



# *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, April 28, 2025

**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 APRIL 28, 2025**  
**RECOMMENDATION: Approve.**  
[CL\\_AGN\\_250428\\_FBA\\_AffidavitofPosting.pdf](#)
  5. **DISCUSSION ITEMS**
    - 5.A. **RECEIVE AND FILE FISCAL YEAR 2025/2026 PROPOSED GENERAL FUND REVENUE PROJECTIONS AND EXPENDITURES BY DEPARTMENT**  
**RECOMMENDATION: Receive and file proposed General Fund revenues and expenditures for fiscal year 2025/26; and direct staff to forward this item to the Finance/Budget/Audit Committee for a more detailed discussion of the proposed budget.**  
[Attachment A - CL\\_AGN\\_250428\\_FBA\\_GG\\_Updated\\_Balancing.pdf](#)  
[Attachment B - CL\\_AGN\\_250428\\_FBA\\_GF\\_Revenues.pdf](#)  
[Attachment C - CL\\_AGN\\_250428\\_FBA\\_GF\\_Proposed\\_Expenditures.pdf](#)  
[Attachment D - CL\\_AGN\\_250428\\_FBA\\_PowerPoint.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

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**Agenda Item No.: 4.A**  
**Mtg. Date: 04/28/2025**

**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 APRIL 28, 2025

**DATE:** April 28, 2025

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**BACKGROUND:**

None.

**DISCUSSION:**

None.

**FISCAL IMPACT:**

None.

**RECOMMENDATION:**

Approve.

**ATTACHMENTS:**

[CL\\_AGN\\_250428\\_FBA\\_AffidavitofPosting.pdf](#)



## Administrative Report

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4.A., File # 2700

Meeting Date: 4/28/2025

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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](https://www.rolling-hills.org/government/city_council/city_council_archive_agendas/index.php)

Meeting Date & Time               APRIL 28, 2025                     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: April 25, 2025



## *City of Rolling Hills*

INCORPORATED JANUARY 24, 1957

**Agenda Item No.: 5.A**  
**Mtg. Date: 04/28/2025**

**TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

**FROM: ROBERT SAMARIO, FINANCE DIRECTOR**

**THRU: KARINA BAÑALES, CITY MANAGER**

**SUBJECT: RECEIVE AND FILE FISCAL YEAR 2025/2026 PROPOSED GENERAL FUND REVENUE PROJECTIONS AND EXPENDITURES BY DEPARTMENT**

**DATE: April 28, 2025**

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### **BACKGROUND:**

In February 2025, the City began developing the Fiscal Year 2025/26 budget. The budget is scheduled to be adopted on June 23, 2025, effective July 1, 2025.

The City Council and the Finance/Budget/Audit Committee (FBAC) have received reports and presentations from staff regarding preliminary General Fund revenue projections for the current fiscal year and Fiscal Year 2025/26. The purpose of this agenda item is to provide any updates to the revenue projections that may be appropriately based on new information received. However, the primary focus will be on proposed changes to General Fund expenditures by department and line-item account in relation to the baseline budget previously presented to the FBAC and Council.

Staff has scheduled a budget workshop with the City Council for May 12, 2025. During this meeting, staff will present the same information with a focus on the FBAC's recommendations based on their review at this April 28 meeting.

### **DISCUSSION:**

#### **Update to General Fund Revenues (Attachment A)**

On March 10, 2025, Staff presented preliminary General Fund revenue projections for the next fiscal year. Since then, staff analyzed key revenues based on additional revenues received through March 31, 2025, to determine if an adjustment to the projections is warranted.

Although all revenues will continue to be monitored, staff recommends lowering the overall General Fund revenue projections by \$49,286. This is essentially due to a reduction of approximately \$59,000 to projections for property taxes based on revenues received through March 31, 2025. As such, total Fiscal Year 2025/26 projected revenues are now \$2,679,259.

## **Proposed Changes to Status Quo Expenditures (Attachment B)**

Since the March 10, 2025, City Council meeting where preliminary revenue and expenditure projections were presented, staff has analyzed each line-item expenditure account and developed a "proposed" budget for the next fiscal year. The proposed budget reflects many adjustments to line items based on a continuing analysis and increased understanding of costs, with some accounts increasing and some decreasing from the baseline budget for next fiscal year. In total, however, expenditures are \$20,003 lower than the baseline budget. Highlights of the changes are provided below.

- 01-890 Consulting Fees (Project Management) - This account was reduced by \$25,000 to reflect the fact that most of the project management costs are charged directly to the appropriate capital project in the CIP Fund.
- 05-810 Annual Audit - This account was increased by \$9,000 based on the pending contract approval with a new auditor.
- 15-890 - On Call Inspection Services - Reduced by \$7,500 to align with updated projections.
- 25-830 - Law Enforcement - Staff previously added \$16,000 to this account based on general expectations of a 4% increase to the contract with LA County Sheriff. However, we have recently learned that it will increase by 4.39%.
- 25-837 - Wildlife Mitigation & Pest Control - Reduced by \$10,000 due to contractor for coyotes going out of business.
- 65-895 - Insurance - Increased by \$15,000 based on expected what appears to be an underestimated FY 24-25 budget and an expected increase to insurance premiums.
- 65-917 - Emergency Preparedness - Reduced by \$8,000 based on expected costs next fiscal year.
- 75-892 - IT Services - Increased by \$9,000 due to an increase in fees from IT service provider.
- 75-932 - Area Management - Reduced by \$7,860 to align the budget with the agreement.

## **Updated General Fund Balancing (Attachment C)**

Based on the updated revenue projections and the proposed expenditures, the General Fund is projected to have a budgeted operating surplus of \$35,854. Note that no provision has been made for any potential capital projects, which would be funded from reserves.

### **FISCAL IMPACT:**

None

### **RECOMMENDATION:**

Receive and file proposed General Fund revenues and expenditures for fiscal year 2024/25; and direct staff to forward this item to the Finance/Budget/Audit Committee for a more detailed discussion of the proposed budget.

**ATTACHMENTS:**

[Attachment A - CL\\_AGN\\_250428\\_FBA\\_GG\\_Updated\\_Balancing.pdf](#)

[Attachment B - CL\\_AGN\\_250428\\_FBA\\_GF\\_Revenues.pdf](#)

[Attachment C - CL\\_AGN\\_250428\\_FBA\\_GF\\_Proposed\\_Expenditures.pdf](#)

[Attachment D - CL\\_AGN\\_250428\\_FBA\\_PowerPoint.pdf](#)

**CITY OF ROLLINGS HILLS**  
**Fiscal Year 2025-26 Updated Balancing**  
**General Fund**

|                                    | <b>FY 2024-25</b>         |                           |                               | <b>FY 2025-26</b>          |
|------------------------------------|---------------------------|---------------------------|-------------------------------|----------------------------|
|                                    | <b>Adopted<br/>Budget</b> | <b>Amended<br/>Budget</b> | <b>Prelim<br/>Projections</b> | <b>Proposed<br/>Budget</b> |
| Operating Revenues                 | \$ 2,596,685              | \$ 2,596,685              | \$ 2,715,321                  | \$ 2,679,259               |
| Operating Expenditures             | 2,576,708                 | 2,623,299                 | 2,455,198                     | 2,643,405                  |
| <b>Operating Surplus (Deficit)</b> | <b>19,977</b>             | <b>(26,614)</b>           | <b>260,123</b>                | <b>35,854</b>              |
| Capital Transfers                  | -                         | 825,881                   | 250,000                       | -                          |
| <b>Surplus (Deficit) - Total</b>   | <b>\$ 19,977</b>          | <b>\$ (852,495)</b>       | <b>\$ 10,123</b>              | <b>\$ 35,854</b>           |

**CITY OF ROLLING HILLS**  
**FY 2025-26 Updated Revenue Projections**  
**General Fund**

|                                   | <b>Adopted<br/>Budget</b> | <b>Preliminary<br/>Projections<br/>FY 2024-25</b> | <b>Updated<br/>Projections<br/>FY 2024-25</b> | <b>Preliminary<br/>Projections<br/>FY 2025-26</b> | <b>Updated<br/>Projected<br/>FY 2025-26</b> |
|-----------------------------------|---------------------------|---------------------------------------------------|-----------------------------------------------|---------------------------------------------------|---------------------------------------------|
| 401 Property Taxes                | \$ 1,500,750              | \$ 1,500,750                                      | \$ 1,443,744                                  | \$ 1,560,780                                      | \$ 1,501,494                                |
| 405 Sales Taxes                   | 10,000                    | 15,000                                            | 15,000                                        | 15,000                                            | 15,000                                      |
| 410 Property Transfer Tax         | 64,890                    | 60,000                                            | 60,000                                        | 62,400                                            | 62,400                                      |
| 415 Other Taxes                   | 1,000                     | -                                                 | -                                             | -                                                 | -                                           |
| 420 Motor Vehicle In Lieu         | 280,545                   | 284,574                                           | 284,574                                       | 290,265                                           | 290,265                                     |
| 440 Building & Other Permits      | 400,000                   | 450,000                                           | 450,000                                       | 400,000                                           | 450,000                                     |
| 441 C&D Permits                   | 10,000                    | 10,000                                            | 10,000                                        | 10,000                                            | 10,000                                      |
| 450 Variance, Planning & Zoning   | 25,000                    | 30,000                                            | 30,000                                        | 30,000                                            | 30,000                                      |
| 455 Animal Control Fees           | 300                       | 300                                               | 300                                           | 300                                               | 300                                         |
| 460 Franchise Fees                | 13,000                    | 13,000                                            | 13,000                                        | 13,000                                            | 13,000                                      |
| 480 Fines & Traffic Violations    | 4,000                     | 4,000                                             | 4,000                                         | 4,000                                             | 4,000                                       |
| 482 Cost Recoivery - Publications | 3,000                     | 3,000                                             | 3,000                                         | 3,000                                             | 3,000                                       |
| 600 RHCA Lease Revenue            | 69,000                    | 69,000                                            | 69,000                                        | 69,000                                            | 69,000                                      |
| 650 Public Safety Aug Fund        | 1,200                     | 1,800                                             | 1,800                                         | 1,800                                             | 1,800                                       |
| 670 Interest on Investments       | 140,000                   | 160,000                                           | 160,000                                       | 150,000                                           | 160,000                                     |
| 671 PARS Earnings                 | 44,000                    | 40,000                                            | 40,000                                        | 44,000                                            | 44,000                                      |
| 675 Miscellaneous Revenue         | 6,000                     | -                                                 | 1,000                                         | -                                                 | 1,000                                       |
| 699 Transfers In - Refuse Fund    | 24,000                    | 24,000                                            | 24,000                                        | 24,000                                            | 24,000                                      |
| <b>TOTALS</b>                     | <b>\$ 2,596,685</b>       | <b>\$ 2,666,424</b>                               | <b>\$ 2,609,418</b>                           | <b>\$ 2,678,545</b>                               | <b>\$ 2,679,259</b>                         |

**CITY OF ROLLING HILLS**  
**FY 2025-26 Proposed Expenditure Budget**  
**GENERAL FUND**

| <b>Department/Object Account</b>   | <b>FY 2025-26<br/>Status Quo<br/>Budget</b> | <b>Adjust-<br/>ments</b> | <b>Baseline<br/>Budget</b> | <b>Staff<br/>Proposed<br/>Budget</b> | <b>Increase<br/>(Decrease)</b> |
|------------------------------------|---------------------------------------------|--------------------------|----------------------------|--------------------------------------|--------------------------------|
| <b>01 - CITY ADMINISTRATOR</b>     |                                             |                          |                            |                                      |                                |
| 702 Salaries -Full Time            | \$ 436,262                                  | \$ 20,354                | \$ 456,616                 | \$ 456,616                           | \$ -                           |
| 705 Temporary Salaries             | 7,000                                       | -                        | 7,000                      | 7,000                                | -                              |
| 710 Retirement CalPERS-Employer    | 35,159                                      | 2,045                    | 37,204                     | 37,204                               | -                              |
| 712 CalPERS Unfunded Liability     | -                                           | -                        | -                          | -                                    | -                              |
| 715 Workers Compensation Insurance | 9,100                                       | -                        | 9,100                      | 9,100                                | -                              |
| 716 Group Insurance                | 80,378                                      | 23,292                   | 103,670                    | 103,670                              | -                              |
| 717 Retiree Medical                | 37,500                                      | 2,500                    | 40,000                     | 40,000                               | -                              |
| 718 Employer Payroll Taxes         | 33,821                                      | 1,702                    | 35,523                     | 35,523                               | -                              |
| 719 Deferred Compensation          | 2,239                                       | 1,902                    | 4,141                      | 4,141                                | -                              |
| 720 Auto Allowance                 | 3,600                                       | -                        | 3,600                      | 3,600                                | -                              |
| 721 Phone Allowance                | 2,400                                       | -                        | 2,400                      | 2,400                                | -                              |
| 740 Office Supplies                | 13,000                                      | -                        | 13,000                     | 8,000                                | (5,000)                        |
| 745 Equipment Leasing Costs        | 11,000                                      | -                        | 11,000                     | 10,000                               | (1,000)                        |
| 750 Dues & Subscriptions           | 14,000                                      | -                        | 14,000                     | 14,822                               | 822                            |
| 755 Conference Expense             | 2,000                                       | -                        | 2,000                      | 1,500                                | (500)                          |
| 757 Meetings Expense               | 2,300                                       | -                        | 2,300                      | 2,100                                | (200)                          |
| 759 Training & Education           | 5,000                                       | -                        | 5,000                      | 4,000                                | (1,000)                        |

| <b>Department/Object Account</b>  | <b>FY 2025-26<br/>Status Quo<br/>Budget</b> | <b>Adjust-<br/>ments</b> | <b>Baseline<br/>Budget</b> | <b>Staff<br/>Proposed<br/>Budget</b> | <b>Increase<br/>(Decrease)</b> |
|-----------------------------------|---------------------------------------------|--------------------------|----------------------------|--------------------------------------|--------------------------------|
| 761 Auto Mileage                  | 500                                         | -                        | 500                        | 700                                  | 200                            |
| 765 Postage                       | 19,500                                      | -                        | 19,500                     | 18,500                               | (1,000)                        |
| 775 City Council Expense          | 5,000                                       | -                        | 5,000                      | 7,500                                | 2,500                          |
| 776 Miscellaneous Expenses        | 3,000                                       | -                        | 3,000                      | 1,500                                | (1,500)                        |
| 780 Comm./Newsletters & Outreach  | 2,500                                       | -                        | 2,500                      | 3,500                                | 1,000                          |
| 785 Codification                  | 2,400                                       | -                        | 2,400                      | 3,000                                | 600                            |
| 790 Advertising                   | 2,400                                       | -                        | 2,400                      | 2,000                                | (400)                          |
| 795 Other Gen Admin Expense       | 3,300                                       | -                        | 3,300                      | 3,300                                | -                              |
| 801 City Attorney                 | 75,000                                      | 15,000                   | 90,000                     | 90,000                               | -                              |
| 802 Legal Expense - Other         | 3,000                                       | -                        | 3,000                      | 3,000                                | -                              |
| 803 Legal & Other Outside Legal   | -                                           | -                        | -                          | -                                    | -                              |
| 804 Legal Expense -CPUC           | -                                           | -                        | -                          | -                                    | -                              |
| 820 Website                       | 6,000                                       | -                        | 6,000                      | 3,900                                | (2,100)                        |
| 850 Election Expense City Council | 15,000                                      | (15,000)                 | -                          | -                                    | -                              |
| 890 Consulting Fees               | 35,000                                      | -                        | 35,000                     | 10,000                               | (25,000)                       |
| 891 Records Management            | 1,700                                       | -                        | 1,700                      | 3,900                                | 2,200                          |
| <b>Total City Administrator</b>   | <b>869,059</b>                              | <b>51,795</b>            | <b>920,854</b>             | <b>890,476</b>                       | <b>(30,378)</b>                |

| <b>Department/Object Account</b>      | <b>FY 2025-26<br/>Status Quo<br/>Budget</b> | <b>Adjust-<br/>ments</b> | <b>Baseline<br/>Budget</b> | <b>Staff<br/>Proposed<br/>Budget</b> | <b>Increase<br/>(Decrease)</b> |
|---------------------------------------|---------------------------------------------|--------------------------|----------------------------|--------------------------------------|--------------------------------|
| <b>05 - Finance</b>                   |                                             |                          |                            |                                      |                                |
| 750 Dues & Subscriptions              | 4,500                                       | -                        | 4,500                      | 4,500                                | -                              |
| 810 Annual Audit                      | 35,000                                      | -                        | 35,000                     | 44,000                               | 9,000                          |
| 890 Consulting Fees                   | 120,000                                     | -                        | 120,000                    | 120,500                              | 500                            |
| <b>Total Finance</b>                  | <b>159,500</b>                              | <b>-</b>                 | <b>159,500</b>             | <b>169,000</b>                       | <b>9,500</b>                   |
| <b>15- PLANNING &amp; DEVELOPMENT</b> |                                             |                          |                            |                                      |                                |
| 702 Salaries                          | 219,953                                     | 16,115                   | 236,068                    | 236,068                              | -                              |
| 703 Salaries - Part-Time              | 26,587                                      | 302                      | 26,889                     | 26,889                               | -                              |
| 710 Retirement CalPERS-Employer       | 17,726                                      | 1,508                    | 19,234                     | 19,234                               | -                              |
| 715 Workers Comp. Insurance           | 3,900                                       | -                        | 3,900                      | 3,900                                | -                              |
| 716 Group Insurance                   | 48,107                                      | 282                      | 48,389                     | 48,389                               | -                              |
| 718 Employer Payroll Taxes            | 19,310                                      | 898                      | 20,208                     | 20,208                               | -                              |
| 719 Deferred Comp                     | 4,681                                       | -                        | 4,681                      | 4,681                                | -                              |
| 720 Auto Allowance                    | 1,200                                       | -                        | 1,200                      | 1,200                                | -                              |
| 721 Phone Allowance                   | 600                                         | -                        | 600                        | 600                                  | -                              |
| 761 Auto Mileage                      | 300                                         | -                        | 300                        | 300                                  | -                              |
| 750 Dues & Subscription               | 11,670                                      | -                        | 11,670                     | 17,290                               | 5,620                          |
| 755 Conference Expense                | 2,000                                       | -                        | 2,000                      | 3,000                                | 1,000                          |
| 759 Training & Education              | 1,000                                       | -                        | 1,000                      | 1,000                                | -                              |

| <b>Department/Object Account</b>        | <b>FY 2025-26<br/>Status Quo<br/>Budget</b> | <b>Adjust-<br/>ments</b> | <b>Baseline<br/>Budget</b> | <b>Staff<br/>Proposed<br/>Budget</b> | <b>Increase<br/>(Decrease)</b> |
|-----------------------------------------|---------------------------------------------|--------------------------|----------------------------|--------------------------------------|--------------------------------|
| 776 Miscellaneous Expenses              | 2,000                                       | -                        | 2,000                      | 2,000                                | -                              |
| 790 Publication/Advertising/Noticing    | 10,000                                      | -                        | 10,000                     | 10,000                               | -                              |
| 802 Legal Expenses-Other                | 10,000                                      | -                        | 10,000                     | 10,000                               | -                              |
| 872 Property Development-Legal Exp      | 37,000                                      | -                        | 37,000                     | 37,000                               | -                              |
| 875 Willdan Building                    | 45,000                                      | -                        | 45,000                     | 45,000                               | -                              |
| 878 Build Inspect. LA County            | 250,000                                     | -                        | 250,000                    | 250,000                              | -                              |
| 881 Storm Water Management              | 90,990                                      | -                        | 90,990                     | 88,000                               | (2,990)                        |
| 884 Special Project Study & Consult.    | 5,000                                       | -                        | 5,000                      | 5,000                                | -                              |
| 886 Code Enforcement                    | 62,880                                      | -                        | 62,880                     | 62,880                               | -                              |
| 890 Consulting Fees (Onward)            | 15,000                                      | -                        | 15,000                     | 7,500                                | (7,500)                        |
| 928 Traffic Engineering                 | 5,645                                       | -                        | 5,645                      | 6,000                                | 355                            |
| <b>Total Planning &amp; Development</b> | <b>890,549</b>                              | <b>19,105</b>            | <b>909,654</b>             | <b>906,139</b>                       | <b>(3,515)</b>                 |
| <b>25 - Public Safety</b>               |                                             |                          |                            |                                      | -                              |
| 830 Law Enforcement                     | 293,000                                     | 14,600                   | 307,600                    | 308,750                              | 1,150                          |
| 833 Other Law Enforcement Exp           | 4,000                                       | 4,000                    | 8,000                      | 2,400                                | (5,600)                        |
| 837 Wild Life Mgmt & Pest Control       | 20,000                                      | -                        | 20,000                     | 10,000                               | (10,000)                       |
| 838 Animal Control Expense              | 6,000                                       | -                        | 6,000                      | 6,500                                | 500                            |
| <b>Total Public Safety</b>              | <b>323,000</b>                              | <b>18,600</b>            | <b>341,600</b>             | <b>327,650</b>                       | <b>(13,950)</b>                |

| <b>Department/Object Account</b>    | <b>FY 2025-26<br/>Status Quo<br/>Budget</b> | <b>Adjust-<br/>ments</b> | <b>Baseline<br/>Budget</b> | <b>Staff<br/>Proposed<br/>Budget</b> | <b>Increase<br/>(Decrease)</b> |
|-------------------------------------|---------------------------------------------|--------------------------|----------------------------|--------------------------------------|--------------------------------|
| <b>65 - NON-DEPARTMENTAL</b>        |                                             |                          |                            |                                      | -                              |
| 895 Insurance & Bond Expense        | 40,000                                      | -                        | 40,000                     | 55,000                               | 15,000                         |
| 901 South Bay Comm. Organization    | 17,600                                      | -                        | 17,600                     | 17,600                               | -                              |
| 915 Community Recognition           | 8,000                                       | -                        | 8,000                      | 8,000                                | -                              |
| 917 Emergency Preparedness          | 77,000                                      | -                        | 77,000                     | 69,000                               | (8,000)                        |
| <b>Total Non-Departmental</b>       | <b>142,600</b>                              | <b>-</b>                 | <b>142,600</b>             | <b>149,600</b>                       | <b>7,000</b>                   |
| <b>75 - CITY PROPERTIES</b>         |                                             |                          |                            |                                      |                                |
| 892 IT Services                     | 63,000                                      | -                        | 63,000                     | 72,000                               | 9,000                          |
| 893 Granicus Services               | 8,300                                       | -                        | 8,300                      | 6,600                                | (1,700)                        |
| 894 Computer Hardware Fund          | 5,000                                       | -                        | 5,000                      | 5,000                                | -                              |
| 925 Utilities                       | 60,000                                      | -                        | 60,000                     | 65,000                               | 5,000                          |
| 930 Repairs & Maintenance           | 19,100                                      | -                        | 19,100                     | 21,200                               | 2,100                          |
| 932 Area Landscaping                | 21,600                                      | -                        | 21,600                     | 13,740                               | (7,860)                        |
| 932 Landscaping Project             | -                                           | -                        | -                          | -                                    | -                              |
| 946 Buildings & Equipment           | 15,000                                      | -                        | 15,000                     | 15,000                               | -                              |
| 947 Non-Building Improvements       | -                                           | -                        | -                          | 2,000                                | 2,000                          |
| <b>Total City Properties</b>        | <b>192,000</b>                              | <b>-</b>                 | <b>192,000</b>             | <b>200,540</b>                       | <b>8,540</b>                   |
| <b>TOTAL OPERATING EXPENDITURES</b> | <b>\$ 2,576,708</b>                         | <b>\$ 89,500</b>         | <b>\$ 2,666,208</b>        | <b>\$ 2,643,405</b>                  | <b>\$ (22,803)</b>             |



# CITY OF ROLLING HILLS

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UPDATED REVENUE PROJECTIONS AND  
PROPOSED EXPENDITURES  
FISCAL YEAR 2025/26



# Purpose of Report

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- To briefly provide updated revenue projections for FY 2025/26
- To provide line-item details of proposed General Fund expenditures for FY 2025-26.



## UPDATED REVENUES

|                               | <b>Adopted<br/>Budget</b>  | <b>Preliminary<br/>Projections<br/>FY 2024-25</b> | <b>Updated<br/>Projections<br/>FY 2024-25</b> | <b>Preliminary<br/>Projections<br/>FY 2025-26</b> | <b>Updated<br/>Projected<br/>FY 2025-26</b> |
|-------------------------------|----------------------------|---------------------------------------------------|-----------------------------------------------|---------------------------------------------------|---------------------------------------------|
| Property Taxes                | \$ 1,500,750               | \$ 1,500,750                                      | \$ 1,443,744                                  | \$ 1,560,780                                      | \$ 1,501,494                                |
| Sales Taxes                   | 10,000                     | 15,000                                            | 15,000                                        | 15,000                                            | 15,000                                      |
| Property Transfer Tax         | 64,890                     | 60,000                                            | 60,000                                        | 62,400                                            | 62,400                                      |
| Other Taxes                   | 1,000                      | -                                                 | -                                             | -                                                 | -                                           |
| Motor Vehicle In Lieu         | 280,545                    | 284,574                                           | 284,574                                       | 290,265                                           | 290,265                                     |
| Building & Other Permits      | 400,000                    | 450,000                                           | 450,000                                       | 450,000                                           | 450,000                                     |
| C&D Permits                   | 10,000                     | 10,000                                            | 10,000                                        | 10,000                                            | 10,000                                      |
| Variance, Planning & Zoning   | 25,000                     | 30,000                                            | 30,000                                        | 30,000                                            | 30,000                                      |
| Animal Control Fees           | 300                        | 300                                               | 300                                           | 300                                               | 300                                         |
| Franchise Fees                | 13,000                     | 13,000                                            | 13,000                                        | 13,000                                            | 13,000                                      |
| Fines & Traffic Violations    | 4,000                      | 4,000                                             | 4,000                                         | 4,000                                             | 4,000                                       |
| Cost Recoivery - Publications | 3,000                      | 3,000                                             | 3,000                                         | 3,000                                             | 3,000                                       |
| RHCA Lease Revenue            | 69,000                     | 69,000                                            | 69,000                                        | 69,000                                            | 69,000                                      |
| Public Safety Aug Fund        | 1,200                      | 1,800                                             | 1,800                                         | 1,800                                             | 1,800                                       |
| Interest on Investments       | 140,000                    | 160,000                                           | 160,000                                       | 150,000                                           | 160,000                                     |
| PARS Earnings                 | 44,000                     | 40,000                                            | 40,000                                        | 44,000                                            | 44,000                                      |
| Miscellaneous Revenue         | 6,000                      | -                                                 | 1,000                                         | -                                                 | 1,000                                       |
| Transfers In - Refuse Fund    | 24,000                     | 24,000                                            | 24,000                                        | 24,000                                            | 24,000                                      |
| <b>TOTALS</b>                 | <b><u>\$ 2,596,685</u></b> | <b><u>\$ 2,666,424</u></b>                        | <b><u>\$ 2,609,418</u></b>                    | <b><u>\$ 2,728,545</u></b>                        | <b><u>\$ 2,679,259</u></b>                  |

FY 2025/26  
Updated  
Revenue  
Projections



# GENERAL FUND EXPENDITURES



# Proposed GF Expenditures by Department

| <b>Department</b>       | <b>FY 2024-25</b>         |                                   | <b>FY 2025-26</b>          |                                 |                            |
|-------------------------|---------------------------|-----------------------------------|----------------------------|---------------------------------|----------------------------|
|                         | <b>Adopted<br/>Budget</b> | <b>Status Quo<br/>Adjustments</b> | <b>Baseline<br/>Budget</b> | <b>Proposed<br/>Adjustments</b> | <b>Proposed<br/>Budget</b> |
| City Administrator      | \$ 869,059                | \$ 51,795                         | \$ 920,854                 | \$ (30,378)                     | \$ 890,476                 |
| Finance                 | 159,500                   | -                                 | 159,500                    | 9,500                           | 169,000                    |
| Planning & Development  | 890,549                   | 19,105                            | 909,654                    | (3,515)                         | 906,139                    |
| Public Safety           | 323,000                   | 18,600                            | 341,600                    | (13,950)                        | 327,650                    |
| Non-Departmental        | 142,600                   | -                                 | 142,600                    | 7,000                           | 149,600                    |
| City Properties         | 192,000                   | -                                 | 192,000                    | 8,540                           | 200,540                    |
| <b>Total Operations</b> | <b>\$ 2,576,708</b>       | <b>\$ 89,500</b>                  | <b>\$ 2,666,208</b>        | <b>\$ (22,803)</b>              | <b>\$ 2,643,405</b>        |



# Highlights of Adjustments

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- Account 01-890 Consulting Fees (CIP Project Management)
  - Primarily being charged to capital project accounts in CIP Fund
  - Reduced by \$25,000
- 05-810 Annual Audit
  - Increased by \$9,000 to \$44,000 based on pending contract with new firm
- 15-890 – On Call Inspection Services
  - Reduced by \$7,500 to align with expectations



# Highlights of Adjustments

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- 25-830 Law Enforcement
  - Increased by \$1,150 based on latest info from LAC (4.39%)
- 25-833 Other Law Enforcement
  - Reduced by \$5600 to align with costs for school security reimb
- 25-837 Wildlife Mgmt & Pest Control
  - Reduced by \$10,000 due to contractor (Fernando) going out of business
- 65-895 Insurance
  - Increased by \$15,000 to based on expected costs plus ~10%



# Highlights of Adjustments

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- 65-917 Emergency Preparedness
  - Decreased by \$8,000 based on expected actuals
  - \$20,000 for Block Captains + Misc
  - \$40,000 for EOC build out (Chambers)
- 75-892 IT Services
  - Increased by \$9,000 based on a rate increase by Forum
- 75-932 Area Management
  - Reduced by \$7,860 per agreement

# UPDATED BALANCING

|                                    | FY 2024-25        |                     |                       | FY 2025-26         |
|------------------------------------|-------------------|---------------------|-----------------------|--------------------|
|                                    | Adopted<br>Budget | Amended<br>Budget   | Prelim<br>Projections | Proposed<br>Budget |
| Operating Revenues                 | \$ 2,596,685      | \$ 2,596,685        | \$ 2,715,321          | \$ 2,679,259       |
| Operating Expenditures             | 2,576,708         | 2,623,299           | 2,455,198             | 2,643,405          |
| <b>Operating Surplus (Deficit)</b> | <b>19,977</b>     | <b>(26,614)</b>     | <b>260,123</b>        | <b>35,854</b>      |
| Capital Transfers                  | -                 | 825,881             | 250,000               | -                  |
| <b>Surplus (Deficit) - Total</b>   | <b>\$ 19,977</b>  | <b>\$ (852,495)</b> | <b>\$ 10,123</b>      | <b>\$ 35,854</b>   |



# Recommendation

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- Provide staff feedback on updated revenues and proposed expenditures
  - FAB Committee recommendations will be provided to City Council on May 12 – Council Meeting



# Next Steps

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- May 12 – Council Meeting
  - Review of updated revenue projections
  - Review proposed expenditures
  - Consider FAB Committee recommendations



## QUESTIONS/DISCUSSION