

**MEMORANDUM**

**TO:** HONORABLE MAYOR & CITY COUNCIL MEMBERS  
**FROM:** DEBORAH CULLEN, FINANCE DIRECTOR *DC*  
**DATE:** SEPTEMBER 15, 2015  
**SUBJECT:** FY14-15 FISCAL YEAR-END BUDGET ADJUSTMENTS  
AND CONTINUING APPROPRIATIONS  
**REVIEWED:** DOUG WILLMORE, CITY MANAGER *DW*  
Staff Coordinator: Kathryn Downs, Deputy Finance Director *KD*

**RECOMMENDATION**

1. Adopt Resolution No. 2015- , A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2014-41, THE BUDGET APPROPRIATION FOR FY14-15, TO REDUCE THE BUDGET FOR THE APPROVED CONTINUING APPROPRIATIONS.
2. Adopt Resolution No. 2015- , A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2015-47, THE BUDGET APPROPRIATION FOR FY15-16, TO INCREASE THE BUDGET FOR THE APPROVED CONTINUING APPROPRIATIONS.
3. Adopt Resolution No. 2015- , A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2014-41, THE BUDGET APPROPRIATION FOR FY14-15, TO ADJUST THE BUDGET IN VARIOUS FUNDS OF THE CITY.
4. Adopt Resolution No. 2015- , A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2015-47, THE BUDGET APPROPRIATION FOR FY15-16, TO ADJUST THE BUDGET IN VARIOUS FUNDS OF THE CITY.

**FISCAL IMPACT**

There is no fiscal impact associated with the Proposed Continuing Appropriations. The

# **FY14-15 FISCAL YEAR-END BUDGET ADJUSTMENTS AND CONTINUING APPROPRIATIONS**

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estimated June 30, 2016 fund balances presented during the 2015 budget process includes the expenditure of these appropriations; and continuing them from one year to the next has no impact on the estimated fund balances.

Staff is requesting a number of FY14-15 adjustments to ensure budgetary compliance, and to provide for additional transfers between funds. Staff is also requesting several adjustments to correct the FY15-16 budget. The net fiscal impact of all requested General Fund adjustments is an \$11,070 increase to the estimated General Fund Reserve at June 30, 2016.

Revised Fund Balance Estimates at June 30, 2016:

General Fund Reserve: \$11,111,712 (\$375,007 in excess of Policy Threshold)

Equipment Replacement Fund: \$ 1,854,767 (\$130,885 in excess of Policy Threshold)

## **BACKGROUND AND DISCUSSION**

### **Continuing Appropriations**

At the end of each fiscal year, Staff prepares a list of budgeted appropriations recommended for carryover into the next fiscal year. The list of Proposed Continuing Appropriations (Attachment A) identifies projects that were included in the FY14-15 budget, but were not completed by June 30, 2015.

The majority of the continuing appropriation requests relate to ongoing Public Works projects. Many of these projects require a multi-year effort, must wait for approval from outside agencies, or require extensive planning and/or citizen engagement before commencing; and have, therefore, been carried over from year to year. Staff added an informational column to the list, noting the first year each project was appropriated. As discussed during the 2015 budget process, Public Works Staff recommended a minimal number of new projects for FY15-16; with the goal of completing many of the projects that had already been appropriated for FY14-15, or continued from prior years.

There are at least two different ways that funds may legally be committed for capital projects:

1. Budget the full amount of the project (appropriate it); or
2. "Commit" the project via resolution by June 30<sup>th</sup> of each year. The "Commitment" would be reported as part of the CIP fund balance in the annual financial statements. Once the City is ready to begin the project (e.g. approval/funding from an outside agency was obtained), then that project may be budgeted from the "Committed" fund balance.

The City has a long history of appropriating funding to capital projects by budgeting the funding (method #1 above), and carrying over the unspent appropriation year to year.

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With the 2016 budget process, Finance Staff will recommend “committing” funds by resolution for projects that are not likely to begin during FY16-17 (method #2 above). By taking this step, during the annual budget process City Council would have the opportunity to review the committed projects and determine if priorities or funding has changed. This step should be able to reduce the number of continuing appropriations each year; and the annually adopted budget will reflect the true annual expenditures for the City.

Staff presented all budgeted appropriations for FY14-15, including the amounts requested for carryover, in the FY14-15 column of the 2015 Five-Year Financial Model that was prepared in conjunction with the FY15-16 budget. Therefore, estimated beginning fund balances presented with the FY15-16 budget were already reduced by the amount of the proposed continuing appropriations. Approval of these continuing appropriations will not change estimated ending fund balances at June 30, 2016.

### FY14-15 & FY15-16 Budget Adjustments

Chapter 3.32 of Title 3 of the Rancho Palos Verdes Municipal Code sets forth guidelines related to the City’s budget administration. Section 3.32.070 of the Code requires that all expenditures in excess of a program/function’s budgeted allocation must be approved by supplemental appropriation by the City Council.

A list of Proposed Budget Adjustments (Attachment B) has been prepared, and includes a brief description of each item. The impact to the General Fund is summarized below.

FY14-15 Revenue Increase	\$ 180,000
FY14-15 Net Expenditure Increase	99,550
FY15-16 Net Expenditure Increase	69,380
<b>Net Increase of General Fund Reserve</b>	<b>\$ 11,070</b>

This report also includes proposed adjustments for activity related to the Utility User Tax (UUT) Claim Account, as summarized below.

Claim Account Balance at June 30, 2014	\$ 593,301
Additional Telecommunications UUT collected during FY14-15	120,167
FY14-15 Disbursements from Claim Account	(190,467)
<b>Current Claim Account Balance</b>	<b>\$ 523,001</b>

Staff requests the following transfers between funds, with no net fiscal impact:

1. Close the Building Replacement Fund and transfer the balance to the CIP Reserve, based upon City Council direction during the 2015 budget process;
2. Increase the budgeted transfer of Transient Occupancy Tax (TOT) to the CIP Reserve, based upon actual FY14-15 TOT revenue; and

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3. Increase the budgeted transfer of Proposition C to the CIP Fund for the PVDE arterial rehabilitation project, based upon amounts approved by Metro.

Finally, there are \$20,000 of requests to increase Equipment Replacement Fund appropriations. Staff expects that the Equipment Replacement Fund will have about \$150,000 of FY14-15 expenditure savings, which is more than sufficient to provide for the \$20,000 of requests.

Attachments

A – Proposed Continuing Appropriations from FY14-15 to FY15-16 (page 5)

B – Proposed Budget Adjustments FY14-15 & FY15-16 (page 11)

Resolution No. 2015- , A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2014-41, THE BUDGET APPROPRIATION FOR FY14-15, TO REDUCE THE BUDGET FOR THE APPROVED CONTINUING APPROPRIATIONS (page 16)

Resolution No. 2015- , A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2015-47, THE BUDGET APPROPRIATION FOR FY15-16, TO INCREASE THE BUDGET FOR THE APPROVED CONTINUING APPROPRIATIONS (page 19)

Resolution No. 2015- , A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2014-41, THE BUDGET APPROPRIATION FOR FY14-15, TO ADJUST THE BUDGET IN VARIOUS FUNDS OF THE CITY (page 22)

Resolution No. 2015- , A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2015-47, THE BUDGET APPROPRIATION FOR FY15-16, TO ADJUST THE BUDGET IN VARIOUS FUNDS OF THE CITY (page 24)

PROPOSED CONTINUING APPROPRIATIONS FROM FY14-15 TO FY15-16							
Program	First Appropriated	Account	Budget	Spent	Available	Request	Description
City Manager Professional Services	FY14-15	101-1002-411-32-00	125,000	45,074	79,926	\$ 20,000	Staff requests a carryover of unused budget for various furniture purchases in Administration, to provide for recent staffing changes.
City Manager Land Purchase	FY13-14 & FY14-15	101-1002-411-71-00	115,000	12,223	102,777	102,777	Purchases of tax-defaulted parcels at 41 and 37 Cherryhill Lane are expected to be completed during FY15-16.
Animal Control Professional Services	FY14-15	101-1025-421-32-00	111,515	81,180	30,335	30,335	Peafowl trapping to be completed by December 2015, based upon the Peafowl Management Plan adopted by City Council on August 4, 2015.
Emergency Preparedness Professional Services	FY13-14 & FY14-15	101-1026-421-32-00	118,983	25,132	93,851	33,000	Continuity of Operations Plan (\$25,000), and Replenish Supply Caches (\$8,000). Both projects were initiated during FY14-15, and will be completed in FY15-16.
Information Technology Minor Equipment	FY14-15	101-2030-411-61-00	45,000	14,957	30,043	23,000	Data storage \$20,000, and 3 laptops \$6,000. Purchases were delayed due to transition to a new IT Services provider.
Telephone Maintenance	FY14-15	101-2035-411-43-00	12,000	-	12,000	10,000	Telephone handsets and other system equipment. Purchases were delayed due to transition to a new IT Services provider.
Traffic Management Professional Services	FY14-15	101-3006-431-32-00	124,000	89,079	34,921	15,000	Traffic engineering studies for Sea Bluff & Hawthorne Blvd Frontage Road and four intersections began late in FY14-15, and will be completed during FY15-16.
Storm Water Quality Professional Services	FY13-14	101-3007-431-32-00	552,495	236,199	316,296	50,000	Development of the Municipal Separate Storm Sewer System (MS4) implementation, the Enhanced Watershed Management Program (EWMP), and the Coordinated Integrated Monitoring Program (CIMP) have been an ongoing multi-year process. Extensive review by the Los Angeles Regional Water Quality Control Board has caused project delays. Staff anticipates completion by June 2016.
Sewer Maintenance Professional Services	FY14-15	101-3026-431-32-00	58,000	21,504	36,496	35,000	Staff requests carryover of unspent funds to complete the sewer system GIS layer, and sewer capacity study during FY15-16.
Planning Professional Services	FY02-03 (General Plan), FY09-10 (Zone2 EIR), and FY14-15 (Other)	101-4001-441-32-00	125,171	70,136	55,035	55,500	General Plan Update \$20,000 - expected presentation to City Council November 2015. Zone 2 EIR \$23,500 - carryover request based upon recent City Council interest to reconsider certifying the Zone 2 EIR. Coast Vision Plan \$2,000 - update per City Council direction on July 18, 2015. GIS Services \$10,000 - updates to the Zoning Map and Trails Network Plan, to be completed in FY15-16.

PROPOSED CONTINUING APPROPRIATIONS FROM FY14-15 TO FY15-16							
Program	First Appropriated	Account	Budget	Spent	Available	Request	Description
Planning Printing	FY09-10	101-4001-441-55-00	21,000	5,415	15,585	20,000	Printing of the General Plan update and Zoning Code \$15,000 - expected during FY15-16, pending finalization of the documents. Printing new business cards for staff and Planning Commission members due to new City domain address \$5,000. Budgetary compliance is by program; and although this Printing line item does not have sufficient funds for the entire \$20,000 carryover, the Planning program as a whole has sufficient availability for this request.
Building & Safety Professional Services	FY09-10 (Monks), FY10-11 (Scanning), and FY12-13 (Geologic for General Plan)	101-4002-441-32-00	197,877	96,050	101,827	62,100	Geotechnical Reviews \$22,100 - several of the Monks case plaintiffs have not yet completed the planning/building permit process. Laserfiche & GIS scanning \$25,000 - building plans will be scanned into the City's systems during FY15-16. Geologic Review for General Plan \$15,000 - review of the open space hazard zoning areas related to updating the General Plan and Zoning Map, to be completed during FY15-16.
Natural Communities Conservation Plan (NCCP) Professional Services	FY97-98	101-4005-441-32-00	75,053	-	75,053	75,053	Changes have been made to the NCCP document as a result of recent parcel acquisitions and changes to the Nature Preserve. Staff expects to complete the document in FY15-16.
<b>SUBTOTAL GENERAL FUND</b>						<b>\$ 531,765</b>	
Landslide Dewatering Wells	FY13-14	330-3030-461-73-00	170,000	59,575	110,425	85,000	This appropriation was for the Abalone Cove Landslide Abatement District (ACLAD) to drill 2 dewatering wells. ACLAD has been reimbursed for one well. The carryover would provide for the other well.
Landslide Dewatering Wells	FY14-15	330-3043-461-73-00	360,000	-	360,000	360,000	This appropriation was for the City to drill 4 dewatering wells. The City is utilizing a hydrogeologist to determine the most beneficial locations for the wells. Staff expects that drilling will be completed in summer 2016.
Miraleste Arterial Street Rehabilitation	FY14-15	330-3031-461-73-00	2,570,000	35,438	2,534,562	2,534,562	Staff anticipates advertising for bids by December 2015, with construction scheduled for completion by June 2016.
Residential Street Rehabilitation - Prior Years' Programs	FY10-11 through FY13-14	330-3031-461-73-00	3,511,032	2,720,075	790,957	790,957	The combined project is underway; and construction is nearing completion, anticipated December 2015.
Residential Street Rehabilitation - FY14-15 Program	FY14-15	330-3031-461-73-00	2,229,400	-	2,229,400	2,229,400	Staff anticipates to advertise bids for design services in December 2015, with project completion scheduled for June 2016.

PROPOSED CONTINUING APPROPRIATIONS FROM FY14-15 TO FY15-16							
Program	First Appropriated	Account	Budget	Spent	Available	Request	Description
Hawthorne Blvd Traffic Signal Synchronization	FY11-12	330-3031-461-73-00	708,312	24,684	683,628	683,628	The design has been completed, and bids will be advertised in September 2015. Project award is scheduled for October 2015, with project completion in January 2016.
Hawthorne Blvd Pedestrian Improvements	FY10-11	330-3031-461-73-00	1,246,190	5,839	1,240,351	1,240,351	This project will be completed after the fiber optic conduits from the Traffic Signal Synchronization project have been installed (scheduled for November 2015). Construction of the street improvements should last about 6 months, with completion in August 2016.
PVDE Safety Improvements - Guardrails	FY08-09	330-3031-461-73-00	268,794	-	268,794	268,794	Construction bids will be advertised by the end of September 2015, with project completion scheduled for December 2015.
PVDE Safety Improvements - Headland Drive	FY13-14	330-3031-461-73-00	38,222	11,427	26,795	26,795	This remaining appropriation will be combined with the PVDE Safety Improvements - Bronco Drive project budgeted in FY15-16; which is currently in the design phase. Staff expects to complete the project during FY15-16.
PVDS Safety Improvements - Bikeways	FY09-10	330-3031-461-73-00	779,975	-	779,975	779,975	This project is being reprogrammed in the State Transportation Improvement Program, then must be approved by the LA County Metropolitan Transportation Authority. Construction can begin upon receiving approval, anticipated July 2016.
PVDW Median Improvements	FY09-10 & FY10-11	330-3031-461-73-00	473,690	-	473,690	473,690	Plans and specs are being revised to comply with new drought mandates. Project construction is expected to begin in December 2015, with completion by March 2016.
PVDS Realignment - East End	FY13-14	330-3031-461-73-00	458,672	-	458,672	458,672	This is an interim project to address the S-curve at the east end of the landslide area roadway. The project has been delayed by the need to perform an environmental study.
PVDS Realignment - Design Full Length	FY13-14	330-3031-461-73-00	272,485	8,063	264,422	264,422	Project design has begun, and is expected to be completed January 2016. Construction of the realignment is currently planned for FY18-19 (per the 2015 Capital Improvement Plan).
Pavement Management Plan Update	FY11-12	330-3031-461-32-00	69,600	-	69,600	69,600	The update is currently being finalized. The consultant will facilitate integration of the updated Pavement Management System to the City's GIS, to be completed by June 2016.
Eastview Dog Park	FY14-15	330-3033-461-73-00	50,000	-	50,000	50,000	This project was delayed due to competing priorities. The design and construction should be completed in FY15-16, pending the Parks Use Master Plan.

PROPOSED CONTINUING APPROPRIATIONS FROM FY14-15 TO FY15-16							
Program	First Appropriated	Account	Budget	Spent	Available	Request	Description
Ladera Linda Master Plan	FY11-12	330-3033-461-32-00	100,000	6,278	93,722	93,722	Staff expects to advertise bids in October 2015 for preparation of the Ladera Linda Master Plan.
Lower Hesse Park Improvements	FY14-15	330-3033-461-73-00	500,000	12,425	487,575	487,575	Public review of the project is still in process. Construction of the improvements is scheduled for spring 2016.
PVIC Building Sign & Screening Wall	FY14-15	330-3033-461-73-00	110,000	-	110,000	110,000	Due to competing priorities, the project was delayed. Design and construction can be completed in FY15-16.
Sunnyside Segment Trail	FY14-15	330-3033-461-73-00	465,000	68,564	396,436	396,436	The project was not completed in FY14-15 due to additional citizen engagement efforts. The project can be completed in FY15-16.
Americans with Disabilities Act (ADA) Transition Plan Projects	FY13-14 & FY14-15	330-3036-461-73-00	707,336	97,199	610,137	610,137	The first phase of the project has been completed, and the second phase is currently in design. Project completion is expected in FY15-16.
John C. McTaggart Memorial Hall & City Council Chambers Improvements	FY13-14	330-3036-461-73-00	225,556	131,314	94,242	94,242	Much of the project was completed in FY14-15. Installation of new broadcast equipment will be completed in FY15-16.
Hesse Park & Ryan Park Fiber Optic Cabling	FY14-15	330-3036-461-73-00	320,000	-	320,000	320,000	Staff is currently working on project planning, and anticipates that additional funding will be required to complete construction during FY15-16. A report to City Council is forthcoming for this project.
RPVtv Building Improvements	FY13-14 & FY14-15	330-3036-461-73-00	141,416	46,621	94,795	94,795	Restroom improvements have been completed. Design for the remainder of improvements will be completed in September 2015, with construction to begin shortly thereafter. Project completion is expected spring 2016.
Recognition Wall of Honor	FY13-14	330-3036-461-73-00	40,000	-	40,000	40,000	Due to competing priorities, the project was delayed. Design and construction can be completed in FY15-16.
Drainage Area Monitoring System	FY13-14 & FY14-15	330-3037-461-73-00	500,000	-	500,000	50,000	Staff is requesting a carryover of only \$50,000 of this appropriation to design the project. Once the design is completed, Staff will present a recommendation to City Council to re-budget the project in a future year. There have been delays associated with state reviews of the Enhanced Watershed Management Program; however, Staff expects to complete the design work in FY15-16.
<b>SUBTOTAL CIP FUND</b>						<b>\$ 12,612,753</b>	
Storm Drain System - Design of Point Repairs	FY14-15	501-3052-431-32-00	150,000	-	150,000	150,000	Design work is underway, and should be completed by the end of the year.
Altamira Canyon Drainage - Project Study Report	FY14-15	501-3052-431-32-00	500,000	-	500,000	500,000	An RFP has been issued for a design firm. Staff expects to present a recommendation to City Council by the end of 2015.

PROPOSED CONTINUING APPROPRIATIONS FROM FY14-15 TO FY15-16							
Program	First Appropriated	Account	Budget	Spent	Available	Request	Description
Marguerite Open Channel Erosion & Other PVDS Drainage Improvements East of Barkentine	FY13-14	501-3052-431-73-00	776,685	16,345	760,340	760,340	Due to competing priorities, the project was delayed. The project can be completed in FY15-16.
PVDS Drainage Improvements at Sacred Cove	FY14-15	501-3052-431-73-00	450,000	-	450,000	450,000	The project scope has changed, and now requires geotechnical engineering to determine if placing lightweight fill in the roadway will be detrimental to the landslide. Construction is scheduled for completion in spring 2016.
Roan Drainage System (Via Colinita & Vickery Canyon)	FY11-12	501-3052-431-73-00	231,095	-	231,095	231,095	The design for this project was completed in FY13-14. Competing priorities have impacted delivery. Construction is scheduled to begin in fall 2015, with completion by December 2015.
Storm Drain Lining	FY13-14 & FY14-15	501-3052-431-73-00	799,470	-	799,470	799,470	The project was postponed to be combined with the FY15-16 appropriation, for a more cost-effective project (economies of scale). The project can be completed in FY15-16.
<b>SUBTOTAL WATER QUALITY FLOOD PROTECTION (STORM DRAIN) FUND</b>						<b>\$ 2,890,905</b>	
Traffic Signal Battery Back-Up	FY11-12	202-3004-431-73-00	90,000	-	90,000	90,000	This project has been combined with the Hawthorne Blvd Traffic Signal Synchronization project to minimize the impact on the community. The \$90,000 appropriation is for all traffic signals in the City, which will be done in conjunction with the Hawthorne Blvd project. The project is in the design phase, and is expected to begin fall 2015, with completion in April 2016 (after completion of the Synchronization project in January 2016).
Abalone Cove Sewer Maintenance	FY14-15	225-3025-431-43-00	132,000	88,983	43,017	43,017	This appropriation included \$50,000 requested with the FY14-15 Midyear Budget Review for replacement of grinder pumps. Staff expects to complete the replacement in FY15-16.
Donor Restricted Contributions Professional Services	FY14-15	228-5028-451-32-00	24,000	17,500	6,500	6,500	Design of the PVIC Phase II Exhibit Concept Plan was completed in August 2015. The carryover request will provide funding for work performed in July and August 2015.
CDBG - PVDW ADA Access improvements	FY14-15	310-3093-461-73-00	197,687	22,730	174,957	174,957	The project plans have been completed, and bids will be advertised in September 2015. Construction completion is expected December 2015.
CDBG - Mira Catalina ADA Access improvements	FY13-14	310-3097-461-73-00	68,190	3,440	64,750	64,750	This project is scheduled to be completed in September 2015.

PROPOSED CONTINUING APPROPRIATIONS FROM FY14-15 TO FY15-16							
Program	First Appropriated	Account	Budget	Spent	Available	Request	Description
Equipment Replacement Minor Computer Equipment	FY14-15	681-2082-499-61-00	209,500	108,032	101,468	95,000	15 Desktop replacements \$30,000, Networking Equipment \$20,000, Data Storage upgrade \$30,000, GIS layer \$10,000, and Desktop UPS devices \$5,000. These purchases were delayed due to the transition to a new IT Services provider. Purchases will be completed in FY15-16.
Equipment Replacement Capital Computer Equipment	FY09-10	681-2082-499-75-20	1,218,950	256,635	962,315	895,000	Cityworks (Public Works system) implementation \$60,000 - the purchase was approved in FY14-15, and implementation has begun. Permit & Planning system \$285,000 - the RFP will be released in fall 2015, with a contract recommendation presented to City Council during FY15-16. Financial System \$550,000 - a purchase recommendation is expected to be presented during FY15-16.
<b>SUBTOTAL OTHER FUNDS</b>						<b>\$ 1,369,224</b>	
<b>GRAND TOTAL CARRYOVER REQUESTS</b>						<b>\$ 17,404,647</b>	

<b>PROPOSED BUDGET ADJUSTMENTS</b>				
<b>FY14-15 &amp; FY15-16</b>				
<b>Fiscal Year</b>	<b>Description</b>	<b>Account</b>	<b>Amount</b>	<b>Justification</b>
FY14-15	State Mandated Cost Reimbursements & Vehicle License Fees	101-6000-369-20-00 101-6000-335-10-00	180,000	The state unexpectedly released funds to cities for state-mandated cost reimbursements during FY14-15 (\$162,000), as well as a residual vehicle license fee payment (\$18,000).
FY14-15	City Clerk Advertising	101-1004-411-54-00	1,000	The City Clerk's Office advertised more Committee Member recruitments than anticipated during FY14-15 (e.g. Infrastructure Management Advisory Committee).
FY14-15	RPVtv Professional Services	101-1006-411-32-00	12,000	Additional professional service hours were necessary to meet service level demands during FY14-15.
FY14-15	Sheriff Professional Services	101-1021-421-32-00	39,000	The FY14-15 Sheriff contract approved by City Council on June 17, 2014 was \$4,334,281. This included a liability trust fund contribution of \$166,703; which was based on 4% of the contract. Effective January 1, 2015, the liability trust fund contribution increased to 5%, bringing the total contract to \$4,355,119. Actual billings were \$4,345,828. The original budget estimate of \$4,306,900 was not increased for the actual contract cost. Staff requests an adjustment accordingly.
FY14-15	Public Safety Special Programs Professional Services	101-1024-421-32-00	10,000	The FY14-15 budget, in error, did not include an allocation for School Crossing Guards. The FY15-16 budget has been corrected, and includes the \$10,000 allocation necessary to fund this program. A year-end adjustment is requested to fund the FY14-15 services.

<b>PROPOSED BUDGET ADJUSTMENTS</b>				
<b>FY14-15 &amp; FY15-16</b>				
<b>Fiscal Year</b>	<b>Description</b>	<b>Account</b>	<b>Amount</b>	<b>Justification</b>
FY14-15	Finance Part-Time Wages, Over-Time Wages, and Professional Services	101-2020-411-XX-00	23,000	Due to staffing vacancies, additional part-time help was used to support routine accounting processes. Staff was also required to work overtime to keep up with deadlines. Finally, temporary professional accounting services were utilized for 4 months. At Midyear, the budget was reduced to claim staff vacancy savings, which did not take into account the additional costs necessary to keep up with the workload.
FY14-15	Finance Professional Services	101-2020-411-32-00	2,550	Due to new financial reporting standards, the City ordered special reports from CalPERS to facilitate preparation of required financial statement disclosures for the employee pension plans.
FY14-15	Finance Misc Expenditures	101-2020-411-69-00	10,000	The City's customers have increased use of credit cards to pay for permits and other transactions, resulting in merchant credit card processing fees in excess of budget.
FY14-15	Public Works Minor Equipment	101-3001-431-61-00	2,000	Due to staffing turnover, additional equipment and furniture was purchased to facilitate re-organization of work space.
FY14-15	Planning Full-Time Wages	101-4001-441-11-00	(6,000)	Staffing changes resulted in a shift of full-time wage allocations from the Planning Program to the View Restoration Program. This adjustment simply shifts budgeted funding from one program to another, with no net fiscal impact.
FY14-15	View Restoration Full-Time Wages	101-4004-441-11-00	6,000	See above.
<b>NET FY14-15 IMPACT TO GENERAL FUND RESERVE</b>			<b>80,450</b>	

<b>PROPOSED BUDGET ADJUSTMENTS</b>				
<b>FY14-15 &amp; FY15-16</b>				
<b>Fiscal Year</b>	<b>Description</b>	<b>Account</b>	<b>Amount</b>	<b>Justification</b>
FY14-15	Utility User Tax (UUT) Revenue	101-6000-315-XX-00	120,167	As reported previously, there was a period during which the City's telecommunications providers continued to collect UUT until the transition in their billing systems was complete. Staff requests an adjustment to add this additional revenue to the UUT Claim Account.
FY14-15	Misc Expenditures for Telecommunications UUT Claims & Administration	101-6000-411-69-00	190,467	A total of \$713,468 has been set-aside in the General Fund for UUT Claims (\$593,301 set aside for FY13-14, plus \$120,167 collected during FY14-15). During FY14-15, claims administration expense of \$72,961 (capped at \$80,000 per the City Council approved contract), and \$3,570 of language translation costs were incurred. In addition, \$113,936 of refunds were distributed. Staff requests an adjustment to provide for FY14-15 expenditure of the funds set aside. Once the final claims distribution is made in FY15-16, staff will request a FY15-16 adjustment for the additional disbursement from the UUT Claim Account.
<b>NET FY14-15 IMPACT TO UUT CLAIM ACCOUNT</b>			<b>(70,300)</b>	
FY14-15	Vehicle Maintenance Expense	681-3081-499-43-00	5,000	The City's fleet of vehicles required more maintenance than anticipated.
FY14-15	Transfer Building Replacement Fund Balance to CIP	686-3086-491-91-00	940,000	As directed by City Council during the 2015 budget process, the Building Replacement Fund will be closed and the fund balance transferred to the CIP Reserve. This adjustment provides for the fiscal year-end transfer between funds.
FY14-15	Transfer Building Replacement Fund Balance to CIP	330-3030-391-10-00	940,000	See above.

<b>PROPOSED BUDGET ADJUSTMENTS</b>				
<b>FY14-15 &amp; FY15-16</b>				
<b>Fiscal Year</b>	<b>Description</b>	<b>Account</b>	<b>Amount</b>	<b>Justification</b>
FY14-15	Transfer amount equal to Transient Occupancy Tax to CIP	101-6000-491-91-00	140,000	Actual FY14-15 TOT revenue was \$4.8 million, compared to the budgeted amount of \$4.7 million. The adjustment will allow for a transfer of the full amount of TOT received for FY14-15.
FY14-15	Transfer amount equal to Transient Occupancy Tax to CIP	330-3030-391-10-00	140,000	See above.
FY14-15	Transfer Proposition C to CIP for PVDE Improvements	215-3015-491-91-00	271,976	Additional Proposition C funding is available for the PVDE arterial rehabilitation project. This adjustment will allow for the additional transfer before the FY14-15 books are closed.
FY14-15	Transfer Proposition C to CIP for PVDE Improvements	330-3031-391-10-00	271,976	See above.
<b>NET FY14-15 IMPACT OF OTHER FUND ADJUSTMENTS</b>			<b>(5,000)</b>	
FY15-16	RPVtv Professional Services	101-1006-411-32-00	97,100	As part of the 2015 budget process, the RPVtv program went through numerous revisions to provide additional staff hours for increased service, as well as changes in hourly rates. As a result of the revisions, an error was made, and the final adopted FY15-16 budget for professional services was insufficient. In addition, the budget anticipated continuation of part-time employee staffing; which has since been shifted to consulting services. The net appropriation increase due to these corrections is \$69,380. The FY15-16 revised program budget will be \$213,700 (\$144,320 adopted + \$69,380 requested). As a comparison, total FY14-15 actual program expenditures were \$180,445.
FY15-16	RPVtv Part-Time Wages	101-1006-411-12-00	(25,750)	See above.
FY15-16	RPVtv Part-Time Benefits	101-1006-411-29-00	(1,970)	See above.
<b>NET FY15-16 IMPACT TO GENERAL FUND</b>			<b>(69,380)</b>	

<b>PROPOSED BUDGET ADJUSTMENTS</b>				
<b>FY14-15 &amp; FY15-16</b>				
<b>Fiscal Year</b>	<b>Description</b>	<b>Account</b>	<b>Amount</b>	<b>Justification</b>
				Purchase of a Cargo Trailer, as a portable public outreach station for the Recreation & Parks Department, was originally budgeted in FY14-15 for \$10,000. However, the program budget was consumed with additional vehicle maintenance, as well as equipment necessary to outfit the new truck purchased by Public Works. Staff requests to re-budget the purchase of the Cargo Trailer in FY15-16, with a more realistic estimate based on initial bidding results. The trailer will also be used for supply storage, for the monthly volunteer events.
FY15-16	Vehicle Purchases	681-3081-499-76-00	15,000	
<b>NET FY15-16 IMPACT OF OTHER FUND ADJUSTMENTS</b>			<b>(15,000)</b>	

**RESOLUTION NO. 2015 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2014-41, THE BUDGET APPROPRIATION FOR FY14-15, TO REDUCE THE BUDGET FOR THE APPROVED CONTINUING APPROPRIATIONS**

WHEREAS, Section 3.32 of the Rancho Palos Verdes Municipal Code provides that all expenditures in excess of budgeted allocations must be by supplemental appropriation of the City Council: and

WHEREAS, on June 17, 2014, the City Council of the City of Rancho Palos Verdes adopted Resolution 2014-41, approving a spending plan and appropriating the budget for FY14-15: and

WHEREAS, certain projects included in the FY14-15 budget will be carried over as continuing appropriations to FY15-16; and

WHEREAS, the City Council desires that the FY14-15 budget be reduced for each of the continuing appropriations carried over to FY15-16.

BE IT, THEREFORE, RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES:

The following adjustments are made to the FY14-15 budget:

Decrease the General Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
City Manager Professional Services	101-1002-411-32-00	\$ 20,000
City Manager Land Purchase	101-1002-411-71-00	102,777
Animal Control Professional Services	101-1025-421-32-00	30,335
Emergency Preparedness Professional Services	101-1026-421-32-00	33,000
Information Technology Minor Equipment	101-2030-411-61-00	23,000
Telephone Maintenance	101-2035-411-43-00	10,000
Traffic Management Professional Services	101-3006-431-32-00	15,000
Storm Water Quality Professional Services	101-3007-431-32-00	50,000
Sewer Maintenance Professional Services	101-3026-431-32-00	35,000
Planning Professional Services	101-4001-441-32-00	55,500
Planning Printing	101-4001-441-55-00	20,000
Building & Safety Professional Services	101-4002-441-32-00	62,100
Natural Communities Conservation Plan (NCCP) Pro Services	101-4005-441-32-00	75,053

Decrease the Street Maintenance Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Traffic Signal Improvements	202-3004-431-73-00	90,000

Decrease the Abalone Cove Sewer District Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Abalone Cove Sewer Maintenance	225-3025-431-43-00	43,017

Decrease the Donor Restricted Contributions Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Donor Restricted Contributions Professional Services	228-5028-451-32-00	6,500

Decrease the Community Development Block Grant Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
CDBG ADA Improvements	310-3093-461-73-00	174,957
CDBG ADA Improvements	310-3097-461-73-00	64,750

Decrease the Capital Improvement Projects Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Infrastructure Admin Improvements	330-3030-461-73-00	85,000
Landslide Improvements	330-3043-461-73-00	360,000
Street Improvements Pro Services	330-3031-461-32-00	69,600
Street Improvements	330-3031-461-73-00	9,751,246
Park Improvements Pro Services	330-3033-461-32-00	93,722
Park Improvements	330-3033-461-73-00	1,044,011
Building Improvements	330-3036-461-73-00	1,159,174
Water Quality Improvements	330-3037-461-73-00	50,000

Decrease the Water Quality Flood Protection (WQFP) Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Water Quality Flood Protection Pro Services	501-3052-431-32-00	650,000
Water Quality Flood Protection Improvements	501-3052-431-73-00	2,240,905

Decrease the Equipment Replacement Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Equipment Replacement Minor Computer Equipment	681-2082-499-61-00	95,000
Equipment Replacement Capital Computer Equipment	681-2082-499-75-20	895,000

PASSED, APPROVED, AND ADOPTED THE 15<sup>th</sup> DAY OF SEPTEMBER 2015.

ATTEST:

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MAYOR

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CITY CLERK

State of California                    )  
County of Los Angeles               )ss  
City of Rancho Palos Verdes        )

I, CARLA MORREALE, City Clerk of The City of Rancho Palos Verdes, hereby certify that the above Resolution No. 2015-    was duly and regularly passed and adopted by the said City Council at regular meeting thereof held on September 15, 2015.

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CITY CLERK  
CITY OF RANCHO PALOS VERDES

**RESOLUTION NO. 2015 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2015-47, THE BUDGET APPROPRIATION FOR FY15-16, TO INCREASE THE BUDGET FOR THE APPROVED CONTINUING APPROPRIATIONS**

WHEREAS, Section 3.32 of the Rancho Palos Verdes Municipal Code provides that all expenditures in excess of budgeted allocations must be by supplemental appropriation of the City Council: and

WHEREAS, on June 16, 2015, the City Council of the City of Rancho Palos Verdes adopted Resolution 2015-47, approving a spending plan and appropriating a budget for FY15-16: and

WHEREAS, certain projects included in the FY14-15 budget will be carried over as continuing appropriations to FY15-16; and

WHEREAS, the City Council desires that the FY15-16 budget be increased for each of the continuing appropriations carried over from FY14-15.

BE IT, THEREFORE, RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES:

The following adjustments are made to the FY15-16 budget:

Increase the General Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
City Manager Professional Services	101-1002-411-32-00	\$ 20,000
City Manager Land Purchase	101-1002-411-71-00	102,777
Animal Control Professional Services	101-1025-421-32-00	30,335
Emergency Preparedness Professional Services	101-1026-421-32-00	33,000
Information Technology Minor Equipment	101-2030-411-61-00	23,000
Telephone Maintenance	101-2035-411-43-00	10,000
Traffic Management Professional Services	101-3006-431-32-00	15,000
Storm Water Quality Professional Services	101-3007-431-32-00	50,000
Sewer Maintenance Professional Services	101-3026-431-32-00	35,000
Planning Professional Services	101-4001-441-32-00	55,500
Planning Printing	101-4001-441-55-00	20,000
Building & Safety Professional Services	101-4002-441-32-00	62,100
Natural Communities Conservation Plan (NCCP) Pro Services	101-4005-441-32-00	75,053

Increase the Street Maintenance Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Traffic Signal Improvements	202-3004-431-73-00	90,000

Increase the Abalone Cove Sewer District Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Abalone Cove Sewer Maintenance	225-3025-431-43-00	43,017

Increase the Donor Restricted Contributions Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Donor Restricted Contributions Professional Services	228-5028-451-32-00	6,500

Increase the Community Development Block Grant Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
CDBG ADA Improvements	310-3093-461-73-00	174,957
CDBG ADA Improvements	310-3097-461-73-00	64,750

Increase the Capital Improvement Projects Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Infrastructure Admin Improvements	330-3030-461-73-00	85,000
Landslide Improvements	330-3043-461-73-00	360,000
Street Improvements Pro Services	330-3031-461-32-00	69,600
Street Improvements	330-3031-461-73-00	9,751,246
Park Improvements Pro Services	330-3033-461-32-00	93,722
Park Improvements	330-3033-461-73-00	1,044,011
Building Improvements	330-3036-461-73-00	1,159,174
Water Quality Improvements	330-3037-461-73-00	50,000

Increase the Water Quality Flood Protection (WQFP) Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Water Quality Flood Protection Pro Services	501-3052-431-32-00	650,000
Water Quality Flood Protection Improvements	501-3052-431-73-00	2,240,905

Increase the Equipment Replacement Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Request</b>
Equipment Replacement Minor Computer Equipment	681-2082-499-61-00	95,000
Equipment Replacement Capital Computer Equipment	681-2082-499-75-20	895,000

PASSED, APPROVED, AND ADOPTED THE 15<sup>th</sup> DAY OF SEPTEMBER 2015.

ATTEST:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK

State of California                    )  
County of Los Angeles            )ss  
City of Rancho Palos Verdes        )

I, CARLA MORREALE, City Clerk of The City of Rancho Palos Verdes, hereby certify that the above Resolution No. 2015-    was duly and regularly passed and adopted by the said City Council at regular meeting thereof held on September 15, 2015.

\_\_\_\_\_  
CITY CLERK  
CITY OF RANCHO PALOS VERDES

**RESOLUTION NO. 2015 -**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2014-41, THE BUDGET APPROPRIATION FOR FY14-15, TO ADJUST THE BUDGET IN VARIOUS FUNDS OF THE CITY**

WHEREAS, Section 3.32 of the Rancho Palos Verdes Municipal Code provides that all expenditures in excess of budgeted allocations must be by supplemental appropriation of the City Council: and

WHEREAS, on June 17, 2014, the City Council of the City of Rancho Palos Verdes adopted Resolution 2014-41, approving a spending plan and authorizing a budget appropriation for FY14-15: and

WHEREAS, certain programs included in the FY14-15 budget will have revenue and expenditures which vary from the adjusted budget; and

WHEREAS, the City Council desires that the FY14-15 budget be adjusted for each of these programs to assure budgetary compliance.

BE IT, THEREFORE, RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES:

The following adjustments are made to the FY14-15 budget:

Adjust the General Fund Revenue budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Amount</b>
State Mandated Cost Reimbursements	101-6000-369-20-00	162,000
Vehicle License Fees	101-6000-335-10-00	18,000
Utility User Tax (UUT) Revenue	101-6000-315-XX-00	120,167

Adjust the General Fund Expenditure budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Amount</b>
City Clerk Advertising	101-1004-411-54-00	1,000
RPVtv Professional Services	101-1006-411-32-00	12,000
Sheriff Professional Services	101-1021-421-32-00	39,000
Public Safety Special Programs Professional Services	101-1024-421-32-00	10,000
Finance Part-Time Wages, Over-Time Wages, & Pro Services	101-2020-411-XX-00	23,000
Finance Professional Services	101-2020-411-32-00	2,550
Finance Misc Expenditures	101-2020-411-69-00	10,000
Public Works Minor Equipment	101-3001-431-61-00	2,000
Planning Full-Time Wages	101-4001-441-11-00	(6,000)
View Restoration Full-Time Wages	101-4004-441-11-00	6,000
Misc Exp for TelecommUUT Claims & Admin	101-6000-411-69-00	190,467

Adjust the General Fund Transfers budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Amount</b>
Transfer amount equal to Transient Occupancy Tax to CIP	101-6000-491-91-00	140,000

Adjust the Proposition C Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Amount</b>
Transfer Proposition C to CIP for PVDE Improvements	215-3015-491-91-00	271,976

Adjust the Capital Improvement Projects Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Amount</b>
Transfer Building Replacement Fund Balance to CIP	330-3030-391-10-00	940,000
Transfer amount equal to Transient Occupancy Tax to CIP	330-3030-391-10-00	140,000
Transfer Proposition C to CIP for PVDE Improvements	330-3031-391-10-00	271,976

Adjust the Equipment Replacement Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Amount</b>
Vehicle Maintenance Expense	681-3081-499-43-00	5,000

Adjust the Building Replacement Fund budget as follows:

<b>Account Description</b>	<b>Account Number</b>	<b>Amount</b>
Transfer Building Replacement Fund Balance to CIP	686-3086-491-91-00	940,000

PASSED, APPROVED, AND ADOPTED THE 15<sup>th</sup> DAY OF SEPTEMBER 2015.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

State of California                    )  
County of Los Angeles                )ss  
City of Rancho Palos Verdes         )

I, CARLA MORREALE, City Clerk of The City of Rancho Palos Verdes, hereby certify that the above Resolution No. 2015-    was duly and regularly passed and adopted by the said City Council at regular meeting thereof held on September 15, 2015.

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CITY CLERK  
CITY OF RANCHO PALOS VERDES

RESOLUTION NO. 2015 -

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES, AMENDING RESOLUTION 2015-47, THE BUDGET APPROPRIATION FOR FY15-16, TO ADJUST THE BUDGET IN VARIOUS FUNDS OF THE CITY**

WHEREAS, Section 3.32 of the Rancho Palos Verdes Municipal Code provides that all expenditures in excess of budgeted allocations must be by supplemental appropriation of the City Council: and

WHEREAS, on June 16, 2015, the City Council of the City of Rancho Palos Verdes adopted Resolution 2015-47, approving a spending plan and authorizing a budget appropriation for FY15-16: and

WHEREAS, certain programs included in the FY15-16 budget will have expenditures which vary from the adjusted budget; and

WHEREAS, the City Council desires that the FY15-16 budget be adjusted for each of these programs to assure budgetary compliance.

BE IT, THEREFORE, RESOLVED BY THE CITY COUNCIL OF THE CITY OF RANCHO PALOS VERDES:

The following adjustments are made to the FY15-16 budget:

Adjust the General Fund Expenditure budget as follows:

Account Description	Account Number	Amount
RPVtv Professional Services	101-1006-411-32-00	97,100
RPVtv Part-Time Wages	101-1006-411-12-00	(25,750)
RPVtv Part-Time Benefits	101-1006-411-29-00	(1,970)

Adjust the Equipment Replacement Fund budget as follows:

Account Description	Account Number	Amount
Vehicle Purchases	681-3081-499-76-00	15,000

PASSED, APPROVED, AND ADOPTED THE 15<sup>th</sup> DAY OF SEPTEMBER 2015.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

State of California )

County of Los Angeles )ss  
City of Rancho Palos Verdes )

I, CARLA MORREALE, City Clerk of The City of Rancho Palos Verdes, hereby certify that the above Resolution No. 2015- was duly and regularly passed and adopted by the said City Council at regular meeting thereof held on September 15, 2015.

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CITY CLERK  
CITY OF RANCHO PALOS VERDES