City of El Segundo
City Council Budget Study Session #2

August 14, 2018
1. Public Comment
2. Recap of the July 17 Budget Study Session
3. Review the revised Strategic Plan
4. Review the Commissions, Committees & Boards Survey
5. Continue Department Budget Presentations
6. City Council Additional Priorities and Direction regarding FY 2018-19 Budget
8. Wrap Up and Next Steps
Review Revised Strategic Plan

- Strategic Planning workshop was held on June 13th
  - Council provided direction on revising the City’s Strategic Plan document
- On July 17th the City Council reviewed the revisions to the Strategic Plan and provided additional direction on changes to incorporate into the document
- Exhibit A, included in the agenda packet, highlights Council’s direction from July 17th.
• Review of summary results of the CCBs survey
  - Approximately 65 surveys handed out
  - 39 surveys returned
    - Overall, survey responses aligned with the City’s Strategic Plan
  - Rating of City’s five Strategic Goals
    - Goal 5: 90% rated as very important
    - Goal 4: 77% rated as very important
    - Goal 2: 70% rated as very important
    - Goal 3: 53% rated as very important
    - Goal 1: 51% rated as very important
  - Respondents were asked “What are the greatest challenges facing the City of El Segundo?"
    - Top 3 answers: Long term financial health, growing pension liability, & economic development
  - Respondents were asked to list their top priority
    - Top themes: Economic development, financial health of the City, Development both east & west of PCH & addressing the City’s infrastructure needs
Vacant Personnel Positions – as of August 14, 2018

- A total of 39 vacant full-time positions
- Vacancies by Department:
  - Police – 10
  - Public Works – 8
  - Planning & Building Safety – 5
  - Fire – 5
  - Finance – 3
  - IS – 3
  - HR – 2
  - Recreation & Parks – 2
  - Treasury – 1

Fiscal impact of 39 vacant positions
- Annual basis - $5,923,070
- Quarterly basis - $1,480,767
- Monthly basis - $493,589
Information Systems Department

Personnel Vacancies = 3.5

• 1 Geographic Information Systems (GIS) Analyst
  ▪ Vacancy due to retirement & will request to fill position in Q1 2019
  ▪ There is only 1 analyst to support the entire city – multiple departments have the need
  ▪ Salary savings will help fund Technical & Professional consultants

• 1 Systems Specialist
  ▪ Vacancy due to involuntary separation - will request to fill position in Q2 2019
  ▪ This position will be filled with a Network Analyst as non currently exist on the team
  ▪ Salary savings will help to fund the Technical & Professional Consultants

• 1 System Developer
  ▪ New role added to the team in previous years - plan to fill the position in Q3 2019
  ▪ This position will be filled with a business analyst / project manager
  ▪ Salary savings will help to fund the Technical & Professional consultants

• .5 GIS Intern
  ▪ Contract Admin Specialist currently filling the role via salary saving – plan to convert position to FT
Information Systems Department
Personnel Requests

Requesting an Administrative Specialist

Net impact of ISD personnel request:

• $92,290 (GF) – Administrative Specialist
• ($26,000) (GF) – convert Intern position to Administrative Specialist
• $66,290 – Net budget Increase to the personnel budget
Technical & Professional Services Request Breakdown:

- This request covers both projects & IS operations (keeping the lights on)
  - $157,665 – Project Management
  - $131,387.5 – Business Analysts
  - $105,110 – Technical Support
  - $78,832.5 – Enterprise Systems Architecture & Design
  - $52,555 – Admin Systems, Technical Documentation

Total: $525,550 - Technical & Professional Consulting
Net Impact of Technical & Professional Services Increase Request:

- $183,700 – 2018 budgeted amount (already included in proposed budget)
- $241,850 – Actual requested increase (additional request pending Council approval)
- $100,000 - Partial use of 2019 salary savings (already included in proposed budget)
- $525,550 – Total need for Projects and ISD Operations
### Information Systems Department

#### 2019 Projects Portfolio

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
<th>Initial Cost</th>
<th>Estimated Cost</th>
<th>Savings</th>
<th>Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fiber Installations &amp; Implementations</strong> - Aquatico Center</td>
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<tr>
<td>Laserfiche Add-Ons (Security)</td>
<td>Scan microfilm and place in library and have it available at Laserfiche</td>
<td>$100,000</td>
<td>$1,000</td>
<td>$69,000</td>
<td>Technology Support Implementation Fund</td>
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<tr>
<td>Laserfiche Add-Ons (Contractor Access Mgmt, Workflow Upgrade)</td>
<td>Enhancement of Contract Management workflow, currently implemented in Laserfiche to manage contract timelines, approval compliance with ERMAC, legal updates, and access to required data for project management.</td>
<td>$150,000</td>
<td>$14,000</td>
<td>$136,000</td>
<td>Technology Support Implementation Fund</td>
</tr>
<tr>
<td>Laserfiche Add-Ons (City Clerk)</td>
<td>Expand Laserfiche’s Government Imaging System to include additional records in the City Clerk’s DAMS and other departments’ records. Set up reviewing, records retention schedules, and available “Timeless Imaging Electronic Document Management System”</td>
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<tr>
<td><strong>Human Resources</strong></td>
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<tr>
<td><strong>Building Permitting System</strong></td>
<td>The project will allow CIS’ (permits) to be on the city’s computer and will support database development (currently a manual process). This project will also support electronic payroll, employee self-service, reporting, and budgeting by integrating with SAP.</td>
<td>$200,000</td>
<td>$136,000</td>
<td>$64,000</td>
<td>Technology Support Implementation Fund</td>
</tr>
<tr>
<td><strong>HR Application in Edito</strong></td>
<td>Allows HR personnel to review the availability of Resource Management activity. The HR Department does not have a system to track and manage personnel records, skills, assessment tools, position histories, training evaluations and reporting. With this system, records are stored in a central database, accessible to all HR staff, and interface with other HR applications.</td>
<td>$200,000</td>
<td>$136,000</td>
<td>$64,000</td>
<td>Technology Support Implementation Fund</td>
</tr>
<tr>
<td><strong>In-Can &amp; Body Vans Cameras</strong></td>
<td>Upgrade the video recording system to integrate with body cameras and assist in incident footage retrieval.</td>
<td>$450,000</td>
<td>$150,000</td>
<td>$300,000</td>
<td>Equipment Replacement Fund</td>
</tr>
<tr>
<td><strong>ALPR Camera System</strong></td>
<td>Installation of Automated License Plate Reader (ALPR) cameras and deployment throughout the city. The implementation would provide real-time detection of license plate numbers, providing law enforcement and other users with valuable data for traffic analysis.</td>
<td>$275,000</td>
<td>$150,000</td>
<td>$125,000</td>
<td>Parking Enforcement Fund</td>
</tr>
<tr>
<td><strong>RADAR System</strong></td>
<td>The City’s existing speed camera system is compromised and needs an upgrade. The system must be able to detect and record vehicles exceeding the speed limit. A new system is required to provide accurate and reliable data for law enforcement.</td>
<td>$350,000</td>
<td>$350,000</td>
<td>$0</td>
<td>Technology Support Implementation Fund</td>
</tr>
<tr>
<td><strong>ICFA Radio System (Body Equipment)</strong></td>
<td>The City’s public safety radio system is supported by the Regional Communication Center (RCC). The system and its infrastructure are outdated and the RCC has received an NID for a new system.</td>
<td>$550,000</td>
<td>$150,000</td>
<td>$400,000</td>
<td>Technology Support Implementation Fund</td>
</tr>
<tr>
<td><strong>ICFA Radio System (Front Equipment)</strong></td>
<td>The City’s public safety radio systems are supported by the Regional Communication Center (RCC). The system and its infrastructure are outdated and the RCC has received an NID for a new system.</td>
<td>$1,050,000</td>
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<td>Technology Support Implementation Fund</td>
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<td><strong>Using Billing</strong></td>
<td>Implement a billing and accounts payable system that integrates with the city’s financial system and allows for the automated processing of invoices and payments.</td>
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<td><strong>TOP - Tax Online Processing</strong></td>
<td>Allowing online tax payments and tracking by the Finance Department. The project will streamline the process and save the city money in the long run.</td>
<td>$450,000</td>
<td>$450,000</td>
<td>$0</td>
<td>Technology Support Implementation Fund</td>
</tr>
<tr>
<td><strong>Laptop</strong></td>
<td>A comprehensive laptop replacement plan to provide the staff with the latest technology.</td>
<td>$1,500,000</td>
<td>$1,500,000</td>
<td>$0</td>
<td>Technology Support Implementation Fund</td>
</tr>
<tr>
<td><strong>Fire/Police Staff Scheduling - Schedule Express</strong></td>
<td>Staff schedules are completed using Excel spreadsheets. This tool is cumbersome and inaccurate. Integration with an external application will provide a centralized and automated scheduling system.</td>
<td>$60,000</td>
<td>$60,000</td>
<td>$0</td>
<td>Technology Support Implementation Fund</td>
</tr>
<tr>
<td><strong>Dispatch Pre-Arrival System - ABM</strong></td>
<td>A Computer-Aided Dispatch (CAD) system is created to improve call handling and provide real-time information to emergency responders. The system will also allow for real-time tracking of vehicles and equipment.</td>
<td>$500,000</td>
<td>$500,000</td>
<td>$0</td>
<td>Technology Support Implementation Fund</td>
</tr>
<tr>
<td><strong>Public Safety Update</strong></td>
<td>Update the existing Public Safety Update database to integrate with other systems.</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$0</td>
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**Grand Total:** $5,985,280.00

10
Proposal:

- Upgrade the Economic Development Manager to Deputy City Manager

Total budget Impact: Increase of ~$18,500

**New positions being proposed:**

- Full-time Economic Development “Coordinator”
  - Total Compensation: $90,000-$128,000
- Communications Analyst
  - Total Compensation: $120,000 - $140,000

Net impact of Economic Development Department personnel requests:

- $228,500-$286,500: Net Budget Additions
• Budget requests related to City Council Strategic Planning Goal #5 totaling $300,000 (currently not included in the proposed budget):
  ▪ Continued development and implementation of the hospitality and tourism marketing program

• Executive recruitment for City Manager position - $30,000 (currently not included in the proposed budget)
Fire Department Budget

**Budget Enhancement**

- Fire Department Accreditation Program - $106,220 (Technical Consultants, Training & Fee’s)
- Fire Prevention Laserfische - $25,000 (digitalize fire prevention files)
- Enhance Wellness Program - $55,000 (EXOS Exercise Physiology and training)
- Contract Plan Checker - $19,000 (support work load within Fire Prevention with fee’s and charges)

**Capital Equipment**

- Replacement Fire Engine (fully equipped) - $800,000 (Equipment Replacement funds, Developer Fee’s & State Strike Team Reimbursements)
- REMS Vehicle - $140,000 (Brush Fire Responses with State Reimbursement) (Equipment Replacement Funds & Strike Team Reimbursements) (Replaces the 1998 pickup)
- Technical Rescue Air Bags - $8,615
- Vehicle Stabilization Struts - $5,500
- Self-Contained Breathing Apparatus Parts - $11,500
Recruitment

• Administrative Specialist – Vacancy due to resignation
• Management Analyst – New Position for CUPA (fully supported by fee’s & charges – No General Fund Impact)
• Firefighter Paramedic (2 FTEs) – Vacancies due to promotions (in-house promotional only)
Library Services – Personnel Requests

• Discussion of Part-Time positions: +$18,100 (Part-Time salaries)
  • Main Library (5.0)
    • 1.5 FTE Library Assistant
    • 3.5 FTE Library Clerk 1
  • School Libraries (2.41) – ESUSD Support/SPARK Support
    • 3 FTE Library Assistant during school year and 1 Library Assistant during summer school (4800 hours/year)
    • Library Assistant for SPARK – Recreation & Parks and R.O.A.D. Partnership (213 hours/year)

• FY 2018-2019 (proposed)
  • 7.41 FTE on Organizational Chart / 7.41 FTE on Personnel Summary (15,413 hours/year)
• FY 2017-2018
  • 8 FTE on Organizational Chart / 5.85 FTE on Personnel Summary (12,168 hours/year)
Library Services – Personnel Requests

• Additional Info
  • FY 2014-2015
    • 7.75 FTE on Organizational Chart / 7.75 FTE on Personnel Summary
  • FY 2015-2016
    • 7.75 FTE on Organizational Chart / 6.25 on Personnel Summary
    • 1.5 FTE Library Page positions mistakenly eliminated in budget rather than converted to Library Clerks

• FY 2013-2014 vs FY 2018-2019 (proposed)
  • FY 2013-2014: 23 in Library Services Department (14 FT and 9 PT FTE)
  • FY 2018-2019: 19.41 in Library Services Department (12 FT and 7.41 PT FTE)
Net Budget Change = + ~$125,000

BUILDING & SAFETY DIVISION
- \( \frac{1}{2} \) Administrative Specialist – Eliminate from budget – savings of $40,000
- Professional & Technical Services: +$130,000
  - Increase in Inspection (EVA, LA Times, Nash Street Exchange, Hackman site, etc) +$60,000
  - Police – Crime prevention plan check consultant: +$25,000
  - Consultant cost until vacant positions filled (estimate 2 quarters) + $30,000
  - Gary Bufkin Muni permit system – Transition + $15,000

PLANNING DIVISION
- Professional & Technical Services: +$30,000
- Reclassification: Office Specialist II to Senior Administrative Specialist: +$3,163 (salaries + benefits)

Vacant Positions FY18-19
- Senior Plan Check Engineer
- Plan Reviewer (Mech, Elec, Plumb)
- Assistant Planner
- License Permit Specialist I/II (2 FTEs)
Current Authorized Staffing (Sworn) = 62
- Actual = 55 (includes 2 Academy Recruits/2 Trainees/4 IOD’s)

Vacancies:
- Captain: 1
- Lieutenant 1
- Sergeant: 1
- Officers: 4
TOTAL 7
Police Department – Non-Sworn Staffing

Current Authorized Staffing (Non-Sworn) = 17 full-time
= 15 part-time

- Actual = 14 full-time
- Actual = 9 part-time

Vacancies:
- Police Assistant: 2
- Police Services Officer: 1
TOTAL (full-time): 3
- Cadets (part-time): 6
Police Department – New Requests

- Increase to Contractual Services: $82,132
  - Contract Crime Analyst: $65,520
    - Approved in 2017/18 FY but not funded
  - Background Investigations: $0
    - Task previously performed by retired employees. This is a transfer from employee expense and should not be net increase to PD budget ($75,025)
  - Lexipol Policy Manual: $16,612
Police Department – New Requests

- **CSI/Property Officer Position:** $92,893
  - Last filled in 2010. Went unfilled due to recessionary fiscal policy
  - Recent audit highlighted significant deficiencies/liabilities and need for this position

- **SWAT Van:** $320,000 ($48,248 ERF/$271,752 Asset Forfeiture)
  - Current van due for replacement September 2019 (25 year life)
    - Build takes approximately 4-6 months
  - Current van hinders operational effectiveness and increases response times
  - Current van is not in compliance with federal regulations
Recreation & Parks – Budget Increases

• PARKS DIVISION (already included in proposed FY 18/19 Budget)
  • Contract Services / Landscape & Tree Maintenance: +$115,000
  • Equipment Replacement Fund: +$125,000 (to begin funding playground & park equipment at various City locations)

• RECREATION DIVISION (already included in proposed FY18/19 Budget)
  • Operating Supplies / Enhanced Programming: +$67,000
  • Part-Time Personnel / Minimum Wage, Classifications & Programming: +$641,400 (95% aquatics)
Recreation & Parks – Personnel Requests

• EL SEGUNDO TV: +$50,700 (salaries + benefits)
  • Two (2) new Part-Time PERS-enrolled Positions
    • (1) Sr. Video Tech II - $17.87/hour – approx. 30 hours per week
    • (1) Video Tech III - $12.45/hour – approx. 25 hours per week
  • Reviewing the possibility of reduction of part-time PERS position(s) in Parks Division to cover additional request in ESTV.
Recreation & Parks – Personnel Vacancies

• PARKS DIVISION
  • Two (2) Full-Time Park Maintenance Worker I/II positions
    • Currently in the recruitment process. Performance Examinations completed 7/16/18 with top four candidates invited for in-person interviews scheduled for 8/16/18.
    • Parks Division is comprised of five (5) Park Maintenance Workers, so these two vacancies account for 40% of the workforce assigned to landscape and general park maintenance. Have been backfilling with limited part-time employees.
Personnel Budget Proposal:

• Upgrade current Senior Administrative Specialist to an Administrative Technical Specialist
  ▪ Total Budget increase of $3,800 (Water)

Operational Budget:

• Increase of $404,000 to the solid waste contract (already included in proposed budget)
Recruitments Required:

- Facilities Maintenance Supervisor – Retirement
- Water Maintenance Workers I/II (2) – Internal Promotions
- Street Maintenance Workers I/II (2) - Resignations
- Senior Engineering Associate – Resignation
- Public Works Inspector – Resignation
- Part-Time Custodian – Internal Promotion
## City of El Segundo - Capital Improvement Program - Current and Future Needs (FY 2018/19) 8/14/2018

### Ongoing Projects be completed in FY 2018-19 with FY 2017-18 budget - Estimated Carryover Balance (Original budget shown in parentheses)

<table>
<thead>
<tr>
<th>Project Description</th>
<th>General Fund</th>
<th>Developer Impact Fees</th>
<th>Sewer Fund</th>
<th>Water Fund</th>
<th>Special Revenues / Grants</th>
<th>Unfunded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access Control System-Facility Security for Police and Fire</td>
<td>$ 55,000</td>
<td>$ 144,000</td>
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<tr>
<td>Holly Valley Playground</td>
<td>$ 50,000</td>
<td>$ 125,000</td>
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<tr>
<td>Campus Athletic Field Shade Structure</td>
<td>$ 75,000</td>
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<td>$ 50,000</td>
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<tr>
<td>Acacia Park Concept Design</td>
<td>$ 50,000</td>
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<tr>
<td>Hockey Rink Replacement</td>
<td>$ 80,000</td>
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<tr>
<td>Fire Station # 1 Small Bathrooms</td>
<td>$ 45,000</td>
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<tr>
<td>Business Center Design</td>
<td>$ 70,000</td>
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<tr>
<td>Library Wi-Fi Zone Conversion</td>
<td>$ 63,000</td>
<td>$ 75,000</td>
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<tr>
<td>Community Cameras &amp; Fixed License Plate Readers</td>
<td>$ 375,000</td>
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<td>Pump replacement at storm water pump station #17</td>
<td>$ 220,000</td>
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<tr>
<td>Downtown Upgrades &amp; Beautification</td>
<td>$ 188,000</td>
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<td>$ 600,000</td>
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<tr>
<td>Cedar, Walnut Water Main Improvement</td>
<td>$ 600,000</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$ 951,000</strong></td>
<td><strong>$ 664,000</strong></td>
<td><strong>$ 600,000</strong></td>
<td><strong>$ 50,000</strong></td>
<td><strong>$</strong></td>
<td><strong>$ 2,265,000</strong></td>
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</tbody>
</table>

- **General Fund**
- **Developer Impact Fees**
- **Sewer Fund**
- **Water Fund**
- **Special Revenues / Grants**
- **Unfunded**

Total Unfunded: **$ 2,265,000**
## CIP – Projects proposed to be funded for FY 2018-19

### City of El Segundo - Capital Improvement Program - Current and Future Needs (FY 2018/19)

<table>
<thead>
<tr>
<th>Project Description</th>
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</tr>
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<tbody>
<tr>
<td>Funded and Scheduled for FY 2018-19</td>
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<tr>
<td>Indiana Water Main</td>
<td></td>
<td></td>
<td>$ 700,000</td>
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<tr>
<td>Water Valve Replacements</td>
<td></td>
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<td>$ 300,000</td>
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<tr>
<td>Water Main Improvements (TBD)</td>
<td></td>
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<td>$ 1,500,000</td>
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<tr>
<td>Annual Sewer Infrastructure Improvements</td>
<td>$ 500,000</td>
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<tr>
<td>Annual ADA Ramp Installation (CDBG)</td>
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<td>$ 80,000</td>
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<tr>
<td>Pump Station Rehabilitation</td>
<td></td>
<td>$ 500,000</td>
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<tr>
<td>Arterial &amp; Local Street Rehab and Residential Slurry Seal</td>
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<td>$ 1,200,000</td>
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<td>Annual Curb, Gutter &amp; Sidewalk Repair</td>
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<td>$ 250,000</td>
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<tr>
<td>Subtotal</td>
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<td>$</td>
<td>$ 1,000,000</td>
<td>$ 2,500,000</td>
<td>$ 1,530,000</td>
<td>$ 5,030,000</td>
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</tbody>
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8/14/2018
City of El Segundo - Capital Improvement Program - Current and Future Needs (FY 2018/19) 8/13/2018

CIPAC/ Staff/Community Recommendations - Unfunded

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<tr>
<td>Citywide Facilities Repairs (Placeholder, Projects TBD)</td>
<td></td>
<td></td>
<td></td>
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<td>$1,000,000</td>
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<tr>
<td>The Plunge Replacement Scope Assessment</td>
<td></td>
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<td>$100,000</td>
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<tr>
<td>Acacia Park Construction (partial funding)</td>
<td></td>
<td></td>
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<td></td>
<td>$350,000</td>
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<tr>
<td>Washington Park Playground Replacement</td>
<td></td>
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<td>$270,000</td>
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<tr>
<td>Main and Imperial Entryway Beautification Project</td>
<td></td>
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<td></td>
<td>$150,000</td>
</tr>
<tr>
<td>Softball Field Bleacher Replacement</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>$70,000</td>
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<tr>
<td>500 Block E. Walnut Ave. Drainage Improvement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$265,000</td>
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<tr>
<td>800 Block McCarthy Court Street Improvement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$275,000</td>
</tr>
<tr>
<td>Richmond Field Renovation with ADA Accessibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$100,000</td>
<td>$350,000</td>
</tr>
<tr>
<td>Class III Bike Route Improvements Project</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$150,000</td>
</tr>
<tr>
<td>California Street Storm Drain Improvement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$150,000</td>
</tr>
<tr>
<td>El Segundo Blvd. Drainage Improvement bet. Penn &amp; Arena</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Skate Park Repairs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$100,000</td>
<td>$3,130,000</td>
</tr>
</tbody>
</table>
## Upcoming Financial Decisions

<table>
<thead>
<tr>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuing to allocate dollars for CalPERS unfunded liability</td>
</tr>
<tr>
<td>Review of current business model for trash and water/sewer</td>
</tr>
<tr>
<td>Results of direction on golf course</td>
</tr>
<tr>
<td>Prioritizing and funding implementation of new technology</td>
</tr>
<tr>
<td>Land use discussions</td>
</tr>
<tr>
<td>Adoption of three-year CIP and infrastructure financing</td>
</tr>
<tr>
<td>Implementation of employee engagement program</td>
</tr>
<tr>
<td>Future salary and compensation model/labor negotiations</td>
</tr>
<tr>
<td>Maintaining prudent reserve levels to weather through the next recession</td>
</tr>
</tbody>
</table>
Proposed Reserves for FY 2018 – 2019

**Reserves**

- **General Fund Reserve**
  - Council’s current Policy is to reach 20% of General Fund expenditures
  - City Council gave direction to increase the General Fund reserve level to 19% in FY 2018-19
    - 19% = $13.6M

- **Economic Uncertainty Reserve**
  - Maintain compliance with City Council policy - $2M (fully funded) in FY 2018-19
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balance at 10/1/2018</td>
<td>$17,284,635</td>
</tr>
<tr>
<td>Projected Revenue</td>
<td>$74,946,464</td>
</tr>
<tr>
<td>Projected Expenditures</td>
<td>71,754,490</td>
</tr>
<tr>
<td>Net +/-</td>
<td>$3,191,974</td>
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<tr>
<td>Ending Fund Balance at 9/30/2018</td>
<td>$20,476,609</td>
</tr>
<tr>
<td>Designated Reserve Requirement</td>
<td>13,633,353</td>
</tr>
<tr>
<td>Undesignated GF reserves</td>
<td>$6,843,256</td>
</tr>
</tbody>
</table>
Feedback from Council on Allocating General Fund Reserves

$6.84 Million Available

- Capital improvements - $3,130,000
- Department Requests - ~$1,765,000
- Employee Engagement - $200,000
- Payment to section 115 Pension Trust Fund - $1,000,000
- Pay down CalPERS unfunded pension liabilities ~ $748,000

TOTAL
Additional Fiscal Policy Discussions

• Identify new revenues or increase existing revenues
  ▪ Annual review of newly developed City-wide master fee schedule; including an annual CPI adjustment
  ▪ Discussion on refuse services (in progress)
  ▪ Evaluate the cost of water/sewer services
• Continue Economic Development efforts
• Implementation of technology resulting in greater operational efficiencies
• Whether to seek new revenue sources and reevaluate existing revenue sources in subsequent years
  ▪ Business License Tax, UUT revision, Business Improvement Districts (BIDs), Landscape Improvement Districts (LMDs)
Next Steps on the Budget

• Prepare budget based on Council feedback from the two Budget Study Sessions

• September 4\textsuperscript{th}
  ▪ Comprehensive review of proposed operating budgets for all funds
  ▪ Possible budget adoption or further input/revisions from City Council

• September 18\textsuperscript{th}
  ▪ Budget adoption (if the budget is not adopted on Sept. 4)