AGENDA

- Introduction: Review agenda, process and goals and discuss participant expectations
- Departmental overviews: Progress over past year and service vision for the future
- Discussion of what is changing for El Segundo as an organization and a place
- Looking Ahead – Envisioning a Vibrant Future
- Wrap Up & Next Steps
INTRODUCTION

- Review agenda, process and goals
- Confirm participant expectations
Five Year Financial Forecast – General Fund
Revenue Assumptions

- Total revenue growth projections: 3.5% (FY16-17) and ~2% thereafter
- Property Tax increasing by 2%
- Sales Tax increasing by 2% first 2 years and 3% thereafter
- Transient Occupancy Tax: Measure B factored into forecast, two new hotels coming online in 2017 and 1 in 2018, and annual increases of 4% growth
- Business License – increasing by 1% for FY 2016-17 and 2% for the out years (indexed to annual CPI)
Expenditure Assumptions

- **General Fund Reserve**
  - Council Policy to reach 20% reserve in FY 2016-17
  - Going from current reserve of 19% to 20% will increase GF reserve by $1.1M, from $12.3M to $13.4M

- **Economic Uncertainty Reserve**
  - Council Policy to reach $2M reserve
  - Current balance is $1,250,000
  - FY 2016-17 funding requirement of $750,000

- **Operating & Maintenance (O&M) Budgets**
  - Departmental O&M budgets status quo
Expenditure Assumptions & Drivers

- Personnel costs
  - Based on current salary schedule with step increases
  - CalPERS pension costs continue to rise
    - Public Safety Rates: 46.6% (15-16), 49.97% (16-17), 52.6% (17-18), 55.5% (18-19), & 58.5% (19-20)
    - Misc. Rates: 17.73% (15-16), 19.07% (16-17), 20.4% (17-18), 21.75% (18-19), & 23.1% (19-20)
  - Worker’s Comp increasing 30% for FY 16-17 and 5% thereafter
# Five Year General Fund Financial Outlook

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<tbody>
<tr>
<td>Revenue</td>
<td>64,930,015</td>
<td>67,212,209</td>
<td>68,381,192</td>
<td>69,568,893</td>
<td>70,741,150</td>
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<tr>
<td>Expenditure</td>
<td>(64,566,998)</td>
<td>(65,342,716)</td>
<td>(65,572,857)</td>
<td>(66,556,449)</td>
<td>(67,554,796)</td>
<td>(68,568,118)</td>
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<td>Net</td>
<td>363,017</td>
<td>1,869,493</td>
<td>2,808,336</td>
<td>3,012,444</td>
<td>3,186,354</td>
<td>2,630,973</td>
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<tr>
<td>Beginning Fund Balance</td>
<td>13,282,926</td>
<td>13,645,943</td>
<td>13,442,442</td>
<td>13,676,238</td>
<td>13,913,779</td>
<td>14,148,230</td>
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<tr>
<td>Ending Fund Balance</td>
<td>13,645,943</td>
<td>15,515,436</td>
<td>16,250,778</td>
<td>16,688,682</td>
<td>17,100,133</td>
<td>16,779,203</td>
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<tr>
<td>19% reserve requirement</td>
<td>12,336,703</td>
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<tr>
<td>20% reserve requirement</td>
<td></td>
<td>13,442,442</td>
<td>13,676,238</td>
<td>13,913,779</td>
<td>14,148,230</td>
<td>14,239,818</td>
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<tr>
<td>Over/ Under Reserve Requirement - (undesignated)</td>
<td>1,309,240</td>
<td>2,072,994</td>
<td>2,574,539</td>
<td>2,774,903</td>
<td>2,951,902</td>
<td>2,539,385</td>
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Departmental overviews:
Progress over past year and service vision for the future
Where We Have Been – Survival Mode

- Staffing Reductions to Sworn and Professional Staff
- Increase in Work Load
- Surviving with temporary consultants
- Acclimate to new regulations and laws
- Equipment and Vehicle Replacement Delays
- Facility Upgrade Delays
- Facility Flood Recovery
- Antiquated Systems & Processes
Where We Are Now – Discovering a New Norm

- Evaluating Optimization of Work Efforts
- Re-defining Service Delivery/Modified service delivery
- Utilizing OT and external staffing and resources to fill the gap
- Structural Benefit changes
- Departmental Reorganization
- Recruiting to fill vacant positions
- Utilizing technology to enhance workflow and workforce objectives
Where We Are Now – Discovering a New Norm (continued)

- Re-addressing Processes & Systems
- Reactive rather than proactive mode
- Re-establishing Equipment Replacement
- Re-evaluating Department Vehicle fleet
- Re-addressing Facility Upgrades/lack of resources available for facilities upkeep
- Implementation of new laws and regulations
- Department reorganized to a patrol centric format - to impact rising crime, reduced staffing
CITYWIDE

- Where We Are Heading – Smart & Healthy Growth
- Seven Guiding Principles
  - Advance Our Organization
  - Develop Our People
  - Optimize Our Resources
  - Enhance Community Outreach
  - Improve Service Delivery
  - Invest in Infrastructure
  - Fiscal Sustainability
Where We Are Heading – Advance our Organization

- **Public Works**
  - Team Building, Improved Internal Communication, Processes & Programs and Organizational Assessment/Planning

- **Fire**
  - Team Building, Improved Internal Communication, Processes & Programs and Organizational Assessment/Planning

- **Police**
  - Right sizing our organization to meet a growing commercial/retail population and impact crime. Continue Team Building Program

- **City Clerk**
  - Improved internal and inter departmental communication, processes, and software programs

- **City Treasurer**
  - Team Building, Improved Internal Communication, Processes & Programs and Organizational Assessment/Planning

- **Library**
  - Team Building, Improved Internal Communication, Processes & Programs and Organizational Assessment/Planning. A five-year strategic plan for Library Services should be developed with community input.
Where We Are Heading – Advance our Organization (continued)

- **Recreation and Parks**
  - Team Building, Improved Internal Communication, Processes & Programs and Organizational Assessment/Planning. Create a vision and goal-setting. Modernize processes and technology capabilities. Regional approach to economic development, facility/infrastructure planning, business attraction, recreational opportunities, etc.

- **Planning & Building Safety**
  - Improved Internal Communication, Processes & Programs and Organizational Assessment/Planning; Team Building across departments

- **Human Resources**
  - Team Building, Improved Internal Communication, Processes & Programs and Organizational Assessment/Planning

- **Finance**
  - Team Building, Improved Internal Communication, Improved Processes & Programs, increase funding in technology and Internal Service Funds (ISF)
Where We Are Heading – Develop Our People

- **Public Works**
  - Succession Planning, Refined Training, Advanced Education, and Leadership Development

- **Fire**
  - Succession Planning, Refined Training, Advanced Education, and Leadership Development

- **Police**
  - Continue to develop personnel through leadership programs, using POST training guidelines, Succession Planning and Training Manual

- **City Clerk**
  - Succession planning; Training; Advanced education; Leadership development

- **City Treasurer**
  - Succession Planning, Refined Training, Advanced Education, and Leadership Development; Annual Continuing Education
Where We Are Heading – Develop Our People (continued)

- **Library**
  - Succession Planning, Refined Training, Advanced Education, and Leadership Development. The Library frequently sends staff to local and state-wide trainings, conferences and library consortiums. Advanced degree programs are encouraged for promotions. Managers are given Acting Director opportunities.

- **Recreation and Parks**
  - Succession Planning, Refined Training, Advanced Education, and Leadership Development. Cross Training of staff. Review PT classification pay scale (i.e. minimum wage impacts).

- **Planning & Building Safety**
  - Succession Planning, Training (Technical codes and supervisory).

- **Human Resources**

- **Finance**
  - Succession Planning, Promote training & continued education, Leadership Development, Professional development.
Where We Are Heading – Optimize Our Resources

- **Public Works**
  - Enhance Technology, Equipment Replacement, Long-term Facility Needs; provide appropriate facilities and equipment; right-size and right-align our staffing resources

- **Fire**
  - Enhance Technology, Apparatus & Equipment Replacement Schedule and Long-term Facility Needs

- **Police**
  - Enhance Technology - Incorporate new technologies to enhance crime prevention and apprehension. Identify key personnel with specific expertise to oversee projects/programs

- **City Clerk**
  - Review/enhance existing technology internally and inter department; New technology

- **City Treasurer**
  - Streamline bank operations; minimized number of banks, and implemented best practice in movement of cash between accounts
Where We Are Heading – Optimize Our Resources (continued)

- **Library**
  - Complete outstanding technology projects, Upgrade Equipment Replacement Schedule and Long-term Facility Needs (begin library space planning for expanded technology growth)

- **Recreation and Parks**
  - Enhance Technology, assess Equipment Replacement Schedule and Long-term Facility Needs. Assist with creating alternative methods of media delivery on web and through social media. Prioritize facility needs to be “shovel ready” when funding is identified through grants or other revenue sources. Develop management and staffing plan for new Aquatics Center operations

- **Planning & Building Safety**
  - Enhance Technology, Improve customer experience

- **Human Resources**
  - Enhance Technology and Long-term Facility Needs

- **Finance**
  - Succession Planning, Promote training & continued education, Leadership Development, Professional development
Where We Are Heading – Enhance Community Outreach

- **Public Works**
  - Social Media, Disaster Preparedness and CERT; expand website capabilities and utilize apps strategically

- **Fire**
  - Social Media, Disaster Preparedness and CERT

- **Police**
  - Continue to Improve Social Media - Nixle, Twitter, Facebook and Everbridge. Public Meetings with Community/Business members

- **City Clerk**
  - Survey the Community for additional services. . .ex. Notary service, Passport processing, Marriage ceremonies, Voter outreach; Utilize social media and city website to increase access to public documents

- **City Treasurer**
  - Social Media
Where We Are Heading – Enhance Community Outreach (continued)

- **Library**
  - Continue Social Media promotions of library events on Facebook; provide assistance with the Library’s section of the new webpage design; attend Farmer’s Market booth to promote programs and events

- **Recreation and Parks**
  - Social Media, centralized public communications efforts, utilize more volunteers & interns, and branding

- **Planning & Building Safety**
  - Social Media, Advisory Groups (Downtown, Residential, Commercial)

- **Finance**
  - Enhance Technology, Invest in human capital, Continue to look for opportunities to become more efficient as an organization
Where We Are Heading – Improve Service Delivery

- **Public Works**
  - Staffing Forecasts & Position Allocation, Enhance Technology and Improved Public Education; implement/expand emergency drill program

- **Fire**
  - Staffing Forecasts & Position Allocation, Enhance Technology and Improved Public Education

- **Police**
  - Staffing Forecasts & Position Allocation, Crime Forecasting and Improved Public Education.

- **City Clerk**
  - Increase staffing; Review/streamline processes; Enhance technology

- **City Treasurer**
  - Enhance Technology and Improved Public Education; Quarterly Investment Report presentations to Council, post reports on the City’s website
Where We Are Heading – Improve Service Delivery (continued)

- **Library**
  - Offer additional reading programs for adults throughout the year to increase reading and the circulation of fiction and non-fiction collections; extend the children’s Summer Reading Program another week in August so more children can attend; Increase Library hours by 10% for greater availability to users; Enhance service delivery by filling vacant Library Assistant position

- **Recreation and Parks**
  - Social Media, centralized public communications efforts, utilize more volunteers & interns, and branding

- **Planning & Building Safety**
  - Social Media, Advisory Groups (Downtown, Residential, Commercial)

- **Finance**
  - Enhance Technology, Invest in human capital, Continue to look for opportunities to become more efficient as an organization
Where We Are Heading – Invest in Infrastructure

- **Public Works**
  - Conduct Facilities Needs Assessment, set vision for improving facilities for user needs, continue investing in our infrastructure; establish vision to accommodate economic growth

- **Fire**
  - Facilities Strategic Planning, Assess Building Needs

- **Police**
  - Facilities Strategic Planning, Assess Building Needs

- **City Clerk**
  - Kiosk for Public to access Public Documents

- **City Treasurer**
  - Assess Building Needs
Where We Are Heading – Invest in Infrastructure (continued)

- **Library**
  - Complete interior painting project; Access future Library building needs such as an expansion and re-model of the children’s room

- **Recreation and Parks**
  - Explore alternative funding partnerships, park improvements, facilities strategic planning, assess building needs (Campus El Segundo Turf Replacement, The Plunge, New Aquatics Center at Wiseburn High School)

- **Planning & Building Safety**
  - Staffing Forecasts & Position Allocation, Enhance Technology and Improved Public; Develop Dashboard

- **Finance**
  - Long-term planning to assess and identify CIP needs, Facilities strategic planning
Where We Are Heading – Fiscal Sustainability

- **Public Works**
  - Ensure fiscal resources are available long term for upkeep and/or replacement of facilities, equipment and supplies; create building infrastructure replacement fund

- **City Treasurer**
  - Continue to manage funds to maximize income and reduce fees while maintaining safety and liquidity

- **Library**
  - Develop a cost analysis study for meeting room fees to possibly re-structure them by resident/non-resident and business/non-profit categories; Prepare a comparison of overdue and lost material fines and fees with local libraries and make adjustments for cost recovery of books and other materials.

- **Recreation and Parks**
  - Review fees for services within the organization and develop a cost-recovery policy. Re-establish capital outlay budget for large equipment purchases (i.e. softball bleachers, park signage, picnic tables, etc.)
Where We Are Heading – Fiscal Sustainability (Continued)

- **Planning & Building Safety**
  - Business Center build out

- **Finance**
  - Continually monitor and forecast short-term and long-term financial outlook; Continue to maintain and fully fund strong reserve policies; Conduct master fee study and develop cost-recovery policy; Identify alternative revenue and funding sources; Ensure cash flow needs are met; Mitigate economic risk/liability