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
Tuesday, May 31, 2022

CITY OF ROLLING HILLS
6:30 PM

1. ITEMS FOR DISCUSSION

1.A. PRESENTATION OF HISTORICAL CITY COUNCIL APPROVED ANNUAL BUDGET CALENDARS FOR FISCAL YEAR 2016-2022
RECOMMENDATION: Receive and file.
BudgetCalendarsFY16-FY22.pdf

1.B. PRESENTATION OF FISCAL YEAR 2022-2023 PROPOSED BUDGET.
RECOMMENDATION: Consider staff's recommended adjustments to the proposed Fiscal Year 2022-2023 budget based on feedback received by the Finance/Budget/Audit Committee on May 9th and City Council on May 23rd.
CC_SP_2022BudgetItemsDraft_FAB.pdf
CL_AGN_220531_FBA_FY 2022-23 General Fund Projected Revenues.pdf
CL_AGN_220531_FBA_FY 2022-23 General Fund Expenditures.pdf
CL_AGN_220531_FBA_FY 2022-23 Revenues and Expenditures -Other Funds.pdf
CL_AGN_220531_FBA_General Fund Balancing Recommendations.pdf
CL_AGN_220531_FBA_GF Summary of Sources and Uses of Funds.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.

City of Rolling Hills INCORPORATED JANUARY 24, 1957

Agenda Item No.: 1.A
Mtg. Date: 05/31/2022

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: ELAINE JENG, CITY MANAGER

THRU: ELAINE JENG P.E., CITY MANAGER

SUBJECT: PRESENTATION OF HISTORICAL CITY COUNCIL APPROVED ANNUAL BUDGET CALENDARS FOR FISCAL YEAR 2016-2022

DATE: May 31, 2022

BACKGROUND:
At the May 9, 2022 Finance/Budget/Audit Committee, members reviewed staff's Fiscal Year 2022-2023 proposed budget and provided the following direction to staff:

- Provide updated figures for expenditure items relating to personnel
- Provide updated figures to the stormwater compliance expenditures to include offsets by Measure W allocation
- Provide an understanding of on-going operational expenditures versus one time operational expenditures
- Revise the proposed budget with the above and present another version

Staff re-worked the proposed budget and presented another version of the proposed to the City Council at the May 23, 2022 City Council meeting. The revised proposed budget was updated with figures for expenditures items relating to personnel cost based on current salary and all position filled. The revised proposed budget was also updated with the expenditure projection for stormwater compliance after deducting expenses anticipated to be funded using Measure W allocation. The revised proposed budget also added a new column to breakout the one-time operational cost.

DISCUSSION:
At the May 23, 2022 City Council meeting, Finance/Budget/Audit Committee member, Mayor Jim Black noted that the revised proposed budget was <u>not supposed to be presented to the City Council</u> and that the Committee had directed staff to rework the initial proposal with the understanding that the revised version would be brought back to the committee.

Annually, in January, the City Council reviews and takes action on a proposed budget calendar that lists the process to prepare a budget for the upcoming fiscal year. A review of the budget calendar approved by the City Council, going back to Fiscal Year 2016-2017, showed that the Finance/Budget/Audit Committee consistently reviewed the initial proposed budget in early May followed by City Council budget public hearing and adoption in early June. The approved budget calendars from Fiscal Year 2016-2017 to Fiscal Year 2022-2023 are included with this report. In the approved budget calendars for Fiscal Year 2021-2022 and Fiscal Year 2022-2023, an additional step was added between the Finance/Budget/Audit Committee's review of the initial proposed budget and City Council budget public hearing/adoption to allow the full City Council an opportunity to provide feedback on the proposed budget. The budget process for preparing the Fiscal Year 2021-2022 and Fiscal Year 2022-2023 included a City Council budget workshop in late May.

Guided by the City Council approved budget calendar for preparing the Fiscal Year 2022-2023 budget, staff scheduled a City Council budget workshop for May 23, 2022 following the May 9, 2022 Finance/Budget/Audit Committee meeting.

Going forward, the committee can direct staff to add to the budget calendar annually to include two rounds of budget review by the committee prior to conducting the City Council budget workshop. The budget calendar memorializes the process by setting dates for milestones working towards an adopted budget by June 30. The fiscal year starts on July 1.

FISCAL IMPACT:
There is no fiscal impact to preparing a budget calendar annually.

RECOMMENDATION:
Receive and file.

ATTACHMENTS:
BudgetCalendarsFY16-FY22.pdf

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BUDGET CALENDAR
FISCAL YEAR 2016/2017

December 17, 2015	Finance/Budget/Audit Committee meeting with Auditor to review FY 2014/15 Comprehensive Annual Financial Report (CAFR).
January 11, 2016	City Council receive, review and approve FY 2016/2017 budget calendar.
January 11, 2016	City Council receive and review FY 2014/2015 Comprehensive Annual Financial Report (CAFR).
March 14, 2016	City Council receive and review FY 2015/2016 mid-year budget report and appropriations.
March 28, 2016	Finance/Budget/Audit Committee review Financial and Investment Policies; and review and discuss Schedule of Fees and Charges.
April 11, 2016	City Council discussion of FY 2016/2017 priorities.
April 21, 2016	*If the annualized CPI exceeds 4.5% as of March 2016, public notice sent to all property owners advertising a public hearing for an increase in the solid waste collection fee. Also, as directed, public notice is required for updates to Schedule of Fees & Charges (by June 2, 2016).*
April 25, 2016	City Council review of FY 2015/2016 year-end revenue and expenditure projections, Schedule of Fees and Charges, annual CPI projections, and Financial and Investment Policies.
May 9, 2016	Finance/Budget/Audit Committee review of FY 2016/2017 thru FY 2020/2021 (5-year) revenue and expenditure projections including staff proposed FY 2016/2017 budget.
June 13, 2016	City Council budget public hearing, adoption of FY 2016/2017 budget, and approval of Gann Limit. *If necessary, City Council public hearing on proposed update(s) to solid waste collection fee and/or Schedule of Fees and Charges.*

DRAFT 01/04/16

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BUDGET CALENDAR
FISCAL YEAR 2017/2018

December 19, 2016	Finance/Budget/Audit Committee meeting with Auditor to review FY 2015/16 Audited Financial Statements.
January 9, 2017	City Council receive, review and approve FY 2017/2018 budget calendar.
January 23, 2017	City Council receive and review FY 2015/2016 Audited Financial Statements.
March 13, 2017	City Council receive and review FY 2016/2017 mid-year budget report and appropriations.
March 27, 2017	Finance/Budget/Audit Committee review Financial and Investment Policies; and review and discuss Schedule of Fees and Charges.
April 10, 2017	City Council discussion of FY 2017/2018 priorities.
April 20, 2017	*If the annualized CPI exceeds 4.5% as of March 2017, public notice sent to all property owners advertising a public hearing for an increase in the solid waste collection fee. Also, as directed, public notice is required for updates to Schedule of Fees & Charges (by June 7, 2017).*
April 24, 2017	City Council review of FY 2016/2017 year-end revenue and expenditure projections, Schedule of Fees and Charges, annual CPI projections, and Financial and Investment Policies.
May 16, 2017	Finance/Budget/Audit Committee review of FY 2017/2018 proposed budget.
June 12, 2017	City Council budget public hearing, adoption of FY 2017/2018 budget, and approval of Gann Limit. *If necessary, City Council public hearing on proposed update(s) to solid waste collection fee and/or Schedule of Fees and Charges.*

DRAFT 12/29/16

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BUDGET CALENDAR
FISCAL YEAR 2018/2019

December 21, 2017	Finance/Budget/Audit Committee meeting with Auditor to review FY 2016/17 Comprehensive Annual Financial Report (CAFR).
January 8, 2018	City Council receive, review and approve FY 2018/2019 budget calendar.
January 22, 2018	City Council receive and review FY 2016/2017 Audited Financial Statements.
March 12, 2018	City Council receive and review FY 2017/2018 mid-year budget report and appropriations.
March 26, 2018	Finance/Budget/Audit Committee review Financial and Investment Policies; and review and discuss Schedule of Fees and Charges.
April 9, 2018	City Council discussion of FY 2018/2019 priorities.
April 20, 2018	*If the annualized CPI exceeds 4.5% as of March 2018, public notice sent to all property owners advertising a public hearing for an increase in the solid waste collection fee. Also, as directed, public notice is required for updates to Schedule of Fees & Charges (by June 7, 2018).*
April 23, 2018	City Council review of FY 2017/2018 year-end revenue and expenditure projections, Schedule of Fees and Charges, annual CPI projections, and Financial and Investment Policies.
May 16, 2018	Finance/Budget/Audit Committee review of FY 2018/2019 staff proposed budget.
June 11, 2018	City Council budget public hearing, adoption of FY 2018/2019 budget, and approval of Gann Limit. *If necessary, City Council public hearing on proposed update(s) to solid waste collection fee and/or Schedule of Fees and Charges.*

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BUDGET CALENDAR
FISCAL YEAR 2019/2020

January 14, 2019	Finance/Budget/Audit Committee meeting with Auditor to review FY 2017/18 Comprehensive Annual Financial Report (CAFR).
January 14, 2019	City Council receive, review and approve FY 2019/2020 budget calendar.
January 28, 2019	City Council receive and review FY 2017/2018 Audited Financial Statements.
March 11, 2019	City Council receive and review FY 2018/2019 mid-year budget report and appropriations.
March 25, 2019	Finance/Budget/Audit Committee review Financial and Investment Policies; and review and discuss Schedule of Fees and Charges.
April 8, 2019	City Council discussion of FY 2019/2020 priorities.
April 19, 2019	*If the annualized CPI exceeds 4.5% as of March 2019, public notice sent to all property owners advertising a public hearing for an increase in the solid waste collection fee. Also, as directed, public notice is required for updates to Schedule of Fees & Charges (by June 7, 2019).*
April 22, 2019	City Council review of FY 2018/2019 year-end revenue and expenditure projections, Schedule of Fees and Charges, annual CPI projections, and Financial and Investment Policies.
May 13, 2019	Finance/Budget/Audit Committee review of FY 2019/2020 staff proposed budget.
June 10, 2019	City Council budget public hearing, adoption of FY 2019/2020 budget, and approval of Gann Limit. *If necessary, City Council public hearing on proposed update(s) to solid waste collection fee and/or Schedule of Fees and Charges.*

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BUDGET CALENDAR
FISCAL YEAR 2020/2021

January 13, 2020	Finance/Budget/Audit Committee meeting with Auditor to review FY 2018/19 Comprehensive Annual Financial Report (CAFR).
January 13, 2020	City Council receive, review and approve FY 2020/2021 budget calendar.
January 25, 2020	City Council Strategic Planning Session #1 with staff for FY 2020/2021 and beyond.
January 27, 2020	City Council receive and review FY 2018/2019 Audited Financial Statements.
February 10, 2020	City Council Strategic Planning Session #2 with staff for FY 2020/2021 and beyond.
February 24, 2020	City Council Strategic Planning Session #3 with staff for FY 2020/2021 and beyond.
March 09, 2020	City Council receive and review FY 2019/2020 mid-year budget report and appropriations.
April 13, 2020	Finance/Budget/Audit Committee review Financial and Investment Policies; and review and discuss Schedule of Fees and Charges.
April 13, 2020	City Council discussion of FY 2020/2021 budget priorities.
May 07, 2020	*If the annualized CPI exceeds 7.5% as of March 2019, public notice sent to all property owners advertising a public hearing for an increase in the solid waste collection fee. Also, as directed, public notice is required for updates to Schedule of Fees & Charges (by June 8, 2020).*
April 15, 2020	Staff review of FY 2019/2020 year-end expenditure projections with City Manager.

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April 27, 2020	City Council review of FY 2019/2020 year-end revenue and expenditure projections, Schedule of Fees and Charges, annual CPI projections, and Financial and Investment Policies.
April 29, 2020	Staff proposed FY 2020/2021 Budget Requests and discussion with City Manager.
May 06, 2020	Final Staff proposed FY 2020/2021 Budget Requests with City Manager.
May 14, 2020	Finance/Budget/Audit Committee review of FY 2020/2021 staff proposed budget.
June 08, 2020	City Council budget public hearing, adoption of FY 2020/2021 budget, and approval of Gann Limit. *If necessary, City Council public hearing on proposed update(s) to solid waste collection fee and/or Schedule of Fees and Charges.*

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REVISED BUDGET CALENDAR
FISCAL YEAR 2021/2022

January 11, 2021	City Council receive, review and approve FY 2021/2022 budget calendar.
January 25, 2021	Finance/Budget/Audit Committee meeting with Auditor to review FY 2019/2020 Annual Financial Report.
February 8, 2021	City Council receive and review FY 2019/2020 Audited Financial Statements.
March 08, 2021	City Council receive and review FY 2020/2021 mid-year budget report and appropriations.
April 22, 2021	Staff review of FY 2020/2021 year-end expenditure projections with City Manager.
April 26, 2021	Finance/Budget/Audit Committee review Financial and Investment Policies; and review and discuss Schedule of Fees and Charges.
April 26, 2021	City Council review of FY 2020/2021 year-end revenue and expenditure projections, and annual CPI projections.
April 29, 2021	Staff proposed FY 2021/2022 Budget Requests and discussion with City Manager.
May 05, 2021	Final Staff proposed FY 2021/2022 Budget Requests with City Manager.
May 13, 2021	*If the solid waste collection fees are going to be increased by CPI, public notice sent to all property owners advertising a public hearing for an increase in the solid waste collection fee. Also, as directed, public notice* is *required for updates to Schedule of Fees & Charges (by June 14, 2021).*
May 10, 2021	Finance/Budget/Audit Committee review of FY 2021/2022 staff proposed budget.
May 24, 2021	City Council budget workshop.

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June 14, 2021	City Council budget public hearing, adoption of FY 2021/2022 budget, and approval of Gann Limit. *If necessary, City Council public hearing on proposed update(s) to solid waste collection fee and/or Schedule of Fees and Charges.*

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REVISED BUDGET CALENDAR
FISCAL YEAR 2022/2023

January 10, 2022	City Council receive, review and approve FY 2022/2023 budget calendar.
February 14, 2022	Finance/Budget/Audit Committee meeting with Auditor to review FY 2020/2021 Annual Financial Report.
February 14, 2022	City Council receive and review FY 2020/2021 Audited Financial Statements.
March 14, 2022	City Council receive and review FY 2021/2022 mid-year budget report and appropriations.
April 20, 2022	Staff review of FY 2021/2022 year-end expenditure projections with City Manager.
April 25, 2022	Finance/Budget/Audit Committee review Financial and Investment Policies; and review and discuss Schedule of Fees and Charges.
April 25, 2022	City Council review of FY 2021/2022 year-end revenue and expenditure projections, and annual CPI projections.
April 27, 2022	Staff proposed FY 2022/2023 Budget Requests and discussion with City Manager.
May 04, 2022	Final Staff proposed FY 2022/2023 Budget Requests with City Manager.
May 09, 2022	Finance/Budget/Audit Committee review of FY 2022/2023 staff proposed budget.
May 12, 2022	*If the solid waste collection fees are going to be increased by CPI, public notice sent to all property owners advertising a public hearing for an increase in the solid waste collection fee. Also, as directed, public notice* is *required for updates to Schedule of Fees & Charges (by June 13, 2022).*
May 23, 2022	City Council budget workshop.

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June 13, 2022	City Council budget public hearing, adoption of FY 2022/2023 budget, and approval of Gann Limit. *If necessary, City Council public hearing on proposed update(s) to solid waste collection fee and/or Schedule of Fees and Charges.*

Agenda Item No.: 1.B
Mtg. Date: 05/31/2022

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: ROBERT SAMARIO, FINANCE DIRECTOR

THRU: ELAINE JENG P.E., CITY MANAGER

SUBJECT: PRESENTATION OF FISCAL YEAR 2022-2023 PROPOSED BUDGET.

DATE: May 31, 2022

BACKGROUND:
On Monday, May 9, 2022, staff presented the proposed Fiscal Year 2022-23 budget to the Finance/Budget/Audit Committee for their feedback and direction. At that time, the proposed General Fund operating budget was not balanced, requiring the use of General Fund reserves to balance. The Finance Committee directed staff to identify measures to balance the operating budget and to identify any one-time operating costs in order to measure the true ongoing deficit.

On May 23, 2022, staff presented to the City Council the same proposed General Fund operating budget, however with the one-time amounts separated between ongoing and one-time costs. As a result, the ongoing deficit was reduced to $480,984. In addition, staff identified balancing options for Council to consider that, if implemented, would eliminate the projected deficit.

Council considered the proposed budget as presented and directed staff to bring the information back to the Finance Committee for further review and direction. In addition, Council provided the following feedback:

1. Staff should recommend which balancing measures to implement that either entirely close the deficit or comes reasonably close.
2. Do not include any balancing measures that increase fees
3. Consider increasing the assumed growth rates for property taxes and real property tax revenues

Based on the feedback and direction received from Council, staff has balanced the proposed General Fund budget using a combination of increased revenues and the prudent use of reserves.

DISCUSSION:
PROPOSED CHANGES TO REVENUE ESTIMATES

Staff is recommending increasing the fiscal year 2022-23 projections for property taxes and real property taxes as described below.

- Property Taxes - Based on the amounts recently received in April and May, we have a better estimate of fiscal year 2021/22 revenues, which staff has adjusted (increased) by $62,750 to $1,344,535. This represents a 9.9% growth from fiscal year 2020/21. In addition, based on Council's feedback that the fiscal year 2022/23 growth rate assumption may be too conservative, staff has increased the growth rate assumption from 4% to 6%. While this growth assumption is more aggressive, staff is comfortable with this assumed growth rate. As a result, the revised fiscal year 2022/23 projected revenue has been increased by a total of $92,207.

- Real Property Transfer Tax - Staff has not received any additional information to warrant adjusting the current year estimate; however, staff recommends increasing the fiscal year 2022/23 growth rate from 2% to 4%. This increases the projected fiscal year 2022/23 projection by $1,205, from $121,500 to $122,705.

RECOMMENDED BALANCING MEASURES

The ongoing General Fund operating deficit presented to the Budget Committee and City Council of $480,984. Based on the revised revenue estimates, which have provided additional estimated revenues of $93,412, the operating deficit has been reduced to $387,571.

Staff has identified two revenues totaling $235,682 to address a portion of the deficit.

- ARPA revenues of $220,682
- Recovering publication costs associated with development projects, estimated at $15,000

Staff recommends using $151,889 of reserves to address the remaining deficit.

PROPOSED CAPITAL PROGRAM

Staff recommends the following capital program elements totaling $396,000:

1. *City Hall ADA Improvements ($96,000)* - City Council already approved contract with Pacific Architecture and Engineers to perform the work. This is a priority established by the City Council at the 2022 strategic planning session.
2. *Outdoor Siren System - Design ($25,000)* - This project is intended to notify the community of emergencies, in the event of complete power failure. Emergency preparedness is a priority established by the City Council at the 2020 and 2022 strategic planning session. Block Captains are advocating for this project. The design fee estimate is from HQE System.
3. *Outdoor Siren System - Construction ($275,000) -* This project is intended to notify the community of emergencies, in the event of complete power failure. Emergency

preparedness is a priority established by the City Council at the 2020 and 2022 strategic planning session. Block Captains are advocating for this project. The estimated construction cost is from the feasibility study from HQE System.

Staff recommends deferring the City Hall Improvements Project ($1,000,000) and the Tennis Courts ADA Improvements Project ($300,000) until fiscal year 2023/24.

OTHER FUNDS FOR FISCAL YEAR 2022-2023

Majority of the restricted funds such as Proposition C, Measure R, Measure M, and Measure A are expected to roll the revenue to future years to save up for eligible projects. The following summarizes the anticipated activities of the other restricted funds for next fiscal year:

- Measure W's expenditure plan for FY 2022-2023 was previously approved by the City Council in March 2022 and submitted to the Los Angeles County for approval. It is anticipated that $80,000 of Measure W would be spent on eligible storm water compliance measures.
- The City of Beverly Hills expressed interest in $58,400 of Prop A exchange.
- The Capital Projects Fund includes $96,000 for Pacific Architecture Engineers' design fee recently approved by the City Council for the development of layout Option 3, $300,000 for an Outdoor Siren System including design and construction.
- The Refuse Fund anticipates absorbing the expected refuse rate increase for residents funded from a General Fund transfer of $168,500.
- The City anticipates receiving $165,000 in COPs revenue from the state which will be used for supplemental law enforcement services.

FISCAL IMPACT:
The fiscal impact will be further evaluated after the Finance/Audit/Budget Committee provides input to the proposed budget for Fiscal Year 2022-2023.

RECOMMENDATION:
Provide feedback to staff regarding the proposed budget for Fiscal Year 2022-2023.

ATTACHMENTS:
CC_SP_2022BudgetItemsDraft_FAB.pdf
CL_AGN_220531_FBA_FY 2022-23 General Fund Projected Revenues.pdf
CL_AGN_220531_FBA_FY 2022-23 General Fund Expenditures.pdf
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CL_AGN_220531_FBA_General Fund Balancing Recommendations.pdf
CL_AGN_220531_FBA_GF Summary of Sources and Uses of Funds.pdf

CITY COUNCIL
2022 STRATEGIC PRIORITIES
Proposed Budget Items for Fiscal Year 2022-2023

	Wildfire Mitigation/Emergency Preparedness		Utility Undergrounding		Capital Improvement Projects		Drainage		Communication with Residents		City Personnel Recruitment/Retention Plan		Expand resident services		Sewer	
	Budget Item	Cost	Budget Item	Cost	Budget Item	Cost	Budget Item	Cost	Budget Item	Cost	Budget Item	Cost	Budget Item	Cost	Budget Item	Cost
1	Block Captain Program	$50,000	Crest Road East Utility Undergrounding Project - funded by CalOES/FEMA Grant	$381,000	~~Tennis Courts ADA Improvement Project~~	~~$400,000~~	Parcel based hydro modification policy development	$2,000	~~Outsource production of the Blue Newsletter~~	~~$10,000~~	~~Hire company that provide professional Human Resource Support~~	~~$20,000~~	~~Summer outdoor movie nights at the City Hall campus~~	~~$5,000~~	~~Hire grant writer to seek grant funds to support the construction of the 8" sewer main along Rolling Hills Road~~	~~$15,000~~
2	Fire Fuel Reduction in the Preserve	$83,000	Eastfield Drive Undergrounding Project - funded by CalOES/FEMA Grant	$660,000	~~City Hall ADA Improvement Project~~	~~$1,000,000~~	~~Masterplan: eliminate storm water discharge from the City (monitoring)~~	~~$50,000~~	On-going maintenance for EIS and Trading Post	$15,000	~~Increase City contribution to employees' medical/dental/vision coverage~~	~~$6,000~~	~~Hire notary - one day per month to provide service to residents~~	~~$2,000~~		
3	~~Consultant to support enforcement of fire fuel abatement ordinance, and other ordinances relating to fire fuel abatement.~~	~~$30,000~~	~~Assessment District Project Support - workshops for neighborhood groups and supply technical experts for Q/A~~	~~$15,000~~			Research on drainage ownership/agreements with Los Angeles County Flood Control District	$2,000	On-going subscription for Alert South bay and E-Notify	$5,000						
		$163,000		$1,056,000		$1,400,000		$54,000		$30,000		$26,000		$7,000		$15,000
														Grand Total	GF and Rule 20A $2,751,000	General Fund only $1,695,000

CITY OF ROLLING HILLS
General Fund Revenues
FY 2022 and 2023 Projection

	FY 2021 Revenues	Adopted Budget	FY 2022 Year-End Projection	FY 2023 Projection	FY 2023 Projected Growth
Property Taxes	$ 1,222,947	$ 1,249,800	$ 1,344,535	$ 1,425,207	6.0%
Sales Taxes	23,262	4,800	18,550	19,300	3.0%
Property Transfer Tax	93,449	40,200	117,986	122,706	4.0%
Disaster Grants	50,000	20,000	13,040	-	N/A
Motor Vehicle In Lieu	236,725	246,100	246,694	252,000	2.0%
Building & Other Permits	183,378	300,000	472,969	475,000	Flat
Variance, Planning & Zoning	49,158	22,000	19,461	20,000	Flat
Animal Control Fees	472	1,000	213	250	Flat
Franchise Fees	10,753	14,900	13,699	14,000	Flat
Fines & Traffic Violations	4,293	14,300	4,950	4,500	Flat
RHCA Lease Revenue	68,988	68,000	68,991	69,000	Flat
Interest on Investments	90,251	80,000	30,227	60,239	N/A
Public Safety Aug Fund	1,003	800	1,193	1,000	Flat
Burglar Alarm Response	500	600	-	500	Flat
Miscellaneous Revenue	3,275	37,800	36,000	5,000	Flat
Transfers In - Refuse Fund	24,000	24,000	24,000	24,000	Flat
TOTALS	**$ 2,062,454**	**$ 2,124,300**	**$ 2,412,507**	**$ 2,492,702**	

CITY OF ROLLING HILLS
General Fund
Projected FY 2021-22 and Recommended FY 2022-23 Expenditures

Department/Object Account		FY 2021 Actuals	FY 2021-22 Adopted Budget	FY 2021-22 Year-End Projections	FY 2022-23 Recommended Presented to FAB - May 9	FY 2022-23 Recommended Revised - Version 3 Ongoing	FY 2022-23 Recommended Revised - Version 3 One-Time	FY 2022-23 Recommended Total
01 - CITY ADMINISTRATOR								
702	Salaries -Full Time	$ 303,660	$ 429,100	$ 408,639	$ 451,448	$ 474,258	$ -	$ 474,258
710	Retirement CalPERS-Employer	57,687	29,000	36,431	30,508	39,769	-	39,769
712	CalPERS Unfunded Liability	-	59,026	57,063	65,095	65,095	-	65,095
715	Workers Compensation Insurance	8,180	7,700	7,271	8,100	8,100	-	8,100
716	Group Insurance	10,881	55,000	76,111	11,446	71,316	-	71,316
717	Retiree Medical	33,490	30,300	37,159	35,231	35,231	-	35,231
718	Employer Payroll Taxes	17,071	28,400	25,071	29,876	36,997	-	36,997
719	Deferred Compensation	2,441	4,300	3,732	4,523	4,559	-	4,559
720	Auto Allowance	3,100	4,800	5,067	4,800	4,800	-	4,800
XXX	Phone Allowance	-	1,300	-	1,300	1,970	-	1,970
740	Office Supplies	38,824	38,040	25,184	11,000	11,000	-	11,000
745	Equipment Leasing Costs	6,666	14,850	11,048	11,450	11,450	-	11,450
750	Dues & Subscriptions	18,993	15,240	4,596	16,240	16,240	-	16,240
755	Conference Expense	474	10,000	9,052	10,000	10,000	-	10,000
757	Meetings Expense	1,744	2,000	3,357	2,000	2,000	-	2,000
759	Training & Education	1,440	5,000	-	5,000	5,000	-	5,000
761	Auto Mileage	56	500	-	500	500	-	500
765	Postage	19,633	20,000	12,468	21,100	21,000	-	21,000
770	Telephone	6,241	5,700	5,959	-	-	-	-
775	City Council Expense	2,925	10,000	2,440	10,000	10,000	-	10,000
776	Miscellaneous Expenses	2,182	-	564	6,200	6,200	-	6,200
780	Communications/Newsletters and Outreach	2,769	6,000	3,007	26,560	5,000	-	5,000
785	Codification	3,057	5,000	3,749	5,000	5,000	-	5,000
790	Advertising	325	1,000	-	2,400	2,400	-	2,400

CITY OF ROLLING HILLS

General Fund

Projected FY 2021-22 and Recommended FY 2022-23 Expenditures

			FY 2021-22		FY 2022-23 Recommended			
		FY 2021	Adopted	Year-End	Presented to	Revised - Version 3		
Department/Object Account		Actuals	Budget	Projections	FAB - May 9	Ongoing	One-Time	Total
795	Other Gen Admin Expense	2,246	4,900	2,422	1,050	1,050	-	1,050
801	City Attorney	79,664	91,000	119,887	120,000	120,000	-	120,000
802	Legal Expense - Other	10,997	3,000	-	3,000	3,000	-	3,000
820	Website	34,348	6,000	12,179	6,000	6,000	-	6,000
850	Election Expense City Council	9,274	-	222	36,000	15,000	-	15,000
890	Consulting Fees	116,363	161,400	69,903	62,000	-	62,000	62,000
XXX	Records Management				46,700	1,700	45,000	46,700
955	Disaster Emergency Equipment	1,056	-	2,784		-	-	-
	Total City Administrator	795,787	**1,048,556**	**945,366**	**1,044,527**	**994,635**	**107,000**	**1,101,635**
05 - Finance								
750	Dues & Subscriptions	-	200	-	2,000	2,000		2,000
810	Annual Audit	17,110	17,630	17,110	18,500	18,500		18,500
890	Consulting Fees	87,611	99,500	116,167	120,000	120,000	-	120,000
	Total Finance	104,721	**117,330**	**133,277**	**140,500**	**140,500**	**-**	**140,500**
15- PLANNING & DEVELOPMENT								
702	Salaries	175,109	237,200	189,687	234,237	236,748	-	236,748
703	Salaries - Part-Time	28,603			26,600	26,587	-	26,587
710	Retirement CalPERS-Employer	35,290	17,750	14,345	18,673	18,100	-	18,100
715	Workers Compensation Insurance	3,279	3,800	3,581	4,000	4,000	-	4,000
716	Group Insurance	13,556	30,900	23,162	32,510	44,275	-	44,275
718	Employer Payroll Taxes	13,629	18,790	14,663	19,672	20,237	-	20,237
719	Deferred Compensation	-	1,200	-	-	-	-	-
720	Auto Allowance	900	2,400	1,467	2,400	1,200	-	1,200

CITY OF ROLLING HILLS
General Fund
Projected FY 2021-22 and Recommended FY 2022-23 Expenditures

			FY 2021-22		FY 2022-23 Recommended			
		FY 2021	Adopted	Year-End	Presented to	Revised - Version 3		
Department/Object Account		Actuals	Budget	Projections	FAB - May 9	Ongoing	One-Time	Total
XXX	Phone Allowance	-	600	-	600	600	-	600
758	Planning Commission Meetting	3,764	-	1,415	-	-	-	-
761	Auto Mileage	51	-	50	300	300	-	300
770	Telephone	250	-	1,281	-	-	-	-
776	Miscellaneous Expense	318	2,000	1,301	-	-	-	-
750	Dues & Subscription	-	850	-	1,000	1,000	-	1,000
755	Conference Expense	-	5,000	-	5,000	5,000	-	5,000
759	Training & Education	-	1,000	-	1,000	1,000	-	1,000
790	Publication	-	-	3,208	15,000	15,000	-	15,000
801	City Attorney	-	-	811		-	-	-
802	Legal Expenses-Other	8,846	-	23,169	20,000	20,000	-	20,000
872	Property Development-Legal Exp	64,134	100,000	33,336	80,000	80,000	-	80,000
878	Build Inspect. LA County	106,046	150,000	191,785	150,000	150,000	-	150,000
xxx	Willdan Building				50,000	50,000	-	50,000
881	Storm Water Management	125,586	275,800	231,435	280,000	97,142	-	97,142
882	Variance & CUP Expense	15,498	7,000	10,613	-	-	-	-
884	Special Project Study & Consulting	199,133	180,000	79,584	170,000	20,000	150,000	170,000
886	Consulting Fees	193	-	-	87,880	87,880	-	87,880
950	Capital Outlay	-	26,400	-	-	-	-	-
	Total Planning & Development	794,185	**1,060,690**	**824,891**	**1,198,872**	**879,069**	**150,000**	**1,029,069**
25 - Public Safety								
830	Law Enforcement	214,775	220,380	181,251	225,000	225,000	-	225,000
833	Other Law Enforcement Expenses	1,604	3,000	3,651	4,000	4,000	-	4,000
837	Wild Life Mgmt & Pest Control	3,504	50,000	1,883	10,000	10,000	-	10,000

CITY OF ROLLING HILLS
General Fund
Projected FY 2021-22 and Recommended FY 2022-23 Expenditures

		FY 2021	FY 2021-22		FY 2022-23 Recommended			
						Revised - Version 3		
Department/Object Account		Actuals	Adopted Budget	Year-End Projections	Presented to FAB - May 9	Ongoing	One-Time	Total
838	Animal Control Expense	3,315	6,000	4,398	6,000	6,000	-	6,000
	Total Public Safety	223,198	**279,380**	**191,183**	**245,000**	**245,000**	**-**	**245,000**
65 - NON-DEPARTMENTAL								
895	Insurance & Bond Expense	34,284	30,260	21,816	25,000	29,657	-	29,657
901	South Bay Comm. Organization	4,000	20,100	4,017	15,000	15,000	-	15,000
915	Community Recognition	799	16,000	5,624	20,000	20,000	-	20,000
916	Civil Defense Expense	-	650	-	-	-	-	-
917	Emergency Preparedness	27,845	137,360	195,894	218,845	188,200	-	188,200
985	Contingency	-	25,000	-	-	-	-	-
	Total Non-Departmental	66,928	**229,370**	**227,351**	**278,845**	**252,857**	**-**	**252,857**
75 - CITY PROPERTIES								
925	Utilities	31,122	33,810	35,493	85,212	85,212	-	85,212
930	Repairs & Maintenance	23,045	36,963	26,793	35,000	35,000	-	35,000
932	Area Landscaping	28,273	28,500	12,760	25,000	12,500	-	12,500
XXX	Capital Outlay - Buildings & Equip	-	250,000	-	-	-	-	-
XXX	IT Services		-	-	50,000	54,000	8,866	62,866
XXX	Granicus Services		-	-	30,000	8,000	19,400	27,400
XXX	Computer Hardware Fund		-	-	5,000	5,000	-	5,000
	Total City Properties	82,440	**349,273**	**75,046**	**230,212**	**199,712**	**28,266**	**227,978**
	TOTALS BEFORE TRANSFERS	2,067,259	**3,084,599**	**2,397,113**	**3,137,956**	**2,711,773**	**285,266**	**2,997,039**
OPERATING TRANSFERS OUT								

CITY OF ROLLING HILLS
General Fund
Projected FY 2021-22 and Recommended FY 2022-23 Expenditures

			FY 2021-22		FY 2022-23 Recommended			
		FY 2021	Adopted	Year-End	Presented to	Revised - Version 3		
	Department/Object Account	Actuals	Budget	Projections	FAB - May 9	Ongoing	One-Time	Total
699	Traffic Safety Fund	5,460	10,000	10,000	5,000	-	5,000	5,000
	CalOES Fund	-	80,875	82,152	-	-	-	-
	Capital Improvement Fund	-	88,000	87,238	1,096,000	-	396,000	396,000
	Refuse Collection Fund	68,706	159,200	159,200	168,500	168,500	-	168,500
	Total Transfers Out	74,166	**338,075**	**338,590**	**1,269,500**	**168,500**	**401,000**	**569,500**
	GENERAL FUND TOTALS	$ 2,141,425	**$ 3,422,674**	**$ 2,735,703**	**$ 4,407,456**	**$ 2,880,273**	**$ 686,266**	**$ 3,566,539**

CITY OF ROLLING HILLS
FY 2022 and 2023 Projection

	Adopted Budget	Amended Budget	FY 2022 Year-End Projection	FY 2023 Proposed
10 - COPS FUND				
Revenues				
570 COPS Allocation	$ 160,000	$ 160,000	$ 165,000	$ 165,000
670 Interest Earned	-	-	-	-
	160,000	160,000	165,000	165,000
Expenditures				
840 COPS Program Expenditures	160,000	160,000	179,852	165,000
Revenues Over (Under) Expenditures	$ -	$ -	$ (14,852)	$ -
11 - CLEEP FUND				
Revenues				
670 Interest Earned	$ 50	$ 50	$ 40	$ 25
Expenditures				
840 CLEEP Technology Program	1,100	1,100	2,000	1,200
Revenues Over (Under) Expenditures	$ (1,050)	$ (1,050)	$ (1,960)	$ (1,175)
13 - TRAFFIC SAFETY FUND				
Revenues				
699 Transfers In - General Fund	$ 10,000	$ 10,000	$ 4,390	$ 5,000
Expenditures				
927 Road Striping - Delineators	10,000	10,000	4,390	5,000
Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -

	Adopted Budget	Amended Budget	FY 2022 Year-End Projection	FY 2023 Proposed
15 - ARPA FUND				
586 American Rescue Plan Act	$ -		$ 220,682	$ 220,682
16 - CAL OES FUND				
Revenues				
588 Crest Road FEMA Grant - 4434-526-112R	$ -	$ 1,145,487	$ 7,500	$ -
590 Veg. Mgmnt FEMA Grant - HMGP-4382-175-13R	-	242,625	82,500	-
591 Eastfield U/Grounding FEMA DR-4382-177-7R-CA	-	1,971,882	-	-
589 Safety Element Disaster Grants - DR 4344 PL0521	-	-	13,040	-
699 Transfers In - General Fund - Safety Element	-	-	1,277	-
699 Transfers In - Utility Fund - 4434-526-112R	-	381,819	2,500	-
699 Transfers In - Utility Fund - DR4382-177-7R	-	657,294		-
699 Transfers In - General Fund - HMGP-4382-175-13R	-	80,875	80,875	-
Total Revenues	-	4,479,982	187,692	-
Expenditures				
957 Crest Road East Project - 4434-526-112R	-	1,527,306	10,000	-
960 Eastfield Drive Utility U.G. - 4382-177-7R	-	2,629,176	-	-
958 Safety Element DR4344-PL0521	-	-	14,317	-
959 Veg. Mgmt Mitig. Proj. - HMGP-4382-175-13R	-	323,500	110,000	
Total Expenditures	-	4,479,982	134,317	-
Revenues Over (Under) Expenditures	$ -		$ 53,375	$ -

	Adopted Budget	Amended Budget	FY 2022 Year-End Projection	FY 2023 Proposed
25 - PROPOSITION A FUND				
Revenues				
500 Grant Revenues	$ 38,000	$ 38,000	$ 47,283	$ 45,000
670 Interest Earned	600	600	200	200
Total Revenues	38,600	38,600	47,483	45,200
Expenditures				
905 Prop A Exchange	-	-	-	58,400
Revenues Over (Under) Expenditures	$ 38,600	$ 38,600	$ 47,483	$ (13,200)
26 - PROPOSITION C				
Revenues				
501 Grant Revenue-Prop C	$ 31,500	$ 31,500	$ 39,221	$ 37,000
670 Interest Earned	650	650	200	200
Total Revenues	32,150	32,150	39,421	37,200
Expenditures				
906 Prop C Gifted	-	-	-	-
Revenues Over (Under) Expenditures	$ 32,150	$ 32,150	$ 39,421	$ 37,200
27- MEASURE R TRANSIT				
Revenues				
502 Measure R Grant Revenues	$ 24,000	$ 24,000	$ 29,414	$ 28,000
670 Interest Earned	1,000	1,000	200	200
Total Revenues	25,000	25,000	29,614	28,200
Expenditures				
907 Measure R Gifted	-	-	-	-
Revenues Over (Under) Expenditures	$ 25,000	$ 25,000	$ 29,614	$ 28,200

	Adopted Budget	Amended Budget	FY 2022 Year-End Projection	FY 2023 Proposed
29 - MEASURE M				
Revenues				
507 Measure M Local Return	$ 26,500	$ 26,500	$ 33,288	$ 31,000
670 Interest Earned	1,100	1,100	200	200
Total Revenues	27,600	27,600	33,488	31,200
Expenditures				
909 Measure M Gifted	-	-	-	-
Revenues Over (Under) Expenditures	$ 27,600	$ 27,600	$ 33,488	$ 31,200
30 - MEASURE W				
Revenues				
508 Grant Revenues	110,000	110,000	104,742	105,000
670 Interest Earned	900	900		-
Total Revenues	110,900	110,900	104,742	105,000
Expenditures				
907 Storm Water Management	38,750	38,750	80,000	80,000
Revenues Over (Under) Expenditures	72,150	72,150	24,742	25,000
35 - MEASURE A				
Revenues				
502 Grant Revenue	26,100	26,100	-	-
670 Interest Earned	900	900	-	-
Total Revenues	27,000	27,000	-	-

	Adopted Budget	Amended Budget	FY 2022 Year-End Projection	FY 2023 Proposed
40 - CAPITAL PROJECTS FUND				
Revenues				
699 Transfers from General Fund	88,000	121,235	121,235	1,371,000
Expenditures				
890 Consulting Fees	-	-	-	96,000
XXX 1 Middleridge Lane South Storm Drain	-	33,235	35,506	-
947 1 Middleridge Lane North Storm Drain	-	48,645	51,732	-
XXX Outdoor Sirens	-	-	-	275,000
947 Non-Building Improvements	300,000	300,000	-	-
948 City Hall Improvements	-	-	-	1,000,000
Total Expenditures	300,000	381,880	87,238	1,371,000
Revenues Over (Under) Expenditures	(212,000)	(260,645)	33,997	-
41- UTILITY FUND				
Revenues				
550 Rule 20A Power Utility Credits	763,638	1,039,113	2,500	-
Expenditures				
803 Legal & Other Outside Counsel	-	-	1,452	
883 Sewer Feasibility Study	-	-	-	
886 Underground Utility Project	763,638	-	-	
887 Sewer Feasibility Project	-	-	40,321	-
999 Transfers Out - Cal OES Fund	-	1,039,113	2,500	-
Total Expenditures	763,638	1,039,113	41,773	-
Revenues Over (Under) Expenditures	-	-	(39,273)	-

	Adopted Budget	Amended Budget	FY 2022 Year-End Projection	FY 2023 Proposed
50 - REFUSE FUND				
Revenues				
441 Construction & Demo Permits	24,000	24,000	15,400	20,000
665 Service Charges	753,500	753,500	753,504	780,000
618 Transfers In - General Fund	159,200	159,200	159,200	168,500
Total Revenues	936,700	936,700	928,104	968,500
Expenditures				
776 Misc Expense	-	-	-	
815 Refuse Service Contract	912,700	912,700	912,700	944,500
999 Transfers Out	24,000	24,000	24,000	24,000
Total Expenditures	936,700	936,700	936,700	968,500
Revenues Over (Under) Expenditures	-	-	(8,596)	-

CITY OF ROLLING HILLS

Schedule of Recommended Balancing Measures

Fiscal Year 2022-23

RECOMMENDED BALANCING MEASURES

Description	Amount	Impact
Cost recover publication expenses associated with development projects.	$ 15,000	Financial burden on development applicants.
Use of one-time ARPA revenues	220,682	No impact
Fund deficit using reserves	151,889	Reduction of reserves
TOTAL RECOMMENDED BALANCING MEASURES	$ 387,571	

OTHER BALANCING OPTIONS

Description	Amount	Impact
Cost recover staff time on processing development applications.	$30,000 - $50,000	Financial burden on development applicants. Could deter development activities and or improve submittal quality and ultimately improve efficiency on the developers' activities.
Eliminate funding of contracted part-time Code Enforcement services	$87,880	Workload will be spread among the current positions, prolonging the processing of cases, reducing productivity on all other positions, and reducing the overall service level to residents.
Delay fire fuel abatement in the Preserve slated for FY 22-23 to future years when projected revenue is more aligned with projected expenditures.	$82,000	Not leverage the fire fuel abatement work performed to date and will not diminish risk of wildfires originating from the Preserve.
Reduce Block Captain Program	$25,000	Block captains
Reinstate building permit multiplier to 2.5% pre FY18-19 level. Multiplier was reduced to 2.25% commencing in FY 2018-2019.	$20,000 - $75,000	Financial burden on development applicants. Revenue level depends on the level of building activities.
Eliminate funding for Community Recognition	$20,000	
Eliminate Repairs & Maint	$35,000	
TOTAL OTHER BALANCING MEASURES	$299,880 - $374,880	

CITY OF ROLLING HILLS
Summary of Sources and Uses of Funds
GENERAL FUND

	FY 2022/23 Recomm'd
Operations	
Operating Revenues - Ongoing	$ 2,492,702
Operating Expenditures - Ongoing	(2,880,273)
Operating Deficit	(387,571)
Recommended Balancing Measures	
One-Time ARPA Revenues	220,682
Cost Recovery - Publication Expenses	15,000
Net Operating Deficit - Use of Reserves	(151,889)
Capital Program	
Outdoor Siren System - Design	(25,000)
Outdoor Siren System - Construction	(275,000)
City Hall ADA Improvements - Design	(96,000)
Total Capital Program (Funded from Reserves)	(396,000)
TOTAL ESTIMATED USE OF RESERVES	(547,889)
Estimated Reserves at June 30, 2022	4,988,486
Estimated Reserves at June 30, 2023	$ 4,440,597