras	-	(85,238)	Purchased outright in FY16/17
One-time	Contract & Professional Services	Carryforward Permitting Software Solution	-	74,123	
One-time	Property & Equipment	Replacement Ceramics Kiln	-	45,000	
One-time	Contract & Professional Services	Legal Services for Labor Negotiations	-	30,000	
Other	Contract & Professional Services	Reimbursable Special Event Security	-	15,000	Approved 2/7 CC Meeting
Other	Contract & Professional Services	FPPC Filing Software Annual Cost	-	10,000	Approved 3/21 CC Meeting
One-time	Property & Equipment	Carryforward Work Order Management System	-	10,000	
Personnel	Salary & Wages	Convert Vacant MW /III to MW III	-	7,843	
One-time	Materials & Services	Carryforward Ruggedized Laptop Purchase	-	3,100	
		Subtotal	62,500	442,318	
		Subtotal	1,179,670	1,018,988	
		Total General Fund	1,179,670	1,018,988	Net Impact to Fund Balance

Adj. Type	Category	Description	Revenues	Expenditures	Comments
Streets & Highways Fund					
Technical Changes					
Revenue	From Other Agencies	State Gas Tax 2103	56,971	-	
Revenue	From Other Agencies	State Gas Tax 2107	(45,146)	-	
Revenue	From Other Agencies	Highway Users Tax Loan Repayment	40,387	-	
Revenue	From Other Agencies	State Gas Tax 2105	(18,209)	-	
Revenue	From Other Agencies	State Gas Tax 2106	14,881	-	
Revenue	From Other Agencies	SB 821 TDA	(356)	-	
Capital	Capital Improvement Projects	Rosecrans Avenue Street Resurfacing	-	500,000	
Capital	Capital Improvement Projects	Realignement of Annual Slurry Seal Program	-	(385,000)	
Capital	Capital Improvement Projects	Realignement of Annual Curb and Gutter Program	-	(365,000)	
Personnel	Internal Service Charges	Allocate portion of one new Senior Civil Engineer	-	32,060	
Total Streets & Highways Fund			48,528	(217,940)	Net Impact to Fund Balance
			266,468		
Asset Forfeiture Fund					
Technical Changes					
Revenue	From Other Agencies	Fed Forfeitures - D.O.J Regional	(50,000)	-	
Total Asset Forfeiture Fund			(50,000)		(50,000) Net Impact to Fund Balance
Prop A Fund					
Technical Changes					
Revenue	Other Taxes & Assessments	Transit Sales Tax	(421)	-	
Personnel	Employee Benefits	Medical Retirement Contributions	-	(3,216)	
Total Prop A Fund			(421)	(3,216)	2,795 Net Impact to Fund Balance
Prop C Fund					
Technical Changes					
Revenue	Other Taxes & Assessments	Transit Sales Tax	(349)	-	
Capital	Capital Improvement Projects	Marine Resurfacing from Sepulveda to Aviation	-	(300,000)	
Capital	Capital Improvement Projects	Sepulveda Intersection Improvements	-	90,000	
Personnel	Internal Service Charges	Allocate portion of one new Senior Civil Engineer	-	69,183	
Total Prop C Fund			(349)	(140,817)	140,468 Net Impact to Fund Balance
Measure R Fund					
Technical Changes					
Revenue	Other Taxes & Assessments	Measure R Sales Tax	(224)	-	
Capital	Capital Improvement Projects	Protected LT Lanes on MBB at Peck Ave	-	75,000	
Personnel	Internal Service Charges	Allocate portion of one new Senior Civil Engineer	-	25,311	
Total Measure R Fund			(224)	100,311	(100,535) Net Impact to Fund Balance
Measure M Fund					
Technical Changes					
Revenue	Other Taxes & Assessments	Measure M Sales Tax	415,899	-	
Capital	Capital Improvement Projects	ADA Transition Plan within Public Rights of Way	-	200,000	
Personnel	Internal Service Charges	Allocate portion of one new Senior Civil Engineer	-	42,185	
Total Measure M Fund			415,899	242,185	173,714 Net Impact to Fund Balance

Adj. Type	Category	Description	Revenues	Expenditures	Comments
CIP Fund					
Technical Changes					
Revenue	Transient Occupancy Tax	Transient Occupancy Tax	(500,000)	-	Transferred back to General Fund
Capital	From Other Agencies	CDBG Grant Funds	100,000	-	
Capital	Capital Improvement Projects	City Hall 1st & 2nd Floor Restroom Remodel	-	450,000	
Capital	Capital Improvement Projects	Village Field Replacement Turf	-	(450,000)	Moved to Unfunded List
Capital	Capital Improvement Projects	Marine Ave Park Baseball Field Synthetic Turf	-	346,570	
Capital	Capital Improvement Projects	Non-motorized Trans. - Rosecrans Ave Bike Lane	-	330,000	
Personnel	Internal Service Charges	One new Senior Civil Engineer	-	168,738	
Capital	Capital Improvement Projects	Engineering Division Space Planning	-	133,430	
Capital	Capital Improvement Projects	CDGB Access Ramp Construction	-	100,000	
Capital	Capital Improvement Projects	Non-motorized Trans. - Crosswalks, Bike lanes, etc.	-	80,000	
Total CIP Fund			(400,000)	1,158,738	(1,558,738) Net Impact to Fund Balance
Water Fund					
Technical Changes					
Revenue	Charges for Services	Utility Connection Fees	(40,800)	-	
Revenue	Charges for Services	Meter Installation	(15,700)	-	
Revenue	Miscellaneous	Bad Debt Writeoff	(7,000)	-	
Capital	Capital Improvement Projects	Peck Ground Level Reservoir Replacement	-	(7,500,000)	Deferred to FY 2018-19
Capital	Capital Improvement Projects	Annual Pipe Replacement & Fire Hydrant Installs	-	1,500,000	
Capital	Capital Improvement Projects	Pier Water Main Replacement	-	400,000	
Capital	Capital Improvement Projects	Block 35 Ground Level Reservoir Replacement	-	(300,000)	Deferred to FY 2018-19
Capital	Capital Improvement Projects	Redrill & Equip Well 15	-	(250,000)	Deferred to FY 2018-19
Capital	Capital Improvement Projects	Well Collection Line from Well 11A to Block 35	-	(200,000)	Deferred to FY 2018-19
Personnel	Internal Service Charges	One new Senior Civil Engineer	-	168,738	
One-time	Property & Equipment	Work Order Management System	-	45,000	
Personnel	Employee Benefits	Medical Retirement Contributions	-	(10,140)	
Personnel	Salary & Wages	Convert Vacant MW I/II to MW III	-	7,843	
One-time	Materials & Services	Ruggedized Laptop Purchase	-	3,100	
Personnel	Employee Benefits	Medical Retirement Contributions	-	(2,868)	
Total Water Fund			(63,500)	(6,138,327)	6,074,827 Net Impact to Fund Balance
Stormwater Fund					
Technical Changes					
Revenue	Charges for Services	Utility Service Charges	(2,055,000)	-	
Capital	Capital Improvement Projects	Stormwater Masterplan Update	-	250,000	
Total Stormwater Fund			(2,055,000)	250,000	(2,305,000) Net Impact to Fund Balance
Wastewater Fund					
Technical Changes					
Revenue	Charges for Services	Utility Connection Fees	(27,800)	-	
Capital	Capital Improvement Projects	Realign Annual Gravity Sewer Main Rehab Projects	-	(3,550,000)	
Capital	Capital Improvement Projects	Pier Pump Station Force Main Replacement	-	650,000	
Capital	Capital Improvement Projects	Pacific Lift Station Upgrade	-	(250,000)	Deferred to FY 2018-19
Personnel	Internal Service Charges	One new Senior Civil Engineer	-	168,738	
One-time	Property & Equipment	Carryforward Work Order Management System	-	45,000	
Personnel	Salary & Wages	Convert Vacant MW I/II to MW III	-	7,843	
Personnel	Employee Benefits	Medical Retirement Contributions	-	(3,420)	
One-time	Materials & Services	Carryforward Ruggedized Laptop Purchase	-	3,100	
Total Wastewater Fund			(27,800)	(2,928,739)	2,900,939 Net Impact to Fund Balance

Adj. Type	Category	Description	Revenues	Expenditures	Comments
Refuse Fund					
Technical Changes					
Revenue	Charges for Services	Residential Refuse Fee	(20,000)	-	
Personnel	Employee Benefits	Medical Retirement Contributions	-	(1,332)	
Total Refuse Fund			(20,000)	(1,332)	
					(18,668) Net Impact to Fund Balance
Parking Fund					
Technical Changes					
Capital	Capital Improvement Projects	Parking Structure Structural Rehab Analysis (Lots 3&4)	0	600,000	
Capital	Capital Improvement Projects	Downtown Parking Facility Capital Investment Plan	-	(100,000)	Moved to Unfunded List
Personnel	Employee Benefits	Medical Retirement Contributions	-	(1,464)	
Total Parking Fund			-	498,536	
					(498,536) Net Impact to Fund Balance
County Parking Lots Fund					
Technical Changes					
Personnel	Employee Benefits	Medical Retirement Contributions	-	(204)	
Personnel	Employee Benefits	Medical Retirement Contributions	-	(204)	
Total County Parking Lots Fund			-	(408)	
					408 Net Impact to Fund Balance
State Pier & Parking Fund					
Technical Changes					
Capital	Capital Improvement Projects	Pier Lot Safety Lighting	-	(175,000)	
Personnel	Employee Benefits	Medical Retirement Contributions	-	(420)	
Total State Pier & Parking Fund			-	(175,420)	
					175,420 Net Impact to Fund Balance
Insurance Reserve Fund					
Technical Changes					
Other	Contract & Professional Services	Risk Mgmt Ancillary Costs previously paid through ICRMA	-	132,680	Company Nurse, State Assess., etc.
Other	Materials & Services	Liability Insurance Premiums	-	(1,070,495)	
Other	Materials & Services	Workers' Compensation Claims Paid	-	960,000	
Other	Materials & Services	Liability Claims Paid	-	(400,000)	
Other	Materials & Services	Property Insurance Premiums	-	(133,429)	
Other	Materials & Services	Workers' Compensation Insurance Premiums	-	(24,876)	
Personnel	Employee Benefits	Medical Retirement Contributions	-	(1,608)	
Total Insurance Reserve Fund			-	(537,728)	
					537,728 Net Impact to Fund Balance
Information Technology Fund					
Technical Changes					
One-Time	Property & Equipment	Carryforward ISMP Project: AB1149 Data Encryption/Securit	-	50,000	
Personnel	Employee Benefits	Medical Retirement Contributions	-	(3,660)	
Total Information Technology Fund			-	46,340	
					(46,340) Net Impact to Fund Balance

FY 2017-18 Budget Amendment Requests

Adj. Type	Category	Description	Revenues	Expenditures	Comments
Fleet Management Fund					
Policy Changes					
Personnel	Salary & Wages, Employee Benefits	Convert Long-Term Contract Employee to Full-time	-	33,438	Reinstatement of position elim. 2012
		Subtotal	-	33,438	
Technical Changes					
Personnel	Employee Benefits	Medical Retirement Contributions	-	(3,216)	
		Subtotal	-	(3,216)	
		Total Fleet Management Fund	-	30,222	
				(30,222)	Net Impact to Fund Balance
Building Maintenance & Operations Fund					
Technical Changes					
Personnel	Employee Benefits	Medical Retirement Contributions	-	(4,740)	
		Total Building Maintenance & Operations Fund	-	(4,740)	
				4,740	Net Impact to Fund Balance
TOTAL			(\$973,197)	(\$6,803,347)	

GENERAL FUND FIVE YEAR FORECAST SUMMARY - FY 2017/18 THROUGH 2021/22

Year	Revenues	Change	%	Expenditures	Change	%	Surplus/ (Deficit)	Net General Fund Transfers	Incr./ (Decr.) in Fund Balance	Year-end Fund Balance	Financial Policy Reserve	Change	Economic Uncertainty Reserve	Change	Unreserved Fund Balance	Change
FY 2015/16										\$20,086,641	\$12,713,032		\$1,934,245		\$5,439,364	
FY 2016/17 ¹	\$67,743,815			\$66,911,587			\$832,228	(\$1,994,846)	(\$1,162,618)	\$18,924,023	\$13,481,208	\$768,176	\$1,999,403	\$65,158	\$3,443,412	\$ (1,995,952)
FY 2017/18	71,013,648	3,269,833	4.8%	70,590,446	3,678,858	5.5%	423,202	(1,693,892)	(1,270,690)	17,653,333	14,118,089	636,881	2,064,561	65,158	1,470,683	(1,972,729)
FY 2018/19 ²	72,144,064	1,130,416	1.6%	71,712,085	1,121,640	1.6%	431,979	(1,289,925)	1,077,493	18,730,826	14,342,417	224,328	4,000,000	1,935,439	388,409	(1,082,274)
FY 2019/20	74,273,038	2,128,974	3.0%	74,146,645	2,434,559	3.4%	126,394	(1,803,189)	(1,676,796)	17,054,030	14,829,329	486,912	2,224,701	(1,775,299)	-	(388,409)
FY 2020/21	76,473,011	2,199,973	3.0%	76,469,157	2,322,513	3.1%	3,854	(1,316,061)	(1,312,207)	15,741,823	15,293,831	464,502	447,992	(1,776,709)	-	-
FY 2021/22	78,746,515	2,273,504	3.0%	78,707,361	2,238,203	2.9%	39,154	(1,328,723)	(1,289,569)	14,452,254	14,452,254	(841,577)	-	(447,992)	-	-
							\$1,856,811	(\$9,426,637)	(\$5,634,387)			\$1,739,222	(\$1,934,245)	(\$1,934,245)	(\$5,439,364)	

¹ FY 2016/17 Year-end Estimates

² FY 2018/19 Includes loan payoff estimate of \$1,935,439.

Notes

Expenditure of \$250,000 for pension stabilization included in years FY2018 to FY2022.

Transient Occupancy Tax Revenue of \$500,000 retained in General Fund in years FY2018 to FY2022.

Revenue growth forecasted using:	FY2019 Baseline	FY2020 Baseline	FY2021 Baseline	FY2022 Baseline
Expenditure growth forecasted using:	Baseline	Baseline	Baseline	Baseline

FY 2017-18 One-time Expenditures:

Replacement of RCC Dispatch Software (Split Police 75%/Fire 25%)	\$ 238,648
Carryforward Finance/HR System (ERP) Enhancement	178,585
Carryforward License Plate Reader & Camera Project	100,000
Carryforward Permitting Software Solution	74,123
Replacement Ceramics Klin	45,000
Legal Services for Labor Negotiations	30,000
Carryforward Work Order Management System	10,000
Carryforward Ruggedized Laptop Purchase	3,100
	\$ 679,456

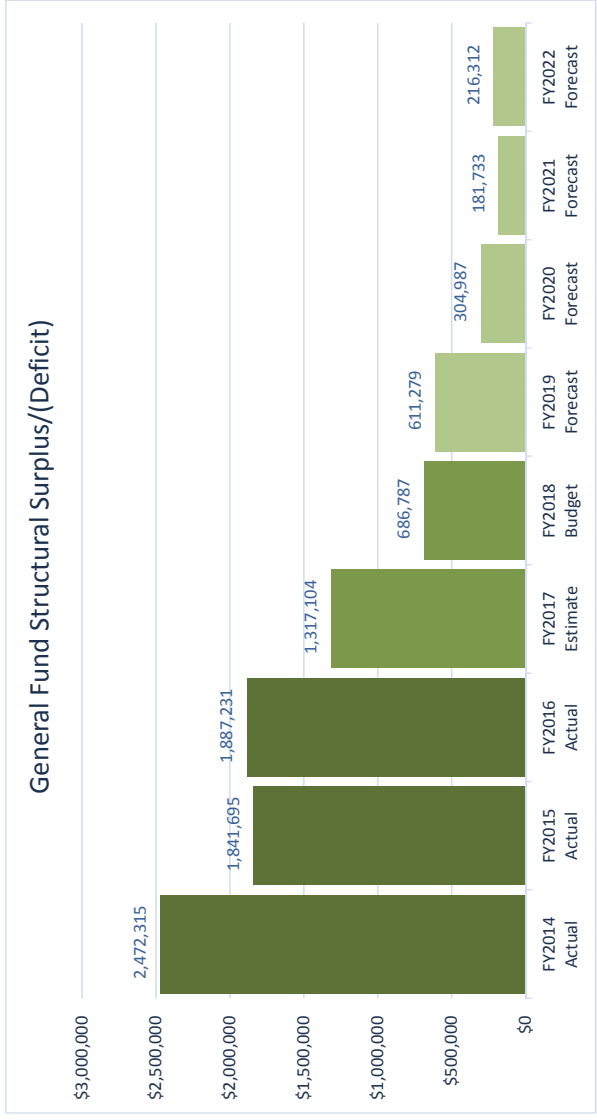
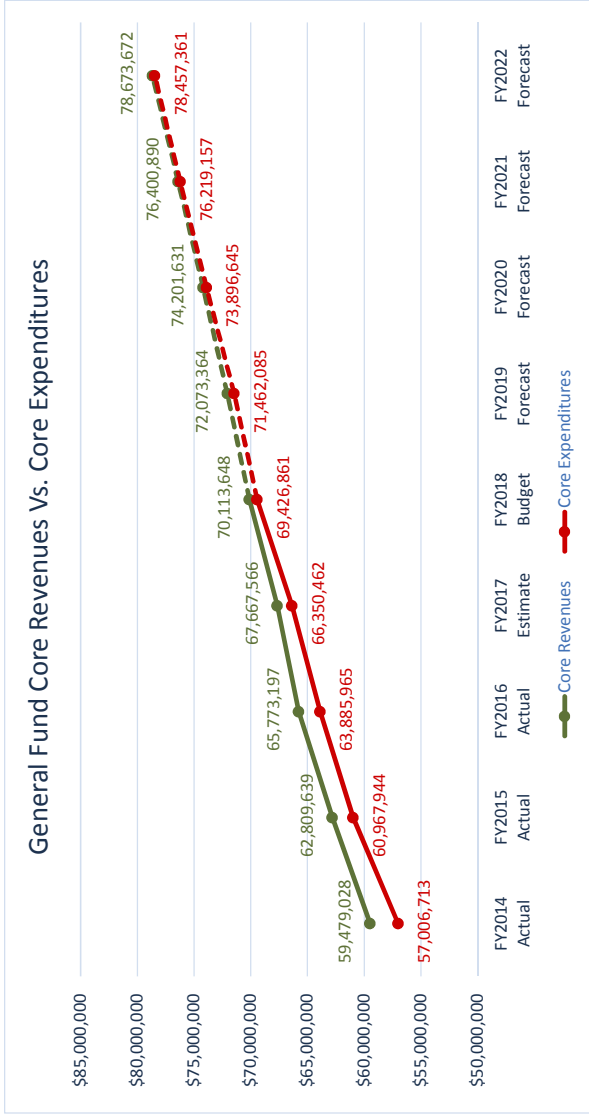
General Fund Transfers	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	TOTAL
Street Lighting & Landscape Fund	(206,903)	(223,655)	(228,308)	(233,056)	(237,901)	(242,845)	(1,372,668)
CIP Fund	(500,000)	-	-	-	-	-	(500,000)
Stormwater Fund	(1,263,233)	(982,418)	(1,251,692)	(1,771,507)	(1,291,411)	(1,311,565)	(7,871,815)
County Parking Lots Fund	80,606	179,181	190,076	201,374	213,251	225,676	1,090,162
Insurance Fund	(667,000)	(667,000)	-	-	-	-	(1,334,000)
Information Technology Fund	561,684	-	-	-	-	-	561,684
	(1,994,846)	(1,693,892)	(1,289,925)	(1,803,189)	(1,316,061)	(1,328,723)	(9,426,637)

Without loan payoff (7,569,826)

General Fund Forecast

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
	Actual	Actual	Actual	Estimate	Proposed	Forecast	Forecast	Forecast	Forecast
BEGINNING FUND BALANCE	19,156,761	19,198,336	21,115,623	20,086,641	18,924,023	17,653,333	18,730,826	17,054,030	15,741,823
Revenues									
Core Revenues	59,479,028	62,809,639	65,773,197	67,667,566	70,113,648	72,073,364	74,201,631	76,400,890	78,673,672
Non-core Revenues (One-time & Grants)	266,593	185,715	1,074,052	76,249	900,000	70,700	71,407	72,121	72,842
Total Revenues & Other Inflows (A)	\$59,745,621	\$62,995,354	\$66,847,249	\$67,743,815	\$71,013,648	\$72,144,064	\$74,273,038	\$76,473,011	\$78,746,515
Expenditures									
Core Expenditures	57,006,713	60,967,944	63,885,965	66,350,462	69,426,861	71,462,085	73,896,645	76,219,157	78,457,361
Non-core Expenditures (One-time & Capital)	1,891,395	129,423	2,464,364	543,118	1,163,585	250,000	250,000	250,000	250,000
Total Expenditures & Other Outflows (B)	58,898,108	61,097,367	66,350,330	66,911,587	70,590,446	71,712,085	74,146,645	76,469,157	78,707,361
Annual Structural (Core) Surplus/(Deficit)	2,472,315	1,841,695	1,887,231	1,317,104	686,787	611,279	304,987	181,733	216,312
Annual Surplus/(Deficit) Before Transfers	847,513	1,897,988	496,919	832,228	423,202	431,979	126,394	3,854	39,154
Fund Equity Transfers (C)	(805,938)	19,300	(1,525,902)	(1,994,846)	(1,693,892)	(1,289,925)	(1,803,189)	(1,316,061)	(1,328,723)
Annual Increase/(Decrease) in Fund Balan (=A-B+C)	41,575	1,917,287	(1,028,983)	(1,162,618)	(1,270,690)	1,077,493	(1,676,796)	(1,312,207)	(1,289,569)
ENDING FUND BALANCE	\$19,198,336	\$21,115,623	\$20,086,641	\$18,924,023	\$17,653,333	\$18,730,826	\$17,054,030	\$15,741,823	\$14,452,254
Financial Policy Designation	11,787,616	12,140,241	12,713,032	13,481,208	14,118,089	14,342,417	14,829,329	15,293,831	14,452,254
Reserve for Economic Uncertainty	4,000,000	4,000,000	1,934,245	1,999,403	2,064,561	4,000,000	2,224,701	447,992	-
Undesignated Fund Balance	3,410,720	4,975,382	5,439,364	3,443,412	1,470,683	388,409	-	-	-

General Fund Forecast



**FIVE YEAR FORECAST
FY 2017-2018 SCHEDULE OF RESERVED & DESIGNATED FUND BALANCES**

	07/01/2017 Opening Balance	2017-2018 Estimated Revenues	2017-2018 Operating Expenditures	2017-2018 Capital Equip & Projects	2017-2018 Debt Service Payments	2017-2018 Total Expenditures	2017-2018 Fund Balance Before Xfers	2017-2018 Fund Transfers	2017-2018 Total Fund Balance	2017-2018 Reserves & Designations	06/30/2018 Unreserved Balance
General Fund Undesignated	\$3,443,411	\$71,013,648	(\$68,809,183)	(\$1,163,585)	(\$617,678)	(\$70,590,446)	\$3,866,613	(\$702,039)	\$1,470,682		\$1,470,682
Transfer from County Lots Parking Fund								179,181			
Transfer from Information Technology Fund								(223,655)			
Transfer to Street Lighting Fund								(982,418)			
Transfer to Stormwater Fund								(667,000)			
Transfer to Insurance Reserve Fund								-			
Transfer to Capital Improvements Fund	13,481,208						13,481,208	636,881	14,118,089	14,118,089	
Financial Policy Designation								65,158	2,064,561	2,064,561	
Reserve for Economic Uncertainty	1,999,403						1,999,403				
Debt Service Reserve	-						-				
Total General Fund Balance	\$18,924,022	\$71,013,648	(\$68,809,183)	(\$1,163,585)	(\$617,678)	(\$70,590,446)	\$19,347,225	(\$1,693,892)	\$17,653,332	\$16,182,650	\$1,470,682
Special Revenue Funds											
Street Lighting & Landscape	-	\$396,139	(\$619,794)	-	-	(\$619,794)	(\$223,655)	\$223,655	-	-	-
Gas Tax	\$1,613	1,036,987	(\$32,060)	(\$500,000)	-	(\$532,060)	506,540	-	\$506,540	-	\$506,540
Asset Forfeiture & Safety Grants	580,006	708,300	(\$190,440)	(\$700,000)	(\$150,673)	(\$1,041,113)	247,193	-	247,193	-	247,193
Police Safety Grants	109,916	101,400	(\$105,000)	-	-	(\$105,000)	106,316	-	106,316	-	106,316
Federal & State Grants	(22,488)	-	-	-	-	-	(22,488)	-	(22,488)	-	(22,488)
Prop A	-	679,899	(\$896,687)	-	-	(\$896,687)	961,194	216,848	961,194	-	961,194
Prop C	937,205	1,393,172	(\$69,183)	(\$1,300,000)	-	(\$1,369,183)	181,591	-	181,591	-	181,591
AB 2766	142,479	50,412	(\$11,300)	-	-	(\$11,300)	298,023	(216,848)	81,175	-	81,175
Measure R	152,447	420,887	(\$25,311)	(\$250,000)	-	(\$275,311)	173,714	-	173,714	-	173,714
Measure M	-	415,899	(\$42,185)	(\$200,000)	-	(\$242,185)	-	-	-	-	-
Total Special Revenue Funds Balance	\$1,901,176	\$5,203,035	(\$1,991,960)	(\$2,950,000)	(\$150,673)	(\$5,092,633)	\$2,011,578	\$223,655	\$2,235,233	-	\$2,235,233
Capital Project Funds											
Capital Improvement Fund	\$4,574,711	\$1,726,804	(\$168,738)	(\$2,715,000)	(\$767,362)	(\$3,651,100)	\$2,650,415	-	\$2,650,415	\$500,000	\$2,150,415
Underground Utility Construction Fund	595,182	1,800	-	-	-	-	596,982	-	596,982	-	596,982
Total Capital Project Funds Balance	\$5,169,893	\$1,728,604	(\$168,738)	(\$2,715,000)	(\$767,362)	(\$3,651,100)	\$3,247,397	-	\$3,247,397	\$500,000	\$2,747,397
Enterprise Funds											
Water	\$25,407,193	\$14,931,000	(\$10,833,242)	(\$4,615,000)	(\$172,001)	(\$15,620,243)	\$24,717,950	-	\$24,717,950	3,668,414	\$21,049,536
Stormwater*	-	354,300	(\$876,718)	(\$460,000)	-	(\$1,336,718)	(982,418)	982,418	-	-	-
Wastewater	7,469,731	3,350,500	(\$1,303,964)	(\$4,145,000)	(\$84,625)	(\$5,533,589)	5,286,642	-	5,286,642	462,863	4,823,778
Refuse*	474,658	4,293,026	(\$4,219,000)	-	-	(\$4,219,000)	548,684	-	548,684	548,684	-
Parking*	559,167	2,597,000	(\$1,834,042)	(\$600,000)	(\$717,413)	(\$3,151,455)	4,712	-	4,712	4,712	-
County Parking Lots	-	798,500	(\$183,319)	-	(\$436,000)	(\$619,319)	179,181	(179,181)	-	-	-
State Pier & Parking	675,098	608,600	(\$477,439)	-	-	(\$477,439)	806,259	-	806,259	159,146	647,112
Enterprise Fund Reserves:											
North Manhattan Beach BID Reserve	511,863	-	-	-	-	-	511,863	-	511,863	511,863	-
Total Enterprise Funds Balance	\$35,097,712	\$26,932,926	(\$19,727,726)	(\$9,820,000)	(\$1,410,039)	(\$30,957,765)	\$31,072,873	\$803,237	\$31,876,110	\$5,355,683	\$26,520,427

Growth Factors for FY 2017-18 to FY 2021-22 Projections

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
	Actual	Actual	Actual	Estimate	Proposed	Forecast	Forecast	Forecast	Forecast
Core Revenues									
Property Tax	8.0%	4.6%	7.8%	6.5%	5.1%	4.0%	4.0%	4.0%	4.0%
Sales & Use Tax	-1.8%	0.4%	1.9%	-3.7%	0.0%	2.0%	2.0%	2.0%	2.0%
Other Taxes & Assessments	5.1%	6.3%	-6.3%	0.5%	6.4%	2.0%	2.0%	2.0%	2.0%
Transient Occupancy Tax	10.6%	12.3%	7.2%	-0.5%	3.1%	3.0%	3.0%	3.0%	3.0%
Business License Tax	0.6%	7.5%	3.0%	1.4%	2.1%	2.0%	2.0%	2.0%	2.0%
Charges for Services	13.1%	3.4%	3.9%	4.1%	0.4%	3.0%	3.0%	3.0%	3.0%
Building Permits	18.3%	16.0%	41.8%	-6.3%	9.3%	-2.9%	3.0%	3.0%	3.0%
Building Plan Check Fees	35.3%	0.0%	-24.6%	41.0%	-6.7%	3.0%	3.0%	3.0%	3.0%
Licenses & Permits	11.4%	40.0%	12.4%	-4.7%	-1.3%	3.0%	3.0%	3.0%	3.0%
Fines	-1.2%	2.8%	-0.1%	10.8%	0.8%	1.0%	1.0%	1.0%	1.0%
Interest Earnings	76.9%	-13.3%	47.0%	-1.4%	14.2%	2.0%	2.0%	2.0%	2.0%
Rents & Leases	24.1%	-6.2%	10.9%	1.2%	-3.0%	2.0%	2.0%	2.0%	2.0%
Real Estate Transfer Tax	9.4%	12.2%	10.0%	-24.3%	0.0%	2.0%	2.0%	2.0%	2.0%
From Other Agencies	-10.8%	253.7%	-47.9%	-42.9%	1.0%	1.0%	1.0%	1.0%	1.0%
Miscellaneous	-42.7%	54.7%	-11.3%	8.1%	-7.8%	1.0%	1.0%	1.0%	1.0%
Operating Transfers In	0.0%	0.0%	2.9%	0.0%	22.5%	1.0%	1.0%	1.0%	1.0%
Core Revenues	6.4%	5.6%	4.7%	2.9%	3.6%	2.8%	3.0%	3.0%	3.0%
Non-Core Revenues									
Unrealized Investment Gain/Loss	-131.2%	-61.5%	1989.1%	-100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants	85.2%	-27.0%	-49.8%	-13.5%	-8.2%	1.0%	1.0%	1.0%	1.0%
Lease Purchase Proceeds	0.0%	0.0%	0.0%	0.0%	0.0%	-100.0%	0.0%	0.0%	0.0%
Property Transfer Fee	0.0%	0.0%	0.0%	-100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Non-core Revenues	453.2%	-30.3%	478.3%	-92.9%	1080.3%	-92.1%	1.0%	1.0%	1.0%
Total Revenues & Other Inflows	6.8%	5.4%	6.1%	1.3%	4.8%	1.6%	3.0%	3.0%	3.0%
Core Expenditures									
Salary & Wages	11.9%	9.5%	4.4%	2.5%	2.2%	2.0%	2.0%	2.0%	2.0%
Employee Benefits	-0.8%	2.3%	10.5%	6.7%	8.5%	8.3%	8.4%	7.0%	6.0%
Contract & Professional Services	28.5%	4.3%	5.7%	-1.2%	5.0%	-1.3%	2.0%	2.0%	2.0%
Materials & Services	0.4%	19.3%	3.2%	7.0%	3.7%	1.9%	1.9%	1.9%	1.9%
Utilities	7.3%	-1.6%	-1.7%	5.7%	6.3%	2.0%	2.0%	2.0%	2.0%
Internal Service Charges	16.3%	12.4%	9.2%	8.6%	5.4%	2.0%	2.0%	2.0%	2.0%
Property Leases & Rentals	0.0%	0.0%	0.0%	0.0%	0.0%	2.0%	2.0%	2.0%	2.0%
Bond Debt Service	-49.6%	-24.7%	-67.9%	24.1%	4.0%	4.7%	0.2%	-0.9%	-0.2%
Operating Transfers Out	3.5%	2.5%	122.6%	-62.2%	0.0%	2.0%	2.0%	2.0%	2.0%
Core Expenditures	7.5%	6.9%	4.8%	3.9%	4.6%	2.9%	3.4%	3.1%	2.9%
Non-Core Expenditures									
City Manager Loan	0.0%	-100.0%	0.0%	-94.8%	-100.0%	0.0%	0.0%	0.0%	0.0%
Property & Equipment	20.4%	-32.4%	187.1%	17.0%	167.6%	-78.5%	0.0%	0.0%	0.0%
Capital Improvement Projects	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Non-core Expenditures	1089.7%	-93.2%	1804.1%	-78.0%	114.2%	-78.5%	0.0%	0.0%	0.0%
Total Expenditures & Other Outflows	10.7%	3.7%	8.6%	0.8%	5.5%	1.6%	3.4%	3.1%	2.9%

Parks and Recreation FY 2017-2018 Projection for Self Sustaining Programs
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14-028 Facilities and Parks Reservations	Revenues	Expenditures	Net
Facility- Outdoor Picnic Rentals	30,000	20,000	10,000
Facility- Field Rentals	350,000	83,000	267,000
Facility- Facility Rentals	20,000	20,000	-
Facility- Customer Banner Hanging	10,000	15,000	(5,000)
Facility- Sand Dune	10,000	-	10,000
Facility- Mira Costa Reservations (inc. 40% FT Rec Sup)	85,000	121,500	(36,500)
Subtotal		259,500	
Facitliy-FT Sports Coordinator		37,500	
Facility- FT Facility Reservation Clerk		71,000	(71,000)
Total	505,000	368,000	137,000

14-025 Special Classes	Revenues	Expenditures	Net
Sp Class- Tennis Lessons	173,600	129,920	43,680
Sp Class - Tennis Camps	60,300	40,195	20,105
Sp Class- Table Tennis	1,000	700	300
Sp Class- Bridge	500	500	-
Sp Class- Dog Obedience	-	-	-
Sp Class- Science changed to Education	20,000	11,830	8,170
Sp Class- Marine LOP Summer Camp	135,000	102,461	32,539
Sp Class- Cooking	4,950	3,810	1,140
Sp Class-Extreme Sports	20,000	17,903	2,097
Sp Class - Marine LOP Winter/Spring	16,000	9,200	6,800
Subtotal	431,350	316,519	114,831
Sp Class- Admin Payroll		30,763	(30,763)
Total	431,350	347,282	84,068

14-026 Special Events	Revenues	Expenditures	Net
Sp Event- Teen Dodgeball	-	-	-
Sp Event- Earth Day	-	-	-
Sp Event- Tennis Tourney	6,900	7,600	(700)
Sp Event- Teen Sports	-	-	-
Sp Event - One Day Special Event	-	-	-
Sp Event- REC Birthday Parties		-	-
Sp Event - REC Special Activities/Trip	13,500	12,000	1,500
Sp Event- Teen Ctr Summer Camp	5,000	2,000	3,000
Sp Event - Teen Ctr School Year	3,125	2,000	1,125
Sp Event - Teen Ctr Special Activities	32,215	24,925	7,290
Sp Event - Family Camp Out	7,500	6,750	750
Sp Event- Afterschool REC	210,000	187,766	22,234
Sp Event- Promotional Clinics			
Subtotal	278,240	243,041	35,199
Sp Class- Admin Payroll		24,286	(24,286)
Total	278,240	267,327	10,913

Attachment 6

14-027 Tennis Operations	Revenues	Expenditures	Net
Tennis - Live Oak Tennis	156,795	129,500	53,295
Tennis - Mira Costa Tennis	24,750	28,000	(6,000)
Tennis - Manhattan Heights			-
Total	181,545	157,500	47,295

14-034 Arts Education Classes	Revenues	Expenditures	Net
Art Educ- Dance Instruction	5,000	4,000	1,000
Art Educ- Theater Arts	8,000	5,000	3,000
Art Educ- Literary Arts			-
Art Educ- Music	35,000	28,000	7,000
Art Educ- Ceramics	120,000	78,000	42,000
Art Educ- Drawing & Painting	50,000	30,800	19,200
Art Educ- Camps	39,000	27,300	11,700
Art Educ- Photography Media Art	10,000	5,660	4,340
Art Educ- Art Exhibitions	3,000	3,000	-
Art Educ- Sculpture	8,000	5,660	2,340
Subtotal		187,420	90,580
Ceramics Supervisor		95,000	(95,000)
Art Educ- Admin Payroll		27,606	(27,606)
Art Center Part-Time Staffing		58,500	(58,500)
One-time Equipment Purchase: Ceramics Kiln		45,000	(45,000)
Total	278,000	413,526	(135,526)

14-036 Concerts in the Park	Revenues	Expenditures	Net
Concerts in the Park	40,000	75,646	(35,646)
Total	40,000	75,646	(35,646)

14-041 Sports Leagues	Revenues	Expenditures	Net
SPT- 6-Man CBVA *Does not include PD, inc. CSC	19,000	44,000	(25,000)
SPT- Manhattan Open VB Tourney	75,000	75,000	-
SPT- Adult Volleyball	50,000	28,000	22,000
SPT- Slo-Pitch Leagues	25,000	20,000	5,000
SPT - Lacrosse	30,000	21,000	9,000
SPT - Baseball Camp	25,000	21,000	4,000
SPT- 7 on 7 Soccer	60,000	40,000	20,000
SPT- Summer Sunset Basketball League	45,000	22,000	23,000
SPT-Kickball League	20,000	13,000	7,000
Subtotal		284,000	(284,000)
SPT- Full Time Sports Coord.		35,700	(35,700)
SPT-Admin Fee		14,675	(14,675)
Total	349,000	334,375	14,625

Attachment 6

14-042 Sports Classes	Revenues	Expenditures	Net
SPT- Aqualetics	210,000	85,300	124,700
SPT- Surfing & Volleyball Camp	35,000	26,250	8,750
SPT- Soccer- Brit West	150,000	110,000	40,000
SPT- Volleyball	42,000	25,000	17,000
SPT- Golf	10,000	9,000	1,000
SPT- Ice Sports	7,000	4,550	2,450
SPT- Adult Fitness	30,000	24,000	6,000
SPT-Karate	1,500	1,050	450
SPT-Youth Gymnastics	32,000	26,000	6,000
SPT-Youth Sports - Run	6,000	4,800	1,200
SPT-Yoga	22,000	16,000	6,000
Subtotal	545,500	331,950	213,550
SPT- Full Time Rec Sup		100,000	(100,000)
SPT- Admin Payroll		44,627	(44,627)
Total	545,500	476,577	68,923

14-043 Swimming Activities	Revenues	Expenditures	Net
SPT- Aquatics Summer	230,000	155,000	75,000
SPT - Swim Special Events	15,000	15,000	-
SPT- Swim Team	140,000	80,000	60,000
SPT- Swim Birthday Parties	15,000	5,000	10,000
SPT- Aquatics Fall	30,000	13,000	17,000
SPT- Aquatics-Spring	40,000	20,000	20,000
SPT- Aquatics - Winter	40,000	20,300	19,700
SPT- Pool Operations		60,000	(60,000)
Subtotal			-
SPT - FT Rec Sup 60%		60,000	(60,000)
SPT - FT Aquatics Coord.		75,000	(75,000)
SPT- Admin Payroll		43,378	(43,378)
Total	510,000	546,678	(36,678)

14-061 Older Adult Activities	Revenues	Expenditures	Net
OAA-Swing & Sway	6,400	6,000	400
OAA-Sr Events	20,000	45,000	(25,000)
OAA-Bus Excursions All	6,000	6,800	(800)
OAA-Bus Excursions-OA only	22,600	20,000	2,600
OAA-Community Programs	25,000	25,000	-
Subtotal	79,000	102,800	(23,800)
OAA-Admin Payroll	-	11,280	(11,280)
Total	79,000	114,080	(35,080)

	Revenues	Expenditures	Net
Total	3,197,635	3,100,991	96,644

City of Manhattan Beach Budgeted General Fund Expenditure History

(Full Time Employee Position Counts are across all Funds)

Adopted Budget Year	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2007-2017	Proposed	FY 2018	FY 2008-2018	Change	
												Change			Change	% of Total	
Management Services	\$2,003,981	\$2,199,358	\$2,934,862	\$3,354,023	\$2,022,693	\$1,828,101	\$2,452,621	\$2,745,140	\$2,681,392	\$3,931,754	\$4,179,649	\$2,175,668	\$4,207,524	\$2,008,166	\$2,008,166	9.9%	9.1%
Change from Prior Year	212,096	195,377	735,504	419,161	(1,331,330)	(194,592)	624,520	292,519	(63,748)	1,250,362	247,895	108,57%	27,875	0.7%	91.31%	4	
Yearly Change - %	11.8%	9.7%	33.4%	14.3%	-39.7%	-9.6%	34.2%	11.9%	-2.3%	46.6%	6.3%		0.7%				
FTE Head Count	13	13	14	14	14	13	12	13	13	17	17	4	17	4	4		
Finance	\$2,642,407	\$2,829,046	\$2,942,931	\$2,664,387	\$2,696,658	\$2,728,116	\$2,670,558	\$3,419,448	\$3,684,973	\$3,476,149	\$3,872,776	\$1,230,369	\$4,613,491	\$1,784,445	\$1,784,445	5.6%	8.1%
Change from Prior Year	218,956	186,639	113,885	(278,544)	32,271	31,458	(57,558)	748,890	265,525	(208,824)	396,627	46,56%	740,715	19.1%	63.08%		
Yearly Change - %	9.0%	7.1%	4.0%	-9.5%	1.2%	1.2%	-2.1%	28.0%	7.8%	-5.7%	11.4%		19.1%				
FTE Head Count	21	21	21	20	20	20	20	25	25	17	17	(4)	17	(4)	(4)		
Human Resources	\$757,090	\$825,859	\$824,581	\$866,786	\$982,975	\$897,946	\$848,622	\$963,253	\$1,238,160	\$1,296,275	\$1,268,604	\$511,514	\$1,272,700	\$446,841	\$446,841	2.3%	2.0%
Change from Prior Year	45,927	68,769	(1,278)	42,205	116,189	(85,029)	(49,324)	114,631	274,907	58,115	(27,671)	4,096	4,096	0.3%	54.11%		
Yearly Change - %	6.5%	9.1%	-0.2%	5.1%	13.4%	-8.7%	-5.5%	13.5%	28.5%	4.7%	-2.1%	67.56%	0.3%				
FTE Head Count	7	7	7	7	7	6	6	6	6	8	8	1	8	1	1		
Recreation	\$5,020,542	\$5,434,515	\$5,776,491	\$5,635,003	\$5,778,177	\$6,019,363	\$5,995,395	\$6,821,020	\$7,586,963	\$7,799,276	\$8,210,903	\$3,190,361	\$8,317,803	\$2,883,288	\$2,883,288	14.6%	13.1%
Change from Prior Year	466,841	413,973	341,976	(141,488)	143,174	241,186	(23,968)	825,625	765,943	212,313	411,627	106,901	106,901	1.3%	53.06%		
Yearly Change - %	10.3%	8.2%	6.3%	-2.4%	2.5%	4.2%	-0.4%	13.8%	11.2%	2.8%	5.3%	63.55%	1.3%				
FTE Head Count	18	19	20	20	20	20	21	23	23	25	25	7	25	6	6		
Police	\$17,886,905	\$19,213,896	\$20,002,127	\$19,609,339	\$19,879,430	\$20,549,466	\$21,652,549	\$23,003,392	\$23,207,615	\$23,574,703	\$25,996,684	\$8,109,779	\$26,537,946	\$7,324,050	\$7,324,050	37.1%	33.3%
Change from Prior Year	1,364,532	1,326,991	788,231	(392,788)	270,091	670,036	1,103,083	1,350,843	204,223	367,088	2,421,981	45,34%	541,262	2.1%	38.12%		
Yearly Change - %	8.3%	7.4%	4.1%	-2.0%	1.4%	3.4%	5.4%	6.2%	0.9%	1.6%	10.3%		2.1%				
FTE Head Count	100	100	100	98	98	97	101	105	105	105	107	7	107	7	7		
Fire	\$8,457,932	\$9,017,374	\$10,499,656	\$10,401,223	\$9,428,823	\$9,852,662	\$10,047,798	\$10,971,186	\$11,362,905	\$12,211,534	\$12,312,684	\$3,854,752	\$12,981,877	\$3,964,503	\$3,964,503	17.6%	18.0%
Change from Prior Year	657,051	559,442	1,482,282	(98,433)	(972,400)	423,839	195,136	923,388	391,719	848,629	101,150	45,58%	669,194	5.4%	43.97%		
Yearly Change - %	8.4%	6.6%	16.4%	-0.9%	-9.3%	4.5%	2.0%	9.2%	3.6%	7.5%	0.8%		5.4%				
FTE Head Count	31	31	31	31	31	31	31	31	32	31	31	0	31	0	0		
Community Development	\$3,442,499	\$3,424,185	\$3,545,255	\$3,092,360	\$3,052,195	\$3,043,945	\$3,521,883	\$3,921,372	\$4,104,035	\$4,630,723	\$4,524,832	\$1,082,333	\$4,792,252	\$1,368,067	\$1,368,067	4.9%	6.2%
Change from Prior Year	468,125	(18,314)	121,070	(452,895)	(40,165)	(8,250)	477,938	399,489	182,663	526,688	(105,891)	31,44%	267,420	5.9%	39.95%		
Yearly Change - %	15.7%	-0.5%	3.5%	-12.8%	-1.3%	-0.3%	15.7%	11.3%	4.7%	12.8%	-2.3%		5.9%				
FTE Head Count	22	22	22	20	20	19	20	21	22	24	24	2	24	2	2		
Public Works	\$5,323,163	\$5,640,865	\$5,795,580	\$5,288,074	\$5,413,275	\$5,737,896	\$5,804,831	\$7,093,269	\$6,835,162	\$6,300,644	\$6,679,390	\$1,356,227	\$7,555,984	\$1,915,119	\$1,915,119	6.2%	8.7%
Change from Prior Year	260,690	317,702	154,715	(507,506)	125,201	324,621	66,935	1,288,438	(258,107)	(534,518)	378,746	25,48%	876,594	13.1%	33.95%		
Yearly Change - %	5.1%	6.0%	2.7%	-8.8%	2.4%	6.0%	1.2%	22.2%	-3.6%	-7.8%	6.0%		13.1%				
FTE Head Count	61	61	63	61	60	60	58	56	56	56	56	(5)	61	-	-		
Information Technology*																	
Change from Prior Year																	
Yearly Change - %																	
FTE Head Count																	
Total General Fund	\$45,534,519	\$48,585,098	\$52,321,483	\$50,911,195	\$49,254,226	\$50,657,495	\$52,994,257	\$59,938,080	\$60,701,205	\$63,565,162	\$67,406,040	\$21,871,521	\$70,590,446	\$22,005,348	\$22,005,348	9.9%	9.1%
Change from Prior Year	3,694,218	3,050,579	3,736,385	(1,410,288)	(1,656,969)	1,403,269	2,336,762	5,943,823	1,763,125	2,863,957	3,840,878	48,0%	3,184,406	4.7%	45.3%		
Yearly Change - %	8.8%	6.7%	7.7%	-2.7%	-3.3%	2.8%	4.6%	11.2%	3.0%	4.7%	6.0%		4.7%				
FTE Head Count	273	274	278	271	270	266	268	278	282	292	292	21	299	25	25		
Change in FTE	6	1	4	(7)	(1)	(4)	2	10	4	10	2	9	5	25	25		

*Stand-alone Information Technology Department created in FY 2015-2016. Prior Year General Fund costs and FTE Head Count remain under Finance Department for purposes of this document.

Salaries and Benefits as a Percentage of Total Budget (General Fund)

(Full Time Employee Position Counts are Across all Funds)

Attachment #8

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	Proposed FY 2018
Management Services												
Salaries and Benefits	\$1,201,634	\$1,219,073	\$1,418,800	\$1,456,288	\$1,440,466	\$1,319,050	\$1,052,983	\$1,244,201	\$1,271,712	\$1,813,509	\$2,013,620	\$1,875,541
Change From Prior Year	60,469	17,439	199,727	37,488	(15,822)	(121,416)	(266,067)	191,218	27,511	541,797	200,111	(138,079)
Yearly Change - %	5.3%	1.5%	16.4%	2.6%	-1.1%	-8.4%	-20.2%	18.2%	2.2%	42.6%	11.0%	-6.9%
Total Dept. General Fund Budget	\$2,003,981	\$2,199,358	\$2,934,862	\$3,354,023	\$2,022,693	\$1,828,101	\$2,452,621	\$2,745,140	\$2,681,392	\$3,931,754	\$4,179,649	\$4,207,524
Salaries/Benefits % of Total	60.0%	55.4%	48.3%	43.4%	71.2%	72.2%	42.9%	45.3%	47.4%	46.1%	48.2%	44.6%
FTE Head Count	13	13	14	14	14	13	12	13	13	17	17	17
Finance												
Salaries and Benefits	\$1,601,137	\$1,670,771	\$1,780,891	\$1,683,384	\$1,745,510	\$1,733,183	\$1,704,869	\$2,022,060	\$2,186,177	\$2,011,099	\$2,632,892	\$2,435,081
Change From Prior Year	156,032	69,634	110,120	(97,507)	62,126	(12,327)	(28,314)	317,191	164,117	(175,078)	621,793	(197,811)
Yearly Change - %	10.8%	4.3%	6.6%	-5.5%	3.7%	-0.7%	-1.6%	18.6%	8.1%	-8.0%	30.9%	-7.5%
Total Dept. General Fund Budget	\$2,642,407	\$2,829,046	\$2,942,931	\$2,664,387	\$2,696,658	\$2,728,116	\$2,670,558	\$3,419,448	\$3,684,973	\$3,476,149	\$3,872,776	\$4,613,491
Salaries/Benefits % of Total	60.6%	59.1%	60.5%	63.2%	64.7%	63.5%	63.8%	59.1%	59.3%	57.9%	68.0%	52.8%
FTE Head Count	21	21	21	20	20	20	20	25	25	17	17	17
Human Resources												
Salaries and Benefits	\$487,683	\$515,974	\$537,236	\$593,418	\$653,212	\$634,033	\$531,065	\$618,816	\$729,007	\$668,428	\$682,306	\$683,614
Change From Prior Year	23,620	28,291	21,262	56,182	59,794	(19,179)	(102,968)	87,751	110,191	(60,579)	13,878	1,308
Yearly Change - %	5.1%	5.8%	4.1%	10.5%	10.1%	-2.9%	-16.2%	16.5%	17.8%	-8.3%	2.1%	0.2%
Total Dept. General Fund Budget	\$757,090	\$825,859	\$824,581	\$866,786	\$982,975	\$897,946	\$848,622	\$963,253	\$1,238,160	\$1,296,275	\$1,268,604	\$1,272,700
Salaries/Benefits % of Total	64.4%	62.5%	65.2%	68.5%	66.5%	70.6%	62.6%	64.2%	58.9%	51.6%	53.8%	53.7%
FTE Head Count	7	7	7	7	7	6	6	6	6	8	8	8
Parks & Recreation												
Salaries and Benefits	\$2,274,011	\$2,496,929	\$2,745,810	\$2,742,994	\$2,899,021	\$2,949,116	\$2,890,732	\$2,961,307	\$3,246,276	\$3,295,141	\$3,426,891	\$3,676,372
Change From Prior Year	333,798	222,918	248,881	(2,816)	156,027	50,095	(58,384)	70,575	284,969	48,865	131,750	249,481
Yearly Change - %	17.2%	9.8%	10.0%	-0.1%	5.7%	1.7%	-2.0%	2.4%	9.6%	1.5%	4.0%	7.3%
Total Dept. General Fund Budget	\$5,020,542	\$5,434,515	\$5,776,491	\$5,635,003	\$5,778,177	\$6,019,363	\$5,995,395	\$6,821,020	\$7,586,963	\$7,799,276	\$8,210,903	\$8,317,803
Salaries/Benefits % of Total	45.3%	45.9%	47.5%	48.7%	50.2%	49.0%	48.2%	43.4%	42.8%	42.2%	41.7%	44.2%
FTE Head Count	18	19	20	20	20	20	20	21	23	25	25	25
Police												
Salaries and Benefits	\$14,136,835	\$13,688,217	\$14,333,689	\$14,622,775	\$15,089,044	\$15,747,709	\$16,333,188	\$17,312,903	\$17,500,215	\$19,694,560	\$19,924,388	\$20,184,140
Change From Prior Year	1,049,662	(448,618)	645,472	289,086	466,269	658,665	585,479	979,715	187,312	2,194,345	229,828	259,752
Yearly Change - %	8.0%	-3.2%	4.7%	2.0%	3.2%	4.4%	3.7%	6.0%	1.1%	12.5%	1.2%	1.3%
Total Dept. General Fund Budget	\$17,886,905	\$19,213,896	\$20,002,127	\$19,609,339	\$19,879,430	\$20,549,466	\$21,652,549	\$23,003,392	\$23,207,615	\$23,574,703	\$25,996,684	\$26,537,946
Salaries/Benefits % of Total	79.0%	71.2%	71.7%	74.6%	75.9%	76.6%	75.4%	75.3%	75.4%	83.5%	76.6%	76.1%
FTE Head Count	100	100	100	98	98	97	101	105	105	105	107	107

Salaries and Benefits as a Percentage of Total Budget (General Fund)

(Full Time Employee Position Counts are Across all Funds)

Attachment #8

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	Proposed FY 2018
Fire												
Salaries and Benefits	\$7,137,189	\$7,050,047	\$8,542,404	\$8,729,831	\$7,630,636	\$8,009,170	\$8,110,917	\$8,644,531	\$9,006,111	\$10,241,400	\$10,166,495	\$10,785,081
Change From Prior Year	510,880	(87,142)	1,492,357	187,427	(1,099,195)	378,534	101,747	533,614	361,580	1,235,289	(74,905)	618,586
Yearly Change - %	7.7%	-1.2%	21.2%	2.2%	-12.6%	5.0%	1.3%	6.6%	4.2%	13.7%	-0.7%	6.1%
Total Dept. General Fund Budget	\$8,457,932	\$9,017,374	\$10,499,656	\$10,401,223	\$9,428,823	\$9,852,662	\$10,047,798	\$10,971,186	\$11,362,905	\$12,211,534	\$12,312,684	\$12,981,877
Salaries/Benefits % of Total	84.4%	78.2%	81.4%	83.9%	80.9%	81.3%	80.7%	78.8%	79.3%	83.9%	82.6%	83.1%
FTE Head Count	31	31	31	31	31	31	31	31	32	31	31	31
Community Development												
Salaries and Benefits	\$2,169,197	\$2,255,753	\$2,326,579	\$2,220,934	\$2,312,644	\$2,209,343	\$2,433,823	\$2,419,757	\$2,672,542	\$2,615,882	\$2,889,425	\$3,076,078
Change From Prior Year	198,964	86,556	70,826	(105,645)	91,710	(103,301)	224,480	(14,066)	252,785	(56,660)	273,543	186,653
Yearly Change - %	10.1%	4.0%	3.1%	-4.5%	4.1%	-4.5%	10.2%	-0.6%	10.4%	-2.1%	10.5%	6.5%
Total Dept. General Fund Budget	\$3,442,499	\$3,424,185	\$3,545,255	\$3,092,360	\$3,052,195	\$3,043,945	\$3,521,883	\$3,921,372	\$4,104,035	\$4,630,723	\$4,524,832	\$4,792,252
Salaries/Benefits % of Total	63.0%	65.9%	65.6%	71.8%	75.8%	72.6%	69.1%	61.7%	65.1%	56.5%	63.9%	64.2%
FTE Head Count	22	22	22	20	20	19	20	21	22	24	24	24
Public Works												
Salaries and Benefits	\$3,087,445	\$3,320,387	\$3,177,204	\$3,160,138	\$3,174,489	\$3,161,931	\$3,262,727	\$3,281,712	\$3,479,118	\$3,173,714	\$3,540,475	\$4,269,989
Change From Prior Year	81,976	232,942	(143,183)	(17,066)	14,351	(12,558)	100,796	18,985	197,406	(305,404)	366,761	729,514
Yearly Change - %	2.7%	7.5%	-4.3%	-0.5%	0.5%	-0.4%	3.2%	0.6%	6.0%	-8.8%	11.6%	20.6%
Total Dept. General Fund Budget	\$5,323,163	\$5,640,865	\$5,795,580	\$5,288,074	\$5,413,275	\$5,737,896	\$5,804,831	\$7,093,269	\$6,835,162	\$6,300,644	\$6,679,390	\$7,555,984
Salaries/Benefits % of Total	58.0%	58.9%	54.8%	59.8%	58.6%	55.1%	56.2%	46.3%	50.9%	50.4%	53.0%	56.5%
FTE Head Count	61	61	63	61	60	60	58	56	56	56	56	61
Information Technology*												
Salaries and Benefits												
Change From Prior Year												
Yearly Change - %												
Total Dept. General Fund Budget												
Salaries/Benefits % of Total												
FTE Head Count												
Information Technology*												
Salaries and Benefits												
Change From Prior Year												
Yearly Change - %												
Total Dept. General Fund Budget												
Salaries/Benefits % of Total												
FTE Head Count												
Total General Fund												
Total Salaries and Benefits	\$ 32,095,131	\$ 32,217,151	\$ 34,862,613	\$ 35,209,762	\$ 34,945,022	\$ 35,763,535	\$ 36,320,304	\$ 38,505,287	\$ 40,091,158	\$ 43,741,384	\$ 45,512,537	\$ 47,217,539
Yearly Change Total	2,415,401	122,020	2,645,462	347,149	(264,740)	818,513	556,769	2,184,983	1,585,871	3,650,226	1,771,153	1,705,003
Yearly Change - %	8.1%	0.4%	8.2%	1.0%	-0.8%	2.3%	1.6%	6.0%	4.1%	9.1%	4.0%	3.7%
Total General Fund Budget	\$45,534,519	\$48,585,098	\$52,321,483	\$50,911,195	\$49,254,226	\$50,657,495	\$52,994,257	\$58,938,080	\$60,701,205	\$63,565,162	\$67,406,040	\$70,590,446
Salaries/Benefits % of Total	70.5%	66.3%	66.6%	69.2%	70.9%	70.6%	68.5%	65.3%	66.0%	68.8%	67.5%	66.9%
FTE Head Count	273	274	278	271	270	266	268	278	282	292	294	299

Salaries and benefits include: full and part time salaries, pension contributions, overtime, medical insurance, city-paid deferred compensation, workers' compensation, retiree medical contributions, medicare and unemployment.

*Stand-alone Information Technology Department created in FY 2015-2016. Prior Year General Fund costs and FTE Head Count remain under Finance Department for purposes of this document.

Position Change History

Parentheses () indicates position was removed.

FY 2007

I.S. Specialist	1	Finance (Later moved to new IT Department)
Residential Construction Officer	1	Community Development
2 - Administrative Clerks	2	Parks & Recreation
School Resource Officer	1	Police
Building Repair Craftsman	1	Public Works
Count	6	

FY 2008

Recreation Supervisor	1	Parks & Recreation
Count	1	

FY 2009

Enviromental Programs Manager	1	Management Services (Later moved to Public Works)
Recreation Supervisor	1	Parks & Recreation
GIS Technician	1	Finance (Later moved to new IT Department)
Secretary	1	Public Works
Count	4	

FY 2010

(Revenue Services Specialist)	(1)	Finance
(2 - Police Officers)	(2)	Police
(Permits Technician)	(1)	Community Development
(Associate Planner)	(1)	Community Development
(Associate Engineer)	(1)	Public Works
(Public Works Inspector)	(1)	Public Works
Count	(7)	

FY 2011

(Maintenance Worker III)	(1)	Public Works
(Community Srvs Field Officer)	(1)	Police
Sergeant - Parking	1	Police
Count	(1)	

FY 2012

(HR Executive Secretary)	(1)	Human Resources
Administrative Clerk	1	Police
(2 - Police Officers)	(2)	Police
(Prin Plan Check Engineer)	(1)	Community Development
(Equipment Mechanic)	(1)	Public Works
Count	(4)	

FY 2013

(City Attorney)	(1)	Management Services
Police Lieutenant	1	Police
2 - Patrol Officers	2	Police
Police Services Officer	1	Police
Associate Planner	1	Community Development
(Water Distribution Supervisor)	(1)	Public Works
(Water Plant Operator)	(1)	Public Works
Count	2	

Position Change History

Parentheses () indicates position was removed.

FY 2014

Management Analyst	1	Management Services
3 - I.S. Specialist	3	Finance (Later moved to new IT Department)
Senior Account Services Representative	1	Finance
Recreation Supervisor	1	Parks & Recreation
2 - Administrative Clerks	2	Police
Community Services Officer	1	Police
Permits Technician	1	Community Development
Count	10	

FY 2015

Graphic Artist	1	Parks & Recreation
Dial-A-Ride Driver	1	Parks & Recreation
Temporary Battalion Chief	1	Fire
Traffic Engineer	1	Community Development
Count	4	

FY 2016

Economic Vitality Manager	1	Management Services
Temporary Management Fellow	1	Management Services
Administrative Clerk	1	Management Services (City Clerk)
Aquatics Coordinator	1	Parks & Recreation
Sports Coordinator	1	Parks & Recreation
Recreation Supervisor [Ceramics]	1	Parks & Recreation
Plan Check Engineer	1	Community Development
Residential Construction Officer	1	Community Development
(Temporary Battalion Chief)	(1)	Fire
Urban Forester	1	Public Works
(Maint Worker I/II)	(1)	Public Works
(Senior HR Analyst)	(1)	Human Resources
Human Resources Manager	1	Human Resources
Executive Assistant	1	Human Resources
Human Resources Assistant	1	Human Resources
Information Technology Director	1	Information Technology
Count	10	

FY 2017

(Management Fellow)	(1)	Management Services
Management Analyst	1	Management Services
Older Adults Rec Coordinator	1	Parks & Recreation
(Recreation Manager)	(1)	Parks & Recreation
Recreation Supervisor	1	Parks & Recreation
(Executive Secretary)	(1)	Parks & Recreation
Secretary	1	Parks & Recreation
(Administrative Clerk I/II)	(1)	Parks & Recreation
(Administrative Clerk I/II)	(1)	Parks & Recreation
Management Analyst	1	Parks & Recreation
Recreation Coordinator	1	Parks & Recreation
Comm Affairs Administrative Clerk	1	Police
Count	2	

Position Change History

Parentheses () indicates position was removed.

2018 (Proposed)

Senior Civil Engineer	1	Public Works
Senior Civil Engineer	1	Public Works
Senior Civil Engineer	1	Public Works
Senior Civil Engineer	1	Public Works
Equipment Mechanic	1	Public Works
Count	5	

Efficiency Measures by Department – Completed & In Progress

Human Resources

1. New Hire Onboarding Checklist for the first full year of employment to track follow-up with new hires to address concerns/issues and facilitate.
2. Development of onboarding PowerPoint that will be available on the intranet for use and reference by new hires.
3. Tracking of part-time, temporary and retired annuitant employees and development of notification system to alert hiring departments to hours limits.
4. Tracking of and reporting performance evaluation due dates to departments.
5. Tracking of grievances and appeals to collect information about outcomes, mediators, ALJ's, etc.
6. Improving organization and communication around training programs (considering development of semiannual training publication and designation of department training liaisons).
7. Development and delivery of contracts processing training
8. Transitioned from the City's current risk pool to a more efficient and regionally appropriate pool that results in comprehensive coverage, maximized risk smoothing due to increased geographic and member diversity and market leverage for competitive rates.

Information Technology

1. Initiated City website redesign based on website use data and analytics, which increases accessibility of information and user experience.
2. Outsourcing broadcast services to receive cost savings, gain more efficient use of staff time and reduce use of overtime hours.
3. Renegotiated City's telecommunications data plan for cost savings and more appropriate coverage.

Police

1. Implemented Administrative Investigations Management software.
2. Moved the Park Ranger functions to PD to enhance efficiency and effectiveness of park enforcement.
3. Installed Automatic Vehicle Location services in patrol and field vehicles to make operations and regional response more efficient.
4. Trained additional personnel in Nixle to enhance efficiency of communication with our community.
5. Implemented the Residential and Commercial Security Camera Registration Program to enhance efficiency of the investigative process.

6. Implement Training Management Software.
7. Implement Background Investigations Management software.
8. Enhance field investigations through the deployment of mobile fingerprint identification technology for patrol vehicles.
9. Implement Palantir/Smart Justice access to enhance information sharing and expedite investigations.
10. Make interoperable communications more efficient by transitioning to the ICIS communication system.
11. Enhance investigative abilities with the installation of community cameras and ALPRS at points of ingress and egress.
12. Create a comprehensive Communication Plan.

Community Development

1. Creation of Performance Measure Logs that will track Plan Check turnaround logs for Planning and Building.
2. A counter tracking system to determine counter flow, type of service and wait-times.
3. Revamped inspection log, which has increased the efficiency of inspection requests.
4. Building Record Report processing time has been reduced well over 50+% due to cross training. Wait time has been reduced from 10-20 working days, to 5 working days or less.

Management Services

1. Consolidated Public Records Requests so each dept. has one contact person and all requests come through the same trackable system.
2. Review of contract processes in the City and standardization of contract approvals.
3. Created standard staff report template with common language and brief description to streamline reporting.
4. Uploading physical contracts, resolutions, agendas and other documents that are not currently available in a digital format and making them accessible through the City's website.
5. Increased capacity of City Manager to authorize purchases below a certain dollar amount.
6. Implemented transparency measures for financial information and civic processes, such as Sunshine Ordinance and Open Gov.
7. Added online engagement options for community members to provide feedback outside of meetings.

Fire

1. Collecting patient care records electronically (ePCRs), which improves data collection and ambulance billing documentation.
2. Modified vehicle serving schedules to better coordinate with trainings and fire inspections.
3. Monthly station inspection program to identify maintenance concerns and reduce work related injuries.
4. New child car seat installation trainings to certify CERT members and Fire Department staff in performing those installations.

Parks and Recreation

1. Restructured Dept. Administration structure to enhance communication and collaboration among different divisions, while providing salary cost savings.
2. Reviewed use of no show letters and resulting outcomes and chose to discontinue practice, saving significant staff time and community confusion.
3. Implemented digital, real-time routing information system for Dial a Ride scheduling and tracking, which has improved communication and data collection.
4. Introduced tablets to be used for park inspections and access to real-time information regarding class registration at different facilities.
5. Installed Comet Tracker app on City-issued phones to allow for easy staff location when necessary.
6. Moved the Park Ranger functions to PD to enhance efficiency and effectiveness of park enforcement.
7. Increased use of digital tools and resources, including releasing the quarterly Manhappenings online and promotion of events via social media and email, which creates cost savings by cutting back on printing and postage.
8. Leveraged Los Angeles County grant funding to construct new community Skate Park.
9. Implemented more efficient processes for participants to make clay purchases and reserve open studio time, which decreased redundancy and scheduling errors.
10. Introduced a Sports Coordinator position that eliminated redundant part-time positions and will manage playing field use and expand adult sports leagues, increasing revenue.
11. Established an Older Adults Program phone line for reservations, which allows for more accurate reservation tracking.
12. Maintain and fortify partnerships with community groups and agencies in order to offer additional programming at minimal cost to City.

13. Outsourcing non-essential staff functions, such as event staging, in order to more effectively use staff skills.

Finance

1. Implemented internal monthly budget and fiscal performance checklists for each department to ensure careful review of monthly budget activity.
2. Designated a Budget Lead for each department to coordinate report reviews and financial reporting.
3. Published a “Budget-At-A-Glance” document that summarizes relevant budget information and increases accessibility and transparency.
4. Upgraded cashiering system to integrate with current financial management solution for more efficient information tracking.
5. Completed cross-training in Revenue Services so that more employees were trained in multiple functions, which improves functionality and customer service.
6. Redesigned Revenue Services website to improve user experience and accessibility to information.

Public Works

1. Transitioning City-owned highway safety lights above signaled intersections to LED lamps, which will create approximately \$31,000 in savings each year.
2. Implemented Water Distribution System Flushing maintenance program to clear pipelines, while significantly reducing water loss by up to 29 million gallons of water.
3. Improvements to the City Yard that better address storm water pollution, maximize the facility’s limited space and provide more secure private storage.

