City of Rolling Hills

INCORPORATED JANUARY 24, 1957

2 PORTUGUESE BEND ROAD
ROLLING HILLS, CA 90274
(310) 377-1521

AGENDA
Finance/Budget/Audit Committee Meeting

FINANCE/BUDGET/AUDIT COMMITTEE
Monday, April 25, 2022

CITY OF ROLLING HILLS
5:30 PM

1. ITEMS FOR DISCUSSION

1.A. REVIEW PERSONNEL COST IMPACTS FROM OUTSOURCING CODE ENFORCEMENT TO CONTRACT SERVICES, AND RECLASSIFY THE CODE ENFORCEMENT OFFICER POSITION TO A PLANNER POSITION.
RECOMMENDATION: Approve as presented.

1.B. RECEIVE A PRESENTATION FROM THE FINANCE DEPARTMENT ON THE INVESTMENT STRATEGY FOR THE CITY'S SECTION 115 TRUST DEDICATED TO PENSION OBLIGATIONS.
RECOMMENDATION: Review and evaluate the investment strategy currently in place for the investment of funds held in the City's Section 115 Trust, administered by PARS and created for the purpose of meeting the City's pension obligations.
CL_AGN_220411_FBA_Section115Trust_PPT.pdf

1.C. INVESTMENT POLICY, FINANCIAL, BUDGET AND DEBT POLICIES AND RESOLUTION NO. 953 - ASSET CAPITALIZATION POLICY.
RECOMMENDATION:

It is recommended the City Council Finance/Budget Committee review and confirm the Investment Policy, the Financial, Budget and Debt Policies, with changes as recommended and Resolution No. 953 – Asset Capitalization Policies as presented.

AssetCapitalization_Policy_Resolution No. 953.pdf
Financial_Policies.pdf
Investment_Policy.pdf

1.D. APPROVE UPDATED CONSOLIDATED TAX AND FEE SCHEDULE.
RECOMMENDATION: Approve recommended changes to the City Council.

ResolutionNo1278 Fee Schedule FY21-22 Signed.pdf
Proposed_Fee_Schedule_FY22-23_Markup.pdf

CityAttorneyFeesOnOneViewCase.pdf

2. PUBLIC COMMENT

3. ADJOURNMENT

Notice:

Pursuant to the Brown Act, no action will take place on any items not on the agenda. This is the appropriate time for members of the public to make comments regarding items listed on this agenda.

Documents pertaining to an agenda item received after the posting of the agenda are available for review in the City Clerk's office or at the meeting at which the item will be considered.

In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate in this meeting due to your disability, please contact the City Clerk at (310) 377-1521 at least 48 hours prior to the meeting to enable the City to make reasonable arrangements to ensure accessibility and accommodation for your review of this agenda and attendance at this meeting.

Agenda Item No.: 1.A
Mtg. Date: 04/25/2022

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: JOHN SIGNO, DIRECTOR OF PLANNING & COMMUNITY SERVICES

THRU: ELAINE JENG P.E., CITY MANAGER

SUBJECT: REVIEW PERSONNEL COST IMPACTS FROM OUTSOURCING CODE ENFORCEMENT TO CONTRACT SERVICES, AND RECLASSIFY THE CODE ENFORCEMENT OFFICER POSITION TO A PLANNER POSITION.

DATE: April 25, 2022

BACKGROUND:

The Planning and Community Services Department operates to provide development services and code enforcement for the City of Rolling Hills. The Director of the department resigned in October 2021. A new director was hired in late November 2022. The previous Code Enforcement Officer left the City at the end of 2021. Staff hired a part-time contract planner from Michael Baker International from mid-January to late-March 2022, and has had a part-time contract code enforcement officer from Willdan Engineering since the beginning of March 2022. However, staff finds there is a need to hire a full-time planner to handle development applications and to assist the code enforcement officer with enforcement cases.

DISCUSSION:

Over the past few years, the City has taken a more proactive approach to the dead vegetation ordinance enforcement. Eventually, a full-time code enforcement officer position was created in 2019. Although this benefits the City in terms of code enforcement and bringing issues into compliance, staff found majority of the time, the Code Enforcement Officer was working on zoning and building code violations that require extensive coordination with a planner, and the building department.

More recently, staff has found that a part-time code enforcement officer through contract services is a more effective way to provide code enforcement services. This is because the officer is properly trained through a reputable company that specializes in providing code enforcement services and has the resources through the company to deal with difficult or unexpected situations. It is in the best interest of the code enforcement officer to maintain the company's reputation in providing a high standard of service. Furthermore, a part-time code enforcement officer saves the City in salary costs through reduced hours, and the City does not bear the cost of having to pay for long-term pension benefits.

As such, it is staff's recommendation that the full-time code enforcement officer position be reclassified as a planner position and the City retain a contract for code enforcement services through a professional services agreement. This benefits the City by improving services in both planning and code enforcement. Additionally, the planner would assist in code enforcement complaints to bring properties up to code compliance.

Cost Comparison
Staff did a salary comparison of other jurisdictions to see how much a planner makes and found the median salary range to be around $76,000 to $98,000 per year. Table 1 lists the salaries for these jurisdictions.

Table 1 - Planner Salaries from Other Jurisdictions

Jurisdiction	Position	Yr. Low	Yr. High	Mo. Low	Mo. High
Manhattan Beach	Sr. Planner	$105,900	$138,936	$8,825	$11,578
RHE	Associate Planner	$74,784	$112,164	$6,232	$9,347
Lawndale	Associate Planner	$84,468	$102,672	$7,039	$8,556
Pico Rivera	Planner	$73,692	$101,700	$6,141	$8,475
Carson	Associate Planner	$78,828	$100,608	$6,569	$8,384
PVE	Planner	$77,616	$99,228	$6,468	$8,269
Orange	Associate Planner	$76,452	$98,040	$6,371	$8,170
LA County	Regional Planner	$75,672	$96,588	$6,306	$8,049
Newport Beach	Assistant Planner	$68,386	$96,310	$5,699	$8,026
Torrance	Planning Associate	$74,194	$92,539	$6,183	$7,712
RPV	Assistant Planner	$70,571	$91,659	$5,881	$7,638
Redondo Beach	Assistant Planner	$66,984	$86,544	$5,582	$7,212
Arcadia	Assistant Planner	$65,772	$82,116	$5,481	$6,843
Lomita	Assistant Planner	$61,980	$77,004	$5,165	$6,417

Planning & Development Budget
For Fiscal Year (FY) 21-22, the Planning & Development budget for salaries was $237,200. The budget also included $180,000 for special project study & consulting which mostly covered the General Plan updates, environmental review, and special projects. Since the Safety Element and negative declaration have been adopted, and the Housing Element is expected to be adopted soon, the budget for special project study can be reduced and transferred to staff salaries to cover costs for the full-time planner. The part-time code enforcement officer will be funded through the budget for consulting. The full-time planner would be funded through staff salaries with an amount of $98,000.

Table 2 - Planning & Development Proposed Salaries

Budget Item	Director	PT Ad. Clerk	Planner	PT CE Officer (contract)	TOTAL
Staff Salaries	138,400.00	25,688.00	98,000.00		262,088.00
Consulting				54,080.00	54,080.00
					316,168.00

The total for salaries and special projects/consulting for the proposed budget for FY 22-23 will stay the same as the previous year as shown in Table 3. However, by increasing the salary budget (Item 702), the City will be able to hire a full-time planner. The budget for special projects and consulting (Item 884) will be reduced but still be able to fund contract services for a part-time code enforcement officer. It should be noted that pensions and other benefits are not provided for contract services which can save the City in the long run.

Table 3 - Budget for Adopted FY 21-22 & Proposed FY 22-23

		Adopted FY 21-22 Budget	**Proposed FY 22-23 Budget**	**%Change**
15- PLANNING & DEVELOPMENT				
702	Salaries	237,200.00	262,200.00	10%
884	Spec. Proj. Study & Consulting	180,000.00	155,000.00	-14%
	TOTAL	417,200.00	417,200.00	

Responsibilities

The responsibilities of a full-time planner include:

- Reviewing and processing residential development applications for compliance with the Municipal Code
- Processing view preservation applications
- Handling code enforcement complaints, field investigations, and code compliance
- Preparing staff reports to the Planning Commission, Traffic Commission, and City Council
- Preparing environmental assessment reports pursuant to the California Environmental Quality Act (CEQA) Guidelines
- Providing information to public on planning and zoning issues
- Assisting in preparing and updating ordinances and resolutions
- Working with consultants on special projects
- Conducting studies and research
- Tactfully responding to and resolving difficult and sensitive inquiries and complaints
- Handling other tasks such as storm water management, solid waste issues, and public works projects

The responsibilities for the part-time code enforcement officer include:

- Investigating complaints from the public and staff regarding violations of the municipal codes, ordinances, standards and health and safety regulations
- Initiating contact with residents, business representatives, and other parties to explain the nature of the violations and encourage compliance with municipal codes, zoning and land use ordinances, and community standards
- Preparing notices of violation for noncompliance according to applicable codes and regulations
- Preparing reports for cases requiring legal action or civil abatement
- Meeting with legal counsel and providing testimony on criminal cases when required
- Maintaining records of complaints, inspections, violation notices, and other field

enforcement activities
- Coordinating with City departments on cases as they relate to code enforcement

FISCAL IMPACT:
The total budget for salaries (Item 702) and special project study & consulting (Item 884) would not change from FY 21-22.

RECOMMENDATION:
Approve as presented.

ATTACHMENTS:

Agenda Item No.: 1.B
Mtg. Date: 04/25/2022

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: ROBERT SAMARIO, FINANCE DIRECTOR

THRU: ELAINE JENG P.E., CITY MANAGER

SUBJECT: RECEIVE A PRESENTATION FROM THE FINANCE DEPARTMENT ON THE INVESTMENT STRATEGY FOR THE CITY'S SECTION 115 TRUST DEDICATED TO PENSION OBLIGATIONS.

DATE: April 25, 2022

BACKGROUND:

In 2018 the City created a trust fund pursuant to Internal Revenue Code Section 115 for purposes of supplementing the funding being collected and managed by CalPERS for financing the City's pension obligations. As of the current date, the balance in the trust was approximately $461,000. As of June 30, 2021, the pension plan administered by CalPERS was 75.1% funded. With the addition of the funds accumulated in the Section 115 Trust, the pension plan is 91%, which is a relatively strong financial position.

The Section 115 Trust is administered by a PARS who, among other things, specializes in creating and administering these types of trusts. In addition, through investment managers, PARS offers several investment strategy options ranging from conservative to very aggressive. Participating agencies decide which investment strategy best meet their needs.

The purpose of this agenda item is to review the current investment strategy and determine if this still meets the needs of the City Council.

DISCUSSION:

One of the advantages of a Section 115 Trust is that they are not governed by state law that imposes limitations on the types of investments a local agency can utilize to generate income from its idle funds outside of trust. For example, cities cannot invest in equities (stocks) given their price volatility and risk of loss. The reason pension trusts fall outside of state laws governing the investment of public funds is that pension funds serve a different purpose and generally have a different investment horizon.

It is important to note that these state statutes were born out of major investment losses sustained by cities and counties in the 1980's and 1990's due to highly risky investment in which cities and counties placed their idle funds. Given that the funds being invested by local government agencies are derived largely from tax revenues, laws governing the investment of public funds are designed to provide confidence to taxpayers and ensure these funds are safeguarded.

PARS offers six (6) investment strategies:

1. Conservative
2. Moderately Conservative
3. Moderate
4. Balanced
5. Capital Appreciation

Unlike the City's current investments, which are not subject to realized losses, all of the investment options above carry some risk of loss from market depreciation. The risk of loss, as well as the potential for higher return, increases starting with the Conservative option to the most aggressive Capital Appreciation option. The City of Rolling Hills is currently utilizing the Moderate strategy.

The policy objective of the Moderate strategy is to allocate 50% of the portfolio to equities, 45% to fixed income securities, and 5% to cash. The targeted rate of return over a 3-year period is 5.21%. By comparison, the expected rate of return by CalPERS with respect to the investment of the funds they manage is 5.67%; and the current rate on a 3-year Treasury security is 2.61%.

The determination of which investment strategy best fits with the City of Rolling Hills stems from two important considerations: (1) the level of risk the City is prepared to take (a risk-reward consideration) and (2) how and when the funds held in the trust are expected or intended to be used.

The discussion with the audit committee will be to determine if the current investment strategy still meets the needs of the City based on the considerations noted above.

FISCAL IMPACT:
None.

RECOMMENDATION:
That the Audit Committee review and evaluate the current investment strategy being used for the investment of the funds held in the City's Section 115 Trust.

ATTACHMENTS:
CL_AGN_220411_FBA_Section115Trust_PPT.pdf

CITY OF ROLLING HILLS

REVIEW AND EVALUATION OF THE INVESTMENT STRATEGY CURRENTLY IN PLACE FOR THE CITY'S SECTION 115 TRUST FUND

PURPOSE OF SECTION 115 TRUSTS

- Funds placed in a 115 trust are irrevocably committed for pension obligations.
- Monies held in such trusts can be invested in the same manner as funds in a typical pension fund rather than as part of the agency's general fund.
- By setting aside funds in a 115 trust, agencies can potentially earn a higher rate of return on monies set aside for future pension obligations.
- *By definition, the investments carry a higher risk of loss and increased volatility than investment of funds outside the trust.*

ADMINISTRATION OF SECTION 115 TRUSTS

- Section 115 trusts are offered by several private companies (including PARS) and CalPERS.
- Each company hires professional investment managers to invest the funds
- Each company offers their own suite of investment strategies that range from conservative to aggressive

INVESTMENT STRATEGIES OFFERED BY PARS

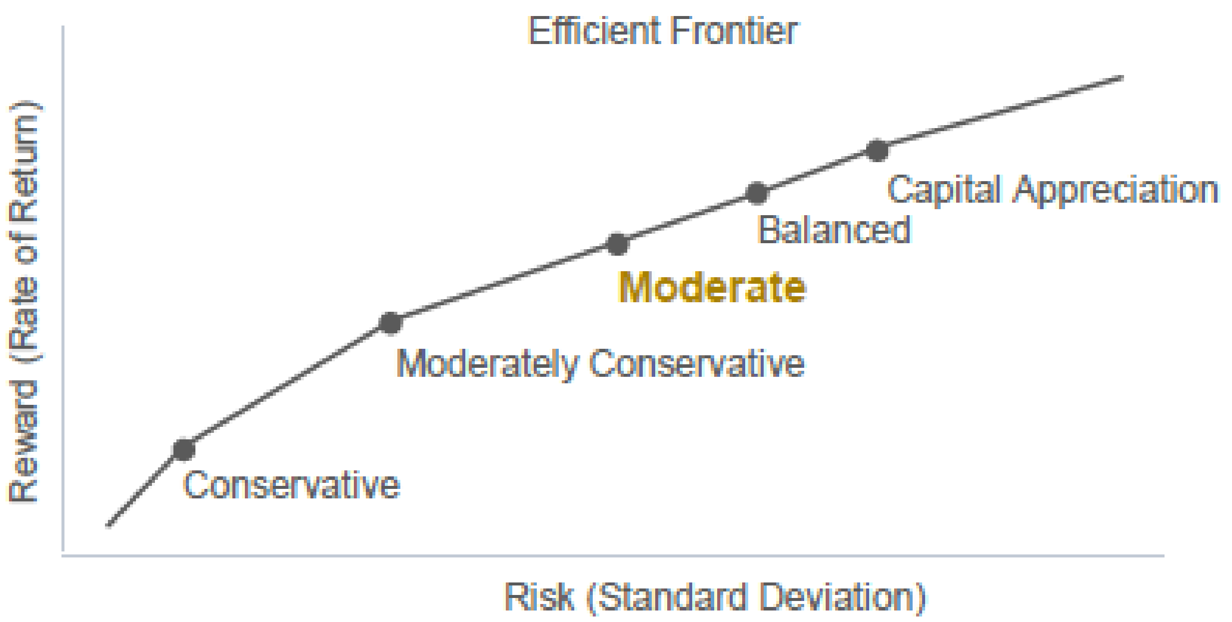
Similar portfolio mix as CalPERS

	Conservative	Moderately Conservative	Moderate	Balanced	Capital Appreciation
Equity	15%	30%	50%	60%	75%
Fixed Income	80%	65%	45%	35%	20%
Cash	5%	5%	5%	5%	5%
	100%	100%	100%	100%	100%
3-Year Benchmark	2.99%	4.01%	5.21%	5.81%	6.48%
3-Year Treasury	2.61%	2.61%	2.61%	2.61%	2.61%
CalPERS Target	5.67%	5.67%	5.67%	5.67%	5.67%

CURRENT STRATEGY EMPLOYED BY CITY OF RH

INVESTMENT OBJECTIVE

To provide growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.



FACTORS TO CONSIDER IN SELECTING INVESTMENT STRATEGY

- Investment horizon (i.e., when are funds expected to be needed) should be main driver of which strategy to use
  - Longer horizon allows for more aggressive investment strategy
- Examples of investment horizons
  - Pension fund – 20-30 years (e.g., CalPERS aggressive investment strategy)
    - Appropriate to take more risk and live with increased volatility
  - College fund – 17 years
    - Can take a moderately aggressive risk and taper in last 5 years
  - Emergency/Contingency reserve – 3-5 years? (anytime, theoretically)

FACTORS TO CONSIDER IN SELECTING INVESTMENT STRATEGY

- Possible uses of funds include:
  - To reduce the expected budgetary impacts of PERS contribution rates peaking sometime in 2025-2030
  - For emergencies (i.e., natural disasters, major economic events, etc.)
  - For "permanent" savings
  - A combination of the above

FACTORS TO CONSIDER IN SELECTING INVESTMENT STRATEGY

- Questions for the Committee and Council to consider is:
  - What's the investment horizon for the Section 115 Trust?
  - How and when is expected to be used?

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 1.C
Mtg. Date: 04/25/2022

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: ROBERT SAMARIO, FINANCE DIRECTOR

THRU: ELAINE JENG P.E., CITY MANAGER

SUBJECT: INVESTMENT POLICY, FINANCIAL, BUDGET AND DEBT POLICIES AND RESOLUTION NO. 953 - ASSET CAPITALIZATION POLICY.

DATE: April 25, 2022

BACKGROUND:
Each year, the City Council reviews the City's policies to ensure they are still relevant and appropriate. In general, policies do not change often and are only updated as needed based on changing circumstances and/or new practices implemented by staff or Council. In addition, at the beginning of each fiscal year, City Council should re-adopt is required to adopt its investment policy and include any changes to state law, specifically Government Code Sections 53600-53609 and 53630-53686, which govern local agency investing. Although no changes are proposed at time, staff will return in July with any changes to the policy based on changes to state law, if applicable.

DISCUSSION:

Staff has reviewed the Financial, Budget and Debt Policies and we are not recommending any changes at this time to the Financial, Budget, and Debt Policies.

However, staff thought it was important to note that, per the reserve policies contained within the policy document, the City shall strive to maintain $500,000 in reserves in the Self-Insurance Fund. Currently, the reserve balance is $260,374. Given the General Fund has adequate unassigned reserves, the City Council may wish to direct staff to transfer approximately $240,000 from the General Fund to the Self-Insurance to achieve the desired goal of $500,000.

FISCAL IMPACT:

There is no fiscal impact upon the City with review and confirmation of the City’s financial policies as presented, unless the City Council decides to transfer funds from the General Fund to the Self-Insurance Fund as discussed in this report.

RECOMMENDATION:

It is recommended the City Council Finance/Budget Committee confirm the Investment Policy, the Financial, Budget and Debt Policies, and Resolution No 953 – Asset Capitalization Policy as presented or direct staff accordingly.

ATTACHMENTS:

AssetCapitalization_Policy_Resolution No. 953.pdf
Financial_Policies.pdf
Investment_Policy.pdf

RESOLUTION NO. 953

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ESTABLISHING AN ASSET CAPITALIZATION POLICY

WHEREAS, Government Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, requires State and Local Government to include the original cost of fixed assets in the statement of net assets as part of the government-wide financial statements; and

WHEREAS, an asset capitalization policy is necessary to establish a reasonable capitalization threshold for all types of assets and this policy should facilitate depreciating those assets over their estimated useful lives; and

WHEREAS, a capitalization threshold is the monetary part of the criteria by which an organization determines whether an asset should be reported on the balance sheet; and

WHEREAS, the Office of Management and Budget (OMB) Circular A-87, Cost Principles for State and Local and Indian Tribal Governments, Attachment B, section 19(a)(2) and 19(d) allows property costing up to $5,000 to be charged to federal grants as supplies, rather than capital outlay without specific awarding agency approval; and

WHEREAS, depreciation represents the recognition of the cost of an asset over time, by calculating its estimated loss in value during each accounting period; and

WHEREAS, GASB Statement No. 34 allows local government to use any established depreciation method;

NOW, THEREFORE, BE IT RESOLVED that in accordance with GASB Statement No. 34, the City of Rolling Hills Finance Department will:

- Capitalize all assets purchased which have a normal life of at least one year with a per-unit cost of $5,000 or more; and
- Capitalize all site and building improvements with a cost of $5,000 or more; and
- Utilize the straight-line method of depreciation over the estimated useful life for all classes of assets.

PASSED, APPROVED AND ADOPTED THIS 28th DAY OF JUNE, 2004.

THOMAS HEINSHEIMER
MAYOR

ATTEST:

Marilyn Kern
MARILYN KERN, DEPUTY CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §§
CITY OF ROLLING HILLS))

I certify that the foregoing Resolution No. 953 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS ESTABLISHING AN ASSET CAPITALIZATION POLICY

was approved and adopted at a regular meeting of the City Council on June 28, 2004, by the following roll call vote:

AYES: Councilmembers Black, Hill, Lay, Mayor Pro Tem Pernell and Mayor Heinsheimer.

NOES: None.

ABSENT: None.

ABSTAIN: None.

and in compliance with the laws of California was posted at the following:

Administrative Offices

DEPUTY CITY CLERK

CITY OF ROLLING HILLS	ADMINISTRATIVE POLICY/PROCEDURES
FINANCIAL, BUDGET AND DEBT POLICIES	
Original Version Effective: 09/24/2007	*See end of document for complete policy history.*
Current Version Effective: 05/11/2020	

Policy Framework:

The purpose of the Financial, Budget and Debt Policies is to guide the City Council and other City officials in developing sustainable, balanced budgets and managing the City's finances in a prudent manner consistent with best practices. The City's commitment to adopting and operating within a balanced budget is a core financial value and policy of the City.

The City of Rolling Hills Financial Policies represents the City's framework for planning and management of the City's fiscal resources. Adherence to the Financial Policies promote sound financial management which can lead to unqualified annual audits, provide assurance to the taxpayers that tax dollars are being collected and spent per City Council direction and provide a minimum of unexpected impacts upon taxpayers and users of public services.

The City Council Finance / Budget Committee shall serve as the City's audit committee for the purpose of recommending the selection of an auditor to the City Council, meeting with the City Auditor, reviewing the annual audit and necessary financial statements, responding to conflicts between management and the auditor and responding to fraudulent activities. The City Council will conduct a competitive process for the selection of the independent external auditor every 6 years to be in conformance with California Government Code Section 12410.6. (b). commencing for Fiscal Year 2021-22. Any non- audit work performed by the independent external auditor, if allowed, will be done under a separate contract approved by the City Council.

The City Manager shall be responsible for developing and, as appropriate, implementing and managing these policies as well as subsidiary policies that execute the City's Financial Policies.

The City's Financial Policies shall be in conformance with all state and federal laws, generally accepted accounting principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

1. Financial Reporting Entity:

The City of Rolling Hills was incorporated in 1957 under the general laws of the State of California. The City operates under the Council-Manager form of government. The City Council consists of five members elected at large for overlapping four-year terms. The Mayor and Mayor Pro-Tem are selected from the City Council members and serve a one-year term. The City Council appoints a City Manager, City Attorney and City Treasurer. In addition, the City Council appoints the members of advisory Commissions and Committees.

The City, directly or by contract, provides municipal services as authorized by statute. Services provided include:

- Public safety through the Los Angeles County Sheriff and Fire Department
- Refuse collection by contract with a private hauler
- Water through California Water Service Company

- Sewer through Los Angeles County Sanitation Districts
- Recreation
- Public improvements
- Planning and zoning
- General administrative and support services

2. <u>Financial Reporting Policies</u>:

The City's accounting and financial reporting systems will be maintained in conformance with all state and federal laws, generally accepted accounting principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA). Further, the City will make every attempt to implement all changes to governmental accounting practices at the earliest practical time.

- The financial report should be in conformity with GAAP, demonstrate compliance with finance related legal and contractual provisions, disclose thoroughly with detail sufficient to minimize ambiguity and potential for misleading interferences.

- An annual audit will be performed by an independent public accounting firm with an audit opinion to be included with the City's published Comprehensive Annual Financial Report.

- The City's budget should satisfy criteria as a financial and programmatic policy document, as a comprehensive financial plan, as an operations guide for all organizational units and as a communications device for all significant budgetary issues, trends, and resource choices.

- The City shall evaluate the fiscal impact of proposed changes in employee benefits to be provided. Prior to assuming liability for expanded benefits, a viable funding plan with estimates of long term impacts shall be incorporated into the analysis.

- The City shall endeavor to avoid committing to new spending for operating or capital improvement purposes until an analysis of all current and future cost implications is completed.

- The City shall endeavor to maintain cash reserves sufficient to fully fund the next present value of accruing liabilities, obligations to employees for vested payroll and benefits and similar obligations as they are incurred.

- The City shall prepare and present to the City Council monthly interim revenue and expenditure reports and a Mid-Year Review to allow evaluation of potential discrepancies from budget assumptions.

3. <u>Internal Control Accounting Policies:</u>

To provide a reasonable basis for making management's required representations concerning the finances of the City.

- Accounting Records – Maintain accounting records in accordance with Generally Accepted Accounting Principles (GAAP).

- Monthly Posting – Post a monthly record, which maintains each month's activities separate and distinct from another month's work. This provides visibility in locating errors and fixing corrections. Accounting ledgers will be reviewed and reconciled on a monthly basis to supporting documentation – Cash Receipts, Accounts Payable, Payroll and Monthly Journal Entries.

- Sequential Number – Sequentially numbered instruments will be used for checks and cash receipts. Pre-numbered receipts are controlled and accounted for by an individual with no accounting handling responsibilities. The City's pre-numbered checks and pre-numbered cash receipts should be safeguarded in the Vault. All copies of voided receipt forms are retained, accounted for, and documented.

- Audit Trail – The City's accounting records and systems shall provide an audit trail (e.g. paper document) that allows for the tracing of each transaction from its original document to completion.

4. <u>Operating Management Policies</u>:

The budget process is intended to weigh all competing requests for City resources within expected fiscal constraints. Requests for new, on-going programs made outside the budget process will be discouraged.

- Budget development will consider multi-year implications of current decisions and allocations and use conservative revenue forecasts.

- Revenues will not be dedicated for specific purposes, unless required by law or Generally Accepted Accounting Practices (GAAP). All non-restricted revenues will be deposited in the General Fund (or other designated fund as approved by the City Manager) and appropriated by the City Council.

- Current revenues will fund current expenditures. City revenues will be managed to protect programs from short-term fluctuations that impact expenditures.

- The City will endeavor to identify entrepreneurial solutions to cover or recover costs of operating program.

- The City shall strive to avoid returning to the City Council for new or expanded appropriations during the fiscal year. Exceptions may include emergencies, unforeseen impacts, mid-year adjustments or new opportunities.

- Additional personnel will be requested after service needs have been thoroughly examined and is substantiated for new program initiatives or policy directives.

- All non-Enterprise user fees and charges will be evaluated at least every three years to determine the direct and indirect cost recovery rate. The analysis will be presented to the City Council.

- The City shall endeavor to maintain adequate cash reserves to fund 100% replacement of capital equipment. Replacement costs will be based upon equipment lifecycle financial analysis developed by the Finance Director and approved by the City Manager.

- Balanced revenue and expenditure forecasts will be prepared to examine the City's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast will be updated annually and include a four-year outlook.

- Cash and investment programs will be maintained in accordance with the Government Code and the adopted investment policy will ensure that proper controls and safeguards are maintained. City funds will be managed in a prudent and diligent manner with an emphasis on safety of principal, liquidity, and financial return on principal, in that order. Pursuant to State law, the City, at least annually, revises and the City Council affirms a detailed investment policy.

5. <u>Capital Management Policies</u>:

- Capital improvement projects are defined as infrastructure or equipment purchases or construction which results in a capitalized asset and having a useful (depreciable) life of at least one year with a cost of $5,000 or more per the City's resolution Number 953.

- The Finance Department shall utilize the straight-line method of calculating depreciation over the estimated useful life for all classes of assets.

- The capital improvement plan will attempt to include, in addition to current operating maintenance expenditures, adequate funding to support, repair and replace deteriorating infrastructure and avoid a significant unfunded liability.

- Capital improvement lifecycle costs will be coordinated with the development of the City's operating budget. Future operating, maintenance, and replacement costs associated with new capital improvements will be forecast, matched to available revenue sources and be included in the operating budget. Capital project contract awards or purchases will include a fiscal impact statement disclosing the expected operating impact of the project or acquisition and when such cost is expected to occur.

6. <u>Reserve Policies</u>:

It is the goal of the City to obtain and maintain a General Fund operating reserve (Rainy day fund) in the form of cash, of at least 40% of prior year audited annual General Fund revenues to cover normal seasonal cash flow variations, as well as unforeseen emergency or catastrophic impacts upon the City.

- One-time revenue windfalls should be designated as a reserve or used for one-time expenditures. The funds should not be used for on-going operations. For purposes of this policy, one-time revenue windfalls shall include:

    CalPERS rebates
    Tax revenue growth in excess of 10% in a single year
    Unexpected revenues (e.g., litigation settlement)
    Any other revenues the City Council may elect to designate as extraordinary

- All unexpended General Funds from the prior fiscal year will be deposited in the General Fund Reserve Fund (Rainy Day Fund.)

- The City will strive to maintain the Municipal Self-Insurance Fund with a July 1 balance of $500,000.

- The City will strive to transfer $250,000 annually into the Utilities Fund for the purpose of building up the necessary balance for underground projects.

- Enterprise Fund (e.g., for refuse collection) user fees and charges will be examined annually to ensure that they recover all direct and indirect costs of the service, provide for capital improvements and maintenance and maintain adequate reserves. Moreover, maintenance of cash reserves will provide a de facto rate stabilization plan. Rate increases shall be approved by the City Council following formal noticing and public hearing. Rate adjustments for enterprise operations will be based on five-year financial plans unless a conscious decision is made to the contrary. The current cash reserves shall be adjusted annually and will be equal to the proposed annual General Fund subsidy to the Refuse Fund and will be budgeted as a Transfer into the Refuse Fund.

- The City has established a PARS Pension Rate Stabilization Program Section 115 Trust. The Trust was created to fund the City's unfunded PERS Pension Liability and as funds are available they would be deposited into the Trust in order to maintain adequate reserves.

7. <u>Budget Policies:</u>

The function of the City of Rolling Hills is primarily administrative.

A. Categories of Funds

- The City's annual budget contains fifteen different funds managed in conformance with the City's Fund Balance Policy:

  General Fund
  Community Facility Fund
  Self-Insurance Fund
  Refuse Fund
  Traffic Fund
  Transit Fund - Proposition A
  Transit Fund - Proposition C
  Transit Fund – Measure R
  Transit Fund – Measure M
  LA County Measure W
  Capital Projects Fund
  Citizens Options for Public Safety Fund (COPS) Fund
  California Law Enforcement Equipment Program (CLEEP) Fund.
  Utility Fund
  OPEB (Post-Employment Benefits Other Than Pensions) Fund

- Each fund is considered to be a separate accounting entity for budgeting and financial reporting purposes.

- The operations of each fund are accounted for by providing a separate set of self-balancing accounts which are comprised of each fund's assets, liabilities, equity, revenues and expenditures, as appropriate.

- The City resources are allocated to and for individual funds based upon the purpose of the spending activities.

- All funds and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the City's long-term budget assumptions.

- For approved capital projects unexpended budget appropriations would be reviewed annually by the Finance/Budget/Audit Committee for recommendation for carryover to the following fiscal year.

B. Operating Budget Guidelines

- The Budget is detailed - Expenditures are authorized line by line, item by item. Line items are used to limit precisely the amount and narrowly define what can be spent.

- The Budget is annual - The annual budget period is from July 1 to June 30. The time span of the authority to spend is restricted to one year. Each year the regular cycle of budgeting is repeated.

- The budget is comprehensive – The budget is prepared for all funds expended by the City.

- The City adopts a budget by June 30 of each year.

- Comparative Data - Comparative data from the prior year is presented in the annual budget in order to provide an understanding of changes in the City's financial position and operation.

- Public Hearing - The City Council reviews a tentative budget and adopts the final budget. A public hearing is conducted to receive comments prior to adoption.

C. Financial Review

Throughout the fiscal year, monthly financial reports comparing actual amounts with budgeted amounts are prepared by the Finance Director and submitted to the City Manager and members of the City Council. As these reports are reviewed, attention is drawn to variances between budgeted amounts and actual amounts.

D. Budgeted Revenues & Expenditures

The City reviews fees and charges to keep pace with the cost of providing the service.

8. <u>Debt Management Policies</u>:

The City will seek to avoid incurring debt. While the City is disposed to funding capital improvements and expenditures on a cash basis, the City will consider, and when necessary, enter into debt financing for citywide public improvement projects such as sewers and utility undergrounding.

- Lease Equipment - Office Equipment has been leased on a monthly basis with the expense incurred at the time of payment.

Policy Administrative History:

Adopted September 24, 2007
Revised and Adopted March 24, 2008
Revised and Adopted February 23, 2009
Revised and Adopted March 8, 2010

Reviewed and Adopted February 28, 2011
Revised and Adopted May 23, 2011
Reviewed and Adopted May 14, 2012
Reviewed and Adopted April 22, 2013
Revised and Adopted September 9, 2013
Reviewed and Adopted March 24, 2014
Reviewed and Adopted April 27, 2015
Reviewed and Revised April 25, 2016
Reviewed and Adopted April 24, 2017
Reviewed and Adopted April 22, 2019
Reviewed and Adopted May 11, 2020

CITY OF ROLLING HILLS	ADMINISTRATIVE POLICY/PROCEDURES
INVESTMENT POLICY	
Original Version Effective: 09/24/2007	*See end of document for complete policy history.*
Current Version Effective: 04/09/2018	

1.0 Policy

It is the policy of the City of Rolling Hills to protect, preserve and maintain the assets of the City. It shall invest public funds in a manner that will provide the highest investment return commensurate with maximum security while meeting the cash flow demands of the City and conforming to all State and Local statutes governing the investment of public funds.

2.0 Scope

The City follows the practice of pooling cash and investments of all funds, except for funds in the City's employee deferred compensation plan. Funds contained in the City's pool are designated the "General Portfolio." These funds are accounted for in the Financial Statements of the City and include:

The General Fund
All Special Revenue Funds
All Capital Projects Funds
All Enterprise Funds
All Internal Service Funds
All Trust and Agency Funds

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The City's deferred compensation plans assets are with Nationwide Retirement Solutions and ICMA Retirement Corporation. The Nationwide Retirement Solutions and ICMA Retirement Corporation invests employee account assets in various investment options as directed by the individual employee. Accordingly, these assets are neither controlled by the City nor subject to this investment policy.

3.0 Prudence

The City holds to the "prudent investor standard" in that all investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived and acting as a fiduciary of the public trust. The prudent investor standard set forth in Section 53600.3 of the Government Code states: "When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skills, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with the like aims to safeguard the principle and maintain the liquidity needs of the agency."

4.0 Objectives

The primary objectives, in priority order, of the City of Rolling Hills' investment activities shall be:

4.1. Safety: Safety of principal is the foremost objective of the investment program. "Safety" means that the overall value of City funds shall not be diminished in the process of securing and investing those funds or over the duration of the investments.

4.2. Liquidity: The City of Rolling Hills' investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

The liquidity of each type of investment is included in its description in the "Authorized Investments" section of this policy.

4.3. Return on Investment (Yield): The City of Rolling Hills investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio.

In general, the California Government Code limits authorized investments to those classes of securities which have lower risk (and therefore lower yields) than other higher risk investment choices. In each investment transaction, the anticipated return on investment is subordinate to the preceding requirement of credit and investment risk.

5.0 Delegation of Authority

The City Council has the authority to select financial institutions for the City' investment and bank accounts. The City Council has designated the City Council Finance / Budget Committee, the City Manager, and the City Finance Director with the responsibility for decisions and operations for the following investment and operating bank accounts:

Operating Bank Accounts

- Local Agency Fund administered by the Treasurer of the State of California
- Money market savings accounts
- Checking accounts

Certificates of Deposits/Negotiable Certificates of Deposits or Time Deposits

Certificates of Deposits, Negotiable Certificates of Deposit or Time Deposits with commercial banks and /or savings and loan associations issued by a nationally or state-chartered bank, a savings association, or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union with maturities ranging from 30 days to three years.

6.0 Ethics and Conflicts of Interest:

Officers and employees involved in the investment process are required by the City of Rolling Hills' and State Government Code Section 81000 to disclose annually to the City Council any material financial interests in financial institutions that conduct business with the City and further to disclose any large personal financial / investment positions that could be related to the performance of the City, particularly with regard to the time of purchase and sales, as part of the City's conflict of interest reporting requirements. Said employees are also prohibited from accepting gifts proffered as a direct result of being employees of the City.

7.0 Authorized Financial Dealers, Institutions and Portfolio Managers:

The Finance Director will maintain a list of financial institutions authorized to provide investment services, including portfolio management. No public deposit shall be made except in a qualified public depository as established by State law. Financial institutions authorized to provide investment services to the City, including portfolio management, shall utilize security broker / dealers who are duly licensed and authorized to provide investment services in the State of California.

Anyone providing financial services to the City, including portfolio management must adhere to the City's investment policies as adopted by the City Council.

8.0 Authorized and Suitable Investments:

The surplus funds of the City may be invested in any of the following list of eligible securities.

Surplus funds are defined as those funds not immediately needed for City operations excepting those minimum balances required by the City's banks as compensation for services rendered to the City, or such other funds as otherwise determined by the Finance Director or City Manager.

The list of eligible securities is drawn from the approved investments contained in the California Government Code Sections 53600 et seq., limited further by the provisions of this policy.

For eligibility as a City investment, the following restrictions should be added to those contained in the California Government Code Sections 53601 et seq. They are:

8.1 U.S. Treasury Bonds, Notes & Bills – "Strips" and "Cubes"
The principal and interest portions of U.S. Treasury securities are issued by the Federal Government. Frequently, broker / dealers make a market in these securities by separating the principal and interest components and marketing them separately. The principal portions of their "stripped" securities are marketed at deep discounts. "Strips" and "Cubes" do not provide income streams during the term of the investment, but rather pay a "par" amount at maturity. This makes these investments somewhat more volatile than standard U.S. Treasury securities.

The City will not invest in "strips" or "cubes."

8.2 U.S. Government Agencies
There are numerous government agencies listed which issue debt instruments but many lack the liquidity necessary to fit the City's portfolio requirements possibly including, for example, the issues of Federal Farm Credit Bank, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank, and the Student Loan Mortgage Corporation.

The City will not purchase these government agency securities.

8.3 Repurchase Agreements

A repurchase agreement is a contractual agreement between a financial institution or dealer and the City in which the City lends its funds to the financial institution or dealer for a certain number of days at a stated rate of interest. In return, the City takes title to securities as collateral until the funds and interest are repaid.

The City will not enter into repurchase agreements.

8.4 Medium Term Corporate Notes

The City will not purchase medium term corporate notes.

8.5 Commercial Paper and Corporate Bonds

The City will not purchase commercial paper or corporate bonds.

8.6 Prohibited Investments

The list of eligible securities contained in the California Government Code is extensive and includes a number of categories which are not suitable investments for City funds because of limitations in the liquidity of the instruments or the interest rates obtainable thereon. The categories in the list which have such limitations are:

The notes or bonds or any obligations of the State of California or of any local agency or district of the State of California.

Notes, bonds or other obligations issued by any other state or the Commonwealth of Puerto Rico.

The city shall not invest any funds pursuant to Section 53600, et. Seq., in any security that could result in zero interest accrual if held to maturity.

9.0 Collateralization:

All City of Rolling Hills' investments shall be collateralized as required by the State Government Code.

10.0 Maximum Maturities:

To the extent possible, the City of Rolling Hills will match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than one (3) years from the date of purchase.

11.0 Internal Control:

The City's external auditor with the support from the Finance Director shall annually conduct an independent review of the internal controls. Additionally, the City's external auditor with support from the Finance Director will annually perform a financial audit. Both may be conducted at the same time, when the City's annual financial audit performed. The external auditor will be an independent certified public accountant who performs his work under generally accepted auditing standards as adopted by the Auditing Standards Board (ASB) of the American Institute of Certified Public Accountants.

12.0 Performance Standards:

The investment portfolio shall be designated with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs of the City.

13.0 Investment Policy Adoption:

The City Council shall consider and adopt a written Investment Policy annually and accept quarterly Investment Reports as provided in Government Code Section 53646 et al.

Policy Administrative History:

Adopted September 24, 2007
Revised and Adopted February 23, 2009
Revised and Adopted March 8, 2010
Reviewed and Adopted February 28, 2011
Reviewed and Adopted May 14, 2012
Reviewed and Adopted April 22, 2013
Reviewed and Adopted March 24, 2014
Reviewed and Adopted April 27, 2015
Reviewed and Revised April 25, 2016
Reviewed and Adopted April 24, 2017
Reviewed and Adopted April 09, 2018

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 1.D
Mtg. Date: 04/25/2022

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: ELAINE JENG, CITY MANAGER

THRU: ELAINE JENG P.E., CITY MANAGER

SUBJECT: APPROVE UPDATED CONSOLIDATED TAX AND FEE SCHEDULE.

DATE: April 25, 2022

BACKGROUND:

Annually, staff provides the Finance/Audit//Budget Committee and City Council with information for consideration to adjust City's current fees and charges.

DISCUSSION:
For Fiscal Year 2022-2023, staff is proposing the following change to the Consolidated Tax and Fee Schedule:

A. View Impairment

1. Review by Committee on Trees and Views Processing fee **$6,000** for complaints against one property. **Review by Committee on Trees and Views Processing fee $10,000 for complaints against multiple properties**.

Chapter 17.26 of the Rolling Hills Municipal Code (RHMC) was adopted by Ordinance 354 on October 23, 2017. Since adoption, the first view case to be processed was the case between 59 and 61 Eastfield Drive. The case was filed in October 2020. The vegetation owner filed an appeal of the Committee on Trees and Views decision to the City Council and the City Council denied the appeal at the April 11, 2022 City Council meeting, bringing the case to a close.

Staff, including the City Attorney's office, hasworked on the case since the initial filing. Taking a snap shot of the City Attorney expenses relating to the 59 and 61 Eastfield Drive view case between May, 2021 and November, 2021, a total of $10,678 was paid by the city to the contracted attorney for services relating to the case. Currently, the Consolidated Tax and Fee Schedule allows the city to charge $2,000 for view impairment case to be reviewed by Committee on Trees and Views. The charge is purposed to recover city expenses relating to processing the case by staff and by contracted staff. Not taking into consideration staff time spent on the 59 and 61 Eastfield Drive case, and taking a very conservative inventory of the City Attorney's expenses relating to the case, the recovery on the case was 19% of the actual cost.

Additionally, according to the City Attorney's reading of RHMC Chapter 17.26.040, the city's current view preservation ordinance anticipates that one complaint might allege obstruction of "multiple views," which implies that views could conceivably be obstructed by vegetation on multiple owners' properties:

RHMC Section 17.26.040(C)(1)(a) *A view impairment complaint ... shall consist of ... [a] description of the nature and extent of the view, as well as of the alleged obstruction. If multiple views are identified, each must be disjointed and observable from a separate viewing area. Evidence of the views and alleged obstructions must be pertinent and may include, but is not limited to, documentary evidence, (as described by Section 17.26.050), dated photographs, or written declarations.*

The City Attorney noted that if the city's current fee resolution does not address a view preservation complaint alleging multiple views by multiple properties, the city is limited to collecting the one fee for the one complaint that includes allegations of multiple views obstructed by multiple properties. In order to avoid this situation, the city could consider amending its fee resolution to charge the higher cost of processing a view preservation complaint that alleges multiple views obstructed by multiple properties. This would help alleviate the concern that property owners will frivolously allege multiple views obstructed by multiple properties.

FISCAL IMPACT:
Fiscal impact depends on changes and level of activity for proposed fee increases.

RECOMMENDATION:

The Committee’s recommendations will be forwarded to the City Council for review. The Implementation of new fees or an adjustment to any existing fees will require public hearing. If a public hearing for modifications to the Schedule of Fees and Charges is desired by the City Council, staff will proceed to schedule the public hearing.

ATTACHMENTS:
ResolutionNo1278 Fee Schedule FY21-22 Signed.pdf
Proposed_Fee_Schedule_FY22-23_Markup.pdf
CityAttorneyFeesOnOneViewCase.pdf

RESOLUTION NO. 1278

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS MODIFYING THE ROLLING HILLS FEE RESOLUTION AND REPEALING RESOLUTION NO. 1260.

THE CITY COUNCIL OF THE CITY OF ROLLING HILLS DOES HEREBY RESOLVE AS FOLLOWS:

Section 1: The following fees are established and charged for applications for processing discretionary cases for Planning, Zoning and Subdivisions and shall be paid by the applicant prior to submission for public hearing, pursuant to Title 16 (Subdivision) and Title 17 (Zoning) of the Rolling Hills Municipal Code:

A.	Site Plan Review	$ 1,500
B.	Conditional Use Permit	$ 1,500
C.	Variance	$ 1,250
D.	Variance, Minor	$ 750
	1. Minor deviation into required yard setback, not exceeding 5' and attached to main residential structure	
E.	Multiple discretionary reviews;	Most expensive fee for the first review and 1/2 fee for second review. No cost for third or more reviews.
F.	Lighting Ordinance Modification	$ 375
G.	Outdoor Lighting Audit	$ 150 (initiated by resident)
H.	Time extension	$ 200
I.	Zone Change	$ 2,000
J.	General Plan Amendment	$ 2,000
K.	Zoning/Subdivision Code Amendment	$ 2,000
L	Discretionary Approval Modification	$ 2/3 of original application fee
M.	Appeal Fee	$ 2/3 of original application fee
N.	City Council and Planning Commission interpretation	$ 375 Fee to be credited if results in filing of a formal

	and miscellaneous reviews	application to City Council or Planning Commission
O.	Environmental Review fees for discretionary permits	
	1. Preparation and Staff Review of Initial Study	$ 200
	2. Preparation of Negative Declaration or Mitigated Negative Declaration	$ 50 (plus fee charged by CA Department of Fish and Wildlife, applicable, as adjusted annually)
P.	Environmental Impact Reports	Consultant fee plus 10%
Q.	County Clerk Processing Fee	County fee
R.	Lot Line Adjustment	$ 1,500, plus County fee
S.	Tentative Parcel/Tract Map	$ 1,500, plus County fee
T.	Final Parcel/Tract Map	County fee
U.	Zoning violation and construction penalty fee	$ 1,500

1. Applications for illegal or "as built" grading or construction or non-compliance with approved plans for projects that require Planning Commission review. Fee is charged in addition to the discretionary application review fee.

V.	Stop work order	$ 200

1. Fee charged for each additional "stop work order" that is issued beyond the original stop work order for illegal construction and grading activity.

W.	Service Request (For services provided by L.A. County not included in the General Services Agreement)	County fee, plus 20%
X.	Appeal of Zone Clearance	$ 375
Y.	Stable Use Permit (For stables under 800 sq ft considered by the Planning Commission)	$ 375
Z.	Major Remodel Review (For remodels of more than 50% demolition)	$ 375

Section 2. The following fees are established and charged for applications for processing View Impairment, Traffic Commission, and Accessory Dwelling Unit cases:

A. View Impairment

1. Review by Committee on Trees and Views Processing fee — $ 2,000

2. Environmental Review Fees

A. Preparation and Staff Review of Initial Study — $ 200

B. Preparation of Negative Declaration or Mitigated Negative Declaration — $ 50 (plus fee charged by CA Department of Fish and Wildlife, if applicable, as adjusted annually)

B. Traffic Commission Review

1. New driveways or other traffic related items — $ 300

C. Accessory Dwelling Unit

1. Accessory Dwelling Unit or Junior Accessory Dwelling Unit — $ 375

Section 3. The following fees are established and charged for General Administration processing:

A.	General Plan	$ 30
B.	Zoning Code	$ 25
C.	Subdivision Code	$ 25
D.	Budget	$ 30
E.	Zoning Map	$ 3
F.	Xeroxed copies, each page	$ 0.25
G.	False Alarms	

Fee for 1st and 2nd incident involving a false alarm is waived

		If paid within 30 days	If paid after 30 days
3rd	false alarm	$ 50	$100
4th	false alarm	$ 100	$300
5th	false alarm	$ 150	$600
6th	false alarm	$ 200	$1,000

Section 4. The following fees are established and shall be collected for each permit pursuant to Title 15, (Building and Construction) of the Rolling Hills Municipal Code:

A.	1.	BUILDING PERMIT	Two and one-quarter times the amount set forth in the Building Code for each fee, table and schedule therein.
	2.	PARKS AND RECREATION	Each new residential dwelling shall pay 2% of the first $ 100,000 of construction valuation, plus 0.25% of such valuation over $ 100,000.
B.		PLUMBING PERMIT	Two and one-quarter times the amount set forth in the Plumbing Code for each fee, table and schedule therein.
C.		MECHANICAL PERMIT	Two and one-quarter times the amount set forth in the Mechanical Code for each fee, table and schedule therein.
D.		ELECTRICAL PERMIT	Two and one-quarter times the amount set forth in the Electrical Code for each fee, table and schedule therein.
E.		GEOTECHNICAL REPORT, SITE AND PLAN REVIEW	0.42% of the valuation of the proposed structures; however, minimum fee shall be $ 535.00 and the maximum fee shall be $ 3,588.00
F.		SOLAR AND PHOTOVOLTAIC SYSTEMS AND APPURTENANT EQUIPMENT	The amount set forth in the Los Angeles County Building and Electrical Codes for each fee, table and schedule therein, plus $ 60.11 City administrative fee.

Section 5. The following fees are established and shall be collected for each permit pursuant to Title 15, (Building and Construction) of the Rolling Hills Municipal Code for review conducted by the City's contract building official, other than Los Angeles County Department of Building and Safety:

A.	BUILDING PERMIT	In addition to the provisions of Section 4 A.1 of this resolution, a 25% surcharge on Los Angeles County Department of Building and Safety fees shall be charged for the alternative use of the City's contract building official.
B.	PLUMBING PERMIT	In addition to the provisions of Section 4 B. of this resolution, a 25% surcharge on Los Angeles County Department of Building and Safety fees shall be charged for the alternative use of the City's contract building official.
C.	MECHANICAL PERMIT	In addition to the provisions of Section 4 C. of this resolution, a 25% surcharge on Los Angeles County Department of Building and Safety fees shall be charged for the alternative use of the City's contract building official.
D.	ELECTRICAL PERMIT	In addition to the provisions of Section 4 D. of this resolution, a 25% surcharge on Los Angeles County Department of Building and Safety fees shall be charged for the alternative use of the City's contract building official.
E.	GEOTECHNICAL REPORT, SITE AND PLAN REVIEW	In addition to the provisions of Section 4 E. of this resolution, a 25% surcharge on Los Angeles County Department of Building and Safety fess shall be charged for the alternative use of the City's contract building official.
F.	SOLAR AND PHOTOVOLTAIC SYSTEMS AND APPURTENANT	In addition to the provision of Section 4 F. of this resolution, a 25% surcharge

EQUIPMENT	on Los Angeles County Department of Building and Safety fees, plus $60.11 City administrative fee, shall be charged for the alternative use of the City's contract building official.

Section 6. The following fees are established and shall be collected for each permit relating to construction and demolition waste:

A.	CONSTRUCTION AND DEMOLITION PERMIT	$ 150 single project permit, plus $1,000 deposit refundable upon submittal of a Certificate of Compliance.

Section 7. The following fines are established for issuance of administrative citations relating to a violation of Chapter 9.58 of the Rolling Hills Municipal Code:

Administrative Penalty for violation of Chapter 9.58	$ 2,500	1st violation
	$ 5,000	2nd violation within one year of the 1st violation
	$ 7,500	Each additional violation within one year of the 1st violation

Section 8. The following fees are established and charged for processing landscaping submittals subject to the requirements of the Water Efficient Landscape Ordinance.

Review of landscape submittal package and verification of compliance	$1,500 (portion refunded if not spent; additional funds may be collected, if needed to complete the review); plus $5,000 deposit refundable upon submittal of a Certificate of Compliance.

Section 9. The following fees are established and charged for processing utility pole removal reimbursement applications pursuant to City Council Resolution No. 1259.

Review of utility pole removal reimbursement application.	$100
Appeal of utility pole removal reimbursement decision.	$300

Section 10. The following fee is established and charged for processing wireless telecommunication facility applications:

Application fee:	$1,000

Section 11. Should the City accept payment of any fee identified in this resolution by means of credit card, an additional 3% surcharge on such fee shall be charged as a convenience fee for processing the payment. When City accepts payment by means of credit card, it shall also accept payment by means of cash or check.

Section 12. The fees set forth do not exceed the estimated reasonable cost of providing such services.

Section 13. The City Council Resolution No. 1260 is hereby repealed and superseded by this Resolution .

PASSED, APPROVED, AND ADOPTED this 14th day of June, 2021.

Bea Dieringer

BEA DEIRINGER
MAYOR

ATTEST:

Janely Sandoval

JANELY SANDOVAL
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §§
CITY OF ROLLING HILLS)

I certify that the foregoing Resolution No. 1278 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS MODIFYING THE ROLLING HILLS FEE RESOLUTION AND REPEALING RESOLUTION NO. 1260.

was approved and adopted at a regular meeting of the City Council on the 14th day of June 2021 by the following roll call vote:

AYES: COUNCILMEMBERS: Mayor Dieringer, Pieper, Mirsch, and Wilson

NOES: COUNCILMEMBERS: None.

ABSENT: COUNCILMEMBERS: Mayor Pro Tem Black.

ABSTAIN: COUNCILMEMBERS: None.

and in compliance with the laws of California was posted at the following:

Administrative Offices.

Janely Sandoval

JANELY SANDOVAL
CITY CLERK

RESOLUTION NO. 1278

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS MODIFYING THE ROLLING HILLS FEE RESOLUTION AND REPEALING RESOLUTION NO. 1260.

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E.	Multiple discretionary reviews;	Most expensive fee for the first review and 1/2 fee for second review. No cost for third or more reviews.
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H.	Time extension	$ 200
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	and miscellaneous reviews	application to City Council or Planning Commission
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T.	Final Parcel/Tract Map	County fee
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V.	Stop work order	$ 200

1. Fee charged for each additional "stop work order" that is issued beyond the original stop work order for illegal construction and grading activity.

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X.	Appeal of Zone Clearance	$ 375
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Z.	Major Remodel Review (For remodels of more than 50% demolition)	$ 375

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1. Review by Committee on Trees and Views Processing fee for complaints against one property — $6,000 ~~$ 2,000~~

2. Review by Committee on Trees and Views Processing fee for complaints against multiple properties. — $10,000

3. Environmental Review Fees — $ 200

   A. Preparation and Staff Review of Initial Study — $ 50

   B. Preparation of Negative Declaration or Mitigated Negative Declaration — (plus fee charged by CA Department of Fish and Wildlife, if applicable, as adjusted annually)

B. Traffic Commission Review

1. New driveways or other traffic related items — $ 300

C. Accessory Dwelling Unit

1. Accessory Dwelling Unit or Junior Accessory Dwelling Unit — $ 375

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B.	Zoning Code	$ 25
C.	Subdivision Code	$ 25
D.	Budget	$ 30
E.	Zoning Map	$ 3
F.	Xeroxed copies, each page	$ 0.25
G.	False Alarms	

Fee for 1st and 2nd incident involving a false alarm is waived

		If paid within 30 days	If paid after 30 days
3rd	false alarm	$ 50	$100
4th	false alarm	$ 100	$300
5th	false alarm	$ 150	$600
6th	false alarm	$ 200	$1,000

Section 4. The following fees are established and shall be collected for each permit pursuant to Title 15, (Building and Construction) of the Rolling Hills Municipal Code:

A. 1.	BUILDING PERMIT	Two and one-quarter times the amount set forth in the Building Code for each fee, table and schedule therein.
2.	PARKS AND RECREATION	Each new residential dwelling shall pay 2% of the first $ 100,000 of construction valuation, plus 0.25% of such valuation over $ 100,000.
B.	PLUMBING PERMIT	Two and one-quarter times the amount set forth in the Plumbing Code for each fee, table and schedule therein.
C.	MECHANICAL PERMIT	Two and one-quarter times the amount set forth in the Mechanical Code for each fee, table and schedule therein.
D.	ELECTRICAL PERMIT	Two and one-quarter times the amount set forth in the Electrical Code for each fee, table and schedule therein.
E.	GEOTECHNICAL REPORT, SITE AND PLAN REVIEW	0.42% of the valuation of the proposed structures; however, minimum fee shall be $ 535.00 and the maximum fee shall be $ 3,588.00
F.	SOLAR AND PHOTOVOLTAIC SYSTEMS AND APPURTENANT EQUIPMENT	The amount set forth in the Los Angeles County Building and Electrical Codes for each fee, table and schedule therein, plus $ 60.11 City administrative fee.

Section 5. The following fees are established and shall be collected for each permit pursuant to Title 15, (Building and Construction) of the Rolling Hills Municipal Code for review conducted by the City's contract building official, other than Los Angeles County Department of Building and Safety:

A.	BUILDING PERMIT	In addition to the provisions of Section 4 A.1 of this resolution, a 25% surcharge on Los Angeles County Department of Building and Safety fees shall be charged for the alternative use of the City's contract building official.
B.	PLUMBING PERMIT	In addition to the provisions of Section 4 B. of this resolution, a 25% surcharge on Los Angeles County Department of Building and Safety fees shall be charged for the alternative use of the City's contract building official.
C.	MECHANICAL PERMIT	In addition to the provisions of Section 4 C. of this resolution, a 25% surcharge on Los Angeles County Department of Building and Safety fees shall be charged for the alternative use of the City's contract building official.
D.	ELECTRICAL PERMIT	In addition to the provisions of Section 4 D. of this resolution, a 25% surcharge on Los Angeles County Department of Building and Safety fees shall be charged for the alternative use of the City's contract building official.
E.	GEOTECHNICAL REPORT, SITE AND PLAN REVIEW	In addition to the provisions of Section 4 E. of this resolution, a 25% surcharge on Los Angeles County Department of Building and Safety fess shall be charged for the alternative use of the City's contract building official.
F.	SOLAR AND PHOTOVOLTAIC SYSTEMS AND APPURTENANT	In addition to the provision of Section 4 F. of this resolution, a 25% surcharge

EQUIPMENT	on Los Angeles County Department of Building and Safety fees, plus $60.11 City administrative fee, shall be charged for the alternative use of the City's contract building official.

Section 6. The following fees are established and shall be collected for each permit relating to construction and demolition waste:

A.	CONSTRUCTION AND DEMOLITION PERMIT	$ 150 single project permit, plus $1,000 deposit refundable upon submittal of a Certificate of Compliance.

Section 7. The following fines are established for issuance of administrative citations relating to a violation of Chapter 9.58 of the Rolling Hills Municipal Code:

Administrative Penalty for violation of Chapter 9.58	$ 2,500	1st violation
	$ 5,000	2nd violation within one year of the 1st violation
	$ 7,500	Each additional violation within one year of the 1st violation

Section 8. The following fees are established and charged for processing landscaping submittals subject to the requirements of the Water Efficient Landscape Ordinance.

Review of landscape submittal package and verification of compliance	$1,500 (portion refunded if not spent; additional funds may be collected, if needed to complete the review); plus $5,000 deposit refundable upon submittal of a Certificate of Compliance.

Section 9. The following fees are established and charged for processing utility pole removal reimbursement applications pursuant to City Council Resolution No. 1259.

Review of utility pole removal reimbursement application.	$100
Appeal of utility pole removal reimbursement decision.	$300

Section 10. The following fee is established and charged for processing wireless telecommunication facility applications:

Application fee: $1,000

Section 11. Should the City accept payment of any fee identified in this resolution by means of credit card, an additional 3% surcharge on such fee shall be charged as a convenience fee for processing the payment. When City accepts payment by means of credit card, it shall also accept payment by means of cash or check.

Section 12. The fees set forth do not exceed the estimated reasonable cost of providing such services.

Section 13. The City Council Resolution No. 1260 is hereby repealed and superseded by this Resolution .

PASSED, APPROVED, AND ADOPTED this 14th day of June, 2021.

Bea Dieringer

BEA DEIRINGER
MAYOR

ATTEST:

Janely Sandoval

JANELY SANDOVAL
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §§
CITY OF ROLLING HILLS)

I certify that the foregoing Resolution No. 1278 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROLLING HILLS MODIFYING THE ROLLING HILLS FEE RESOLUTION AND REPEALING RESOLUTION NO. 1260.

was approved and adopted at a regular meeting of the City Council on the 14th day of June 2021 by the following roll call vote:

AYES: COUNCILMEMBERS: Mayor Dieringer, Pieper, Mirsch, and Wilson

NOES: COUNCILMEMBERS: None.

ABSENT: COUNCILMEMBERS: Mayor Pro Tem Black.

ABSTAIN: COUNCILMEMBERS: None.

and in compliance with the laws of California was posted at the following:

Administrative Offices.

Janely Sandoval

JANELY SANDOVAL
CITY CLERK

COST SERVICE BY THE CITY ATTORNEY
VIEW CASE CONCERNING 59 AND 61 EASTFIELD DRIVE
May 2021 to November 2021
FIRST VIEW CASE PROCESSED PER CURRENT ORDINANCE

	BBK Invoice number relating to view case	Services Rendered	Invoice Amount
1	906347	May-21	$1,957
2	908770	Jun-21	$798
3	911212	Jul-21	$1,501
4	915121	Aug-21	$1,558
5	916386	Sep-21	$247
6	919722	Oct-21	$1,691
7	921304	Nov-21	$2,926
		Total	**$10,678**