



City of Rolling Hills

INCORPORATED JANUARY 24, 1957

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

AGENDA

**Special Finance/Budget/Audit
Committee Meeting**

FINANCE/BUDGET/AUDIT

COMMITTEE

Monday, May 06, 2024

CITY OF ROLLING HILLS

6:00 PM

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT ON NON-AGENDA ITEMS

4. CONSENT CALENDAR

- 4.A. [APPROVE AFFIDAVIT OF POSTING FOR THE SPECIAL
FINANCE/BUDGET/AUDIT COMMITTEE MEETING OF MAY 6, 2024](#)

RECOMMENDATION: Approve.

[CL_AGN_240506_FBA_AffidavitofPosting.pdf](#)

5. DISCUSSION ITEMS

- 5.A. [REVIEW OF PROPOSED FISCAL YEAR 2024/25 GENERAL FUND
EXPENDITURE BUDGET](#)

RECOMMENDATION: That the Finance/Budget/Audit Committee review and consider staff's proposed General Fund expenditure budget for fiscal year 2024/25; and provide recommendations for Council's consideration.

[FN_BUD_240506_FBA_FY24-25_BudgetExp_Proposed.pdf](#)

6. ITEMS FROM THE FINANCE BUDGET AUDIT COMMITTEE

7. ITEMS FROM STAFF

8. ADJOURNMENT

Next meeting: To be determined in the City Council Chamber, Rolling Hills City Hall, 2 Portuguese Bend Road, Rolling Hills, California, 90274.

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.: 4.A
Mtg. Date: 05/06/2024

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: CHRISTIAN HORVATH, CITY CLERK / EXECUTIVE ASSISTANT TO CITY MANAGER

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: APPROVE AFFIDAVIT OF POSTING FOR THE SPECIAL FINANCE/BUDGET/AUDIT COMMITTEE MEETING OF MAY 6, 2024

DATE: May 06, 2024

BACKGROUND:

None.

DISCUSSION:

None.

FISCAL IMPACT:

None.

RECOMMENDATION:

Approve.

ATTACHMENTS:

[CL_AGN_240506_FBA_AffidavitofPosting.pdf](#)



Administrative Report

4.A., File # 2305

Meeting Date: 5/6/2024

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

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations below.

Legislative Body Finance/Budget/Audit Committee

Posting Type Special Meeting Agenda

Posting Location 2 Portuguese Bend Road, Rolling Hills, CA 90274
City Hall Window
City Website: <https://www.rolling-hills.org/government/agenda/index.php>
https://www.rolling-hills.org/government/city_council/city_council_archive_agendas/index.php

Meeting Date & Time MAY 6, 2024 6:00pm

As City Clerk of the City of Rolling Hills, I declare under penalty of perjury, the document noted above was posted at the date displayed below.

Christian Horvath, City Clerk

Date: May 3, 2024



City of Rolling Hills

INCORPORATED JANUARY 24, 1957

Agenda Item No.: 5.A
Mtg. Date: 05/06/2024

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: ROBERT SAMARIO, FINANCE DIRECTOR

THRU: KARINA BAÑALES, CITY MANAGER

SUBJECT: REVIEW OF PROPOSED FISCAL YEAR 2024/25 GENERAL FUND EXPENDITURE BUDGET

DATE: May 06, 2024

BACKGROUND:

The City is now well into the process for developing the fiscal year 2024/25 budget, which is scheduled for adoption in late June 2024 will become effective July 1, 2024.

The City Council and Finance/Budget/Audit Committee (Committee) have already received reports on the projected General Fund revenues, and the City Council was presented with an overview of General Fund proposed expenditures.

The purpose of this meeting is to review with the Committee in much greater detail the proposed General Fund expenditures. Staff will be soliciting feedback and recommendations from the Committee, which staff will forward any recommendations to the City Council at the May 13, 2024 Council meeting.

DISCUSSION:

Over the last couple of years, City staff has made a concerted effort to closely monitor expenditures throughout the year and, in particular, during budget season, to better understand the budgetary requirements of each line-item. The goal has been to continually look for opportunities to refine the budget to align with actual and expected expenditures. Thus, the proposed budget reflects adjustments to most line-item accounts, in many cases the changes are not significant. In fact, outside of the items discussed below, the proposed budget is only \$661 different from the status quo budget.

The proposed General Fund budget for FY 2024/25 has increased in the following five areas:

1. **PERS Payment of Unfunded Liability (\$63,217)** - The fiscal year 2023/24 adopted budget did not budget for the \$65,000 payment due this fiscal year. Council approved using monies in the City's Section 115 Trust account, created to accumulate funds for

pension liabilities, to reimburse the City for these costs as allowable under the regulations governing Section 115 Trusts.

2. **Election Expenses (\$15,000)** - This item is to cover the costs of the November 2024 City election, which occurs every two years. As such, it was not included in the FY 2023/24 adopted budget.
3. **Willdan Building Services (\$15,000)** - This increase is based on the expected costs in the current fiscal year of approximately \$45,000 versus a budget of \$30,000. There has been an increase in the number of applicants that are utilizing the expedited services provided by Willdan versus the County of Los Angeles Public Works Department, with whom the City also contracts for building services.
4. **Law Enforcement Services (\$38,000)** - Approximately \$28,000 of the increase is based on expected costs in fiscal year 2023/24 of \$283,000. It appears the budget of \$255,000 was incorrectly calculated. In addition, the contract is expected to increase 3.06%, amounting to approximately \$10,000. These amounts do not reflect the 30% portion of the contract that is allocated to the COPs Fund.
5. **Wildlife Management & Pest Control (\$14,000)** - The City has a contract with Los Angeles County Weights & Measures (LACWM) in an amount not to exceed \$25,000. This contract is primarily for coyote and other pest abatement but also covers other potential services. However, the City has historically utilized this service to a limited degree. The City Council recently directed staff to increase focus in this area.

In addition to the more significant changes described above, we have reduced the budget for legal services provided by BB&K (Account 01-01-801) by \$15,000. This amount was allocated to Consulting Fee (Account 01-15-890) for inspection services provided by Onward Engineering. The reduction in legal services is based on expected costs next fiscal year. In addition, the City expects to need inspection services next fiscal year.

Attachment A contains all line-item expenditure accounts for the General Fund, including the changes relative to the status quo budget.

FISCAL IMPACT:

None.

RECOMMENDATION:

That the Finance/Budget/Audit Committee provide feedback and recommendations to staff based on the Committee's review of the proposed General Fund budget.

ATTACHMENTS:

[FN_BUD_240506_FBA_FY24-25_BudgetExp_Proposed.pdf](#)

CITY OF ROLLING HILLS
FY24/25 Proposed Budgeted Expenditures

Department/Object Account	FY 2023/24			FY 2024/25		
	Adopted Budget	Amended Budget	Actuals Thru 3/31/24	Status Quo Budget	Proposed Budget	Increase (Decrease)
01 - CITY ADMINISTRATOR						
702 Salaries -Full Time	\$ 505,294	\$ 505,294	\$ 269,254	\$ 436,262	\$ 436,262	\$ -
705 Temporary Salaries	7,000	7,000	22,476	7,000	7,000	-
710 Retirement CalPERS-Employer	46,935	46,935	9,316	35,159	35,159	-
712 CalPERS Unfunded Liability	-	-	62,424	-	63,217	63,217
715 Workers Compensation Insurance	9,100	9,100	6,825	9,100	9,100	-
716 Group Insurance	72,907	72,907	28,439	80,378	80,378	-
717 Retiree Medical	37,500	37,500	21,471	37,500	37,500	-
718 Employer Payroll Taxes	39,401	39,401	19,294	33,821	33,821	-
719 Deferred Compensation	4,718	4,718	317	2,239	2,239	-
720 Auto Allowance	4,800	4,800	1,389	3,600	3,600	-
721 Phone Allowance	2,520	2,520	929	2,400	2,400	-
740 Office Supplies	13,000	13,000	6,874	13,000	13,000	-
745 Equipment Leasing Costs	11,000	11,000	3,203	11,000	11,000	-
750 Dues & Subscriptions	14,240	14,240	6,595	14,240	14,000	(240)
755 Conference Expense	1,873	1,873	50	1,873	2,000	127
757 Meetings Expense	2,000	2,000	1,130	2,000	2,300	300
759 Training & Education	5,000	5,000	-	5,000	5,000	-
761 Auto Mileage	500	500	236	500	500	-
765 Postage	21,000	21,000	5,596	21,000	19,500	(1,500)

CITY OF ROLLING HILLS
FY24/25 Proposed Budgeted Expenditures

Department/Object Account	FY 2023/24		Actuals Thru 3/31/24	FY 2024/25	
	Adopted Budget	Amended Budget		Status Quo Budget	Proposed Budget
					Increase (Decrease)
775 City Council Expense	5,000	5,000	5,631	5,000	7,500
776 Miscellaneous Expenses	4,750	4,750	133	4,750	3,000
780 Comm./Newsletters & Outreach	5,000	5,000	-	5,000	2,500
785 Codification	3,000	3,000	1,518	3,000	2,400
790 Advertising	2,400	2,400	1,600	2,400	-
795 Other Gen Admin Expense	2,500	2,500	1,978	2,500	3,300
801 City Attorney	90,000	90,000	33,535	90,000	75,000
802 Legal Expense - Other	3,000	3,000	13,761	3,000	3,000
820 Website	6,000	6,000	58	6,000	6,000
850 Election Expense City Council	-	-	-	-	15,000
890 Consulting Fees	35,000	71,425	29,640	35,000	-
891 Records Management	1,700	41,494	300	1,700	-
Total City Administrator	957,138	1,033,357	553,971	874,422	934,776
					60,354
05 - Finance					
750 Dues & Subscriptions	3,000	3,000	2,701	3,000	4,500
810 Annual Audit	31,400	31,400	20,725	31,400	35,000
890 Consulting Fees	120,000	120,000	96,988	120,000	-
Total Finance	154,400	154,400	120,413	154,400	159,500
					5,100

CITY OF ROLLING HILLS
FY24/25 Proposed Budgeted Expenditures

Department/Object Account	FY 2023/24			FY 2024/25		
	Adopted Budget	Amended Budget	Actuals Thru 3/31/24	Status Quo Budget	Proposed Budget	Increase (Decrease)
15- PLANNING & DEVELOPMENT						
702 Salaries	212,515	212,515	153,457	219,953	219,953	-
703 Salaries - Part-Time	27,610	27,610	4,856	26,587	26,587	-
710 Retirement CalPERS-Employer	16,750	16,750	10,300	17,726	17,726	-
715 Workers Comp. Insurance	3,900	3,900	2,925	3,900	3,900	-
716 Group Insurance	42,669	42,669	24,725	48,107	48,107	-
718 Employer Payroll Taxes	18,527	18,527	11,927	19,310	19,310	-
719 Deferred Comp	865	865	317	4,681	4,681	-
720 Auto Allowance	1,200	1,200	900	1,200	1,200	-
721 Phone Allowance	600	600	450	600	600	-
761 Auto Mileage	300	300	-	300	300	-
750 Dues & Subscription	5,500	5,500	926	5,500	11,670	6,170
755 Conference Expense	385	385	1,782	385	2,000	1,615
759 Training & Education	1,000	1,000	-	1,000	1,000	-
776 Miscellaneous Expenses	-	-	1,166	-	2,000	2,000
790 Publication/Advertising/Noticing	15,000	15,000	5,568	15,000	10,000	(5,000)
802 Legal Expenses-Other	10,000	10,000	10,474	10,000	10,000	-
872 Property Development-Legal Exp	50,000	50,000	21,254	50,000	37,000	(13,000)
875 Willdan Building	30,000	30,000	27,955	30,000	45,000	15,000
878 Build Inspect. LA County	250,000	250,000	118,796	250,000	250,000	-

CITY OF ROLLING HILLS
FY24/25 Proposed Budgeted Expenditures

Department/Object Account	FY 2023/24		Actuals Thru 3/31/24	FY 2024/25		Increase (Decrease)
	Adopted Budget	Amended Budget		Status Quo Budget	Proposed Budget	
881 Storm Water Management	84,100	84,100	45,137	84,100	90,990	6,890
884 Special Project Study & Consult.	20,000	20,000	-	20,000	5,000	(15,000)
886 Code Enforcement	62,880	62,880	42,519	62,880	62,880	-
890 Consulting Fees (Onward)	-	-	-	-	15,000	15,000
928 Traffic Engineering	5,000	5,000	3,294	5,000	5,645	645
Total Planning & Development	858,801	858,801	488,726	876,229	890,549	14,320
25 - Public Safety						
830 Law Enforcement	255,000	255,000	188,899	255,000	293,000	38,000
833 Other Law Enforcement Exp	4,000	4,000	1,093	4,000	4,000	-
837 Wild Life Mgmt & Pest Control	6,000	6,000	6,670	6,000	20,000	14,000
838 Animal Control Expense	5,000	5,000	4,156	5,000	6,000	1,000
Total Public Safety	270,000	270,000	200,819	270,000	323,000	53,000
65 - NON-DEPARTMENTAL						
895 Insurance & Bond Expense	37,018	37,018	68,028	37,018	40,000	2,982
901 South Bay Comm. Organization	10,000	17,600	5,321	17,600	17,600	-
915 Community Recognition	10,000	10,000	7,599	10,000	8,000	(2,000)
917 Emergency Preparedness	77,000	77,000	58,513	77,000	77,000	-
Total Non-Departmental	134,018	141,618	139,461	141,618	142,600	982

CITY OF ROLLING HILLS
FY24/25 Proposed Budgeted Expenditures

Department/Object Account	FY 2023/24			FY 2024/25		
	Adopted Budget	Amended Budget	Actuals Thru 3/31/24	Status Quo Budget	Proposed Budget	Increase (Decrease)
75 - CITY PROPERTIES						
892 IT Services	61,200	61,200	46,405	61,200	63,000	1,800
893 Granicus Services	8,300	8,300	8,143	8,300	8,300	-
894 Computer Hardware Fund	5,000	5,000	-	5,000	5,000	-
925 Utilities	60,000	60,000	42,261	60,000	60,000	-
930 Repairs & Maintenance	16,000	16,000	10,843	16,000	19,100	3,100
932 Area Landscaping	15,600	15,600	1,344	15,600	21,600	6,000
946 Buildings & Equipment	15,000	15,000	11,839	15,000	15,000	-
947 Non-Building Improvements	-	-	-	-	-	-
Total City Properties	181,100	181,100	120,834	181,100	192,000	10,900
TOTALS BEFORE TRANSFERS	\$ 2,555,457	\$ 2,639,276	\$ 1,624,224	\$ 2,497,769	\$ 2,642,425	\$ 144,656