



CITY OF MANHATTAN BEACH

BUDGET SNAPSHOT

FISCAL YEAR 2021-2022



The City of Manhattan Beach continues to see financial stability, with consistent revenue flows supporting essential City services. The City's history of balanced budgeting and long term planning have helped us to maintain our services and a high quality of life during the stress of the COVID-19 pandemic and resulting economic downturn. Scheduled capital projects are also continuing to sustain and improve the City's infrastructure.

The complete FY 2021-2022 Operating Budget and Capital Improvement Plan can be found at www.manhattanbeach.gov/Budget.



FISCAL SNAPSHOT

- The City maintains AAA Credit Ratings from Standard & Poor's and Moody's.
- Property Taxes are expected to grow about 8% in FY 2021-2022.
- Impacted during the pandemic, Sales Taxes and Transient Occupancy (Hotel) Taxes are projected to increase by nearly 13% and 44%, respectively.
- General Fund subsidies to the Stormwater Fund and Street Lighting and Landscape Fund will be \$1.2 million this Fiscal Year.
- Rising pension contributions were replaced by fixed payments by utilizing Pension Obligation Bonds.
- The City expects to receive funds totaling \$8.4 million from the American Rescue Plan Act (ARPA), half of which will be received this Fiscal Year.
- Excluding ARPA funds, the Adopted General Fund Budget shows an operating surplus of \$353,505 in FY 2021-2022.

OPERATING BUDGET

Expenditures include a wide range of programs and initiatives, including Public Safety, Public Works, Community Development, Environmental Sustainability, and Support Services such as Finance, Human Resources, and Information Technology.

CITY-WIDE EXPENDITURES

\$135,370,156

OPERATING BUDGET

\$106,675,149

CAPITAL BUDGET

\$18,151,018

DEBT SERVICE

\$10,543,989

CAPITAL BUDGET

Expenditures involve the acquisition and maintenance of capital assets, including Capital Improvement Projects and the purchase of equipment and furniture.

DEBT SERVICE

Expenditures represent the payment of principal and interest on outstanding bond issues, including the Pension Obligation Bonds issued in May 2021.

GENERAL FUND



REVENUES \$82.3 MILLION

PROPERTY TAXES
\$38.0 million (46%)

- The net taxable value of properties increased about 8% in FY 2021-2022 due to higher assessed values.

SALES & USE TAX
\$9.3 million (11%)

- Largest industry groups generating Sales Tax include General Consumer Goods, Restaurants, and Hotels.
- Impacts from "Safer at Home" orders are expected to ease.

TRANSIENT OCCUPANCY TAX
\$4.0 million (5%)

- The City levies a 12% tax on hotel/motel rooms within the City.
- 15% of the first 10% in taxes are dedicated to the Capital Improvements Fund.

PERMITS
\$3.4 million (4%)

- Building Permits generate about 46% of total Permit Revenue.
- Includes residential and commercial permits.

OTHER TAXES
\$2.4 million (3%)

- Includes Franchise Fees and Real Estate Transfer Taxes



OTHER REVENUE
\$9.4 million (12%)

- General Fund receives \$3.4 million for Administration and Overhead from other funds.
- The City expects to receive \$4.2 million from the American Rescue Plan Act this Fiscal Year.
- Category also includes grants and other miscellaneous revenues, including revenues from other governments.

SERVICE CHARGES
\$6.8 million (8%)

- Cost recovery fees associated with various City services and programs (e.g., Plan Check fees, Parks and Recreation programs).

BUSINESS LICENSE TAX
\$3.6 million (4%)

- The City issues over 4,500 business licenses annually; the tax is based on the type of business and gross receipts reported.

USE OF PROPERTY & MONEY
\$3.4 million (4%)

- Interest income on the City's investments.
- Also includes ground leases at Metlox, Westdrift, and The Bay Club.

FINES & FORFEITURES
\$2.0 million (3%)

- Includes parking citations (\$4 of most citations go to the Capital Improvement Fund) and vehicle code fines.

GENERAL FUND



**EXPENDITURES
\$77.7 MILLION**

POLICE DEPARTMENT
\$30,667,807
(39%)

FIRE DEPARTMENT
\$15,471,419
(20%)

PUBLIC WORKS
\$8,609,392
(11%)

PARKS & RECREATION
\$8,417,571
(11%)

COMMUNITY DEVELOPMENT
\$5,908,891
(7%)

FINANCE DEPARTMENT
\$3,607,149
(5%)

MANAGEMENT SERVICES
\$3,599,705
(5%)

HUMAN RESOURCES
\$1,416,358
(2%)

As a service organization, about 64% of the City's General Fund budget goes toward Salaries & Benefits. The City currently has 305 full time employees, including 65 Sworn Officers in the Police Department and 30 Sworn Fire Department personnel.

JOIN US IN 2022...

The next budget process will recommence in early 2022 when the City Council receives a presentation on mid-year results for FY 2021-2022. In May, the City will present the Proposed Operating Budget for FY 2022-2023 and the Five Year Capital Improvement Plan (CIP) for fiscal years 2022-2023 through 2026-2027. These initial presentations will be followed by customary Study Sessions before the FY 2022-2023 Budget and CIP is officially adopted in June.

ABOUT THE CITY...

Our mission is to provide excellent municipal services, preserve our small beach town character, and enhance the quality of life for our residents, businesses, and visitors.

The City of Manhattan Beach was incorporated on December 2, 1912, as a general law city. Today there are approximately 35,183(a) residents living within the City's 3.9 square miles. With over two miles of beachfront property, the City boasts 40 acres of recreational beach and a 928 foot long pier, in addition to the 54 acres of developed parks, 21-acre parkway, nine-hole golf course and two community centers. The City is serviced by two fire stations, one police station, a Los Angeles County branch library, 305 authorized full-time employees, and is presided over by a five-member City Council each serving a nine-month mayoral position during their four-year term.

(a) US Census Bureau, 2019 estimate

KEY CURRENT/UPCOMING CAPITAL IMPROVEMENT PROJECTS

- *Sepulveda Bridge Retrofit and Widening*
- *Peck Ground Level Reservoir Replacement*
- *Fire Station 2*
- *Manhattan Beach Advanced Traffic Signal (MBATS) Synchronization*
- *Polliwog Playground Resurfacing & Equipment Replacement*
- *Pier Railings*
- *Protected Left Turn Lanes: Manhattan Beach Boulevard at Peck Avenue*
- *City Hall HVAC Replacement/Repair*
- *Annual Street Resurfacing*
- *Annual Curb, Gutter and Ramp Replacements*
- *Annual Sewer Main and Storm Drain Maintenance and Replacements*

CITY OF MANHATTAN BEACH

City Hall
1400 Highland Avenue
Manhattan Beach, CA 90266
(310) 802-5000

Stay tuned to the City's website and social media for updates on City initiatives and upcoming community events.

www.manhattanbeach.gov



ELECTED OFFICIALS

MAYOR

Suzanne Hadley

MAYOR PRO-TEM

Hildy Stern

CITY COUNCILMEMBERS

Steve Napolitano
Richard Montgomery
Joe Franklin

CITY TREASURER

Tim Lilligren

EXECUTIVE STAFF

CITY MANAGER

Bruce Moe

CITY CLERK

Liza Tamura

CITY ATTORNEY

Quinn M. Barrow

FINANCE DIRECTOR

Steve S. Charelian

HUMAN RESOURCES DIRECTOR

Lisa Jenkins

PARKS & RECREATION DIRECTOR

Mark Leyman

CHIEF OF POLICE

Derrick Abell

FIRE CHIEF

Michael Lang

COMMUNITY DEVELOPMENT DIRECTOR

Carrie Tai

PUBLIC WORKS DIRECTOR

Erick Lee

INFORMATION TECHNOLOGY DIRECTOR

Terry Hackelman