City of El Segundo

Strategic Planning Session – June 26, 2014

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Follow-up Items

- Workers' Compensation Costs
- PERS Rate Update

Policy Decisions

- Fund Policy Economic Uncertainty
- Earthquake Insurance
- Capital Improvement Funding
- Program Reduction Options

Budget Update

- Fund Balance Reserve FY 2013-2014
- FY 2014-2015 Estimates Updated since last SPS
- Three Year Forecast Updated since last SPS
- OPEB Update Projected funded status at yearend

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Workers' Compensation Fund

- Staff performed further analysis to ensure adequate funding
 - Reviewed statistics, assumptions and methodology used with Third-Party Administrator and Actuary

Workers' Compensation Fund

- Collects charges from other departments to support:
 - olnsurance premium costs
 - o Claims administrator fee costs
 - Actuarially determined costs (estimates):
 - Workers' Compensation claim current costs
 - Long-term costs

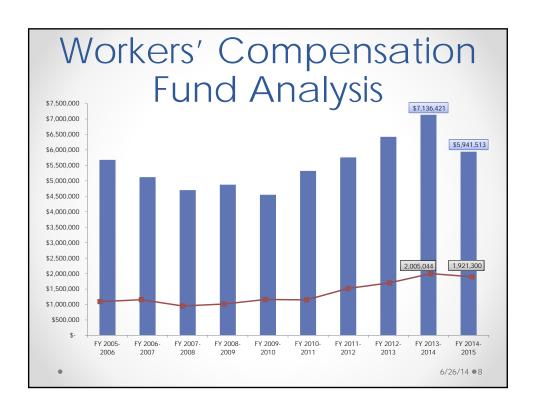
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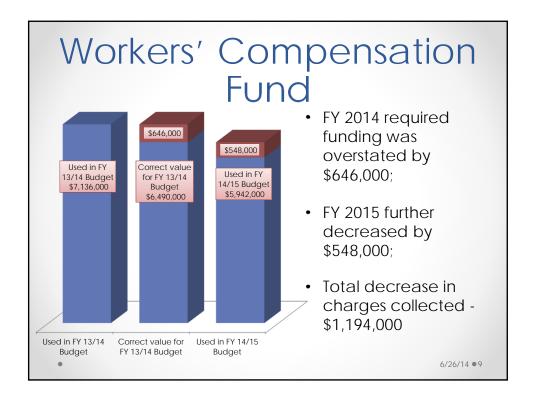
Workers' Compensation Fund

- Actuarially determined costs annually(estimates):
 - Workers' Compensation claim current costs – payments to be made arising out of a workers' compensation claim made in the current year
 - Long-term costs the projected present value of future claims payments.
 - Annual Actuarial Report is used to budget for charges to departments

Workers' Compensation Fund

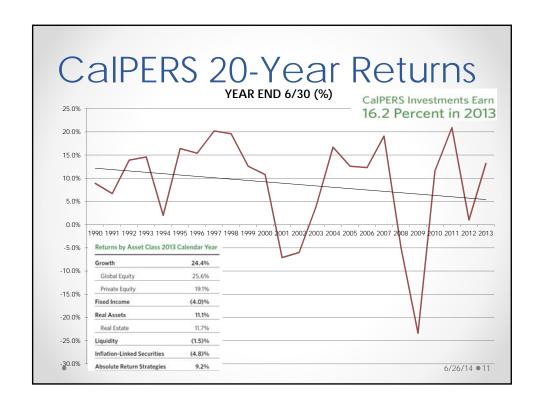
- Annual Actuarial Report is used to budget for charges to departments; City uses two components:
 - Estimated Fund Balance to cover all outstanding claims
 - o Projected 14-15 claim costs

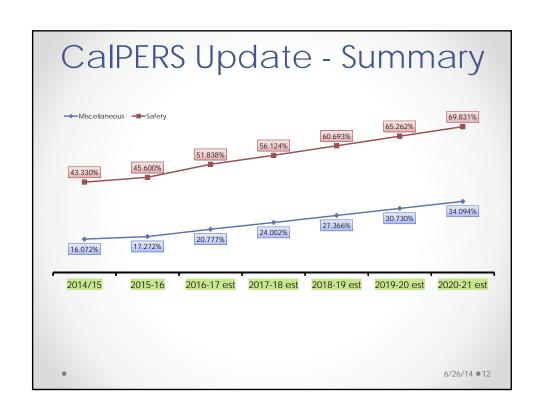




Workers' Compensation Fund Summary

- 2014-15 Funding Level is more in line with historical averages
- Fund reserves set at 70% confidence level, \$475,000 higher than recommended level.





Economic Uncertainty Fund Policy

Proposal - Revenue Shortfall Designation

Revenue instability for 5 core revenues*

- Sales and Use Tax
- Sales Tax in lieu
- Franchise Fees
- Gas Utility User Tax
- Electric Utility User Tax

*Net of Chevron

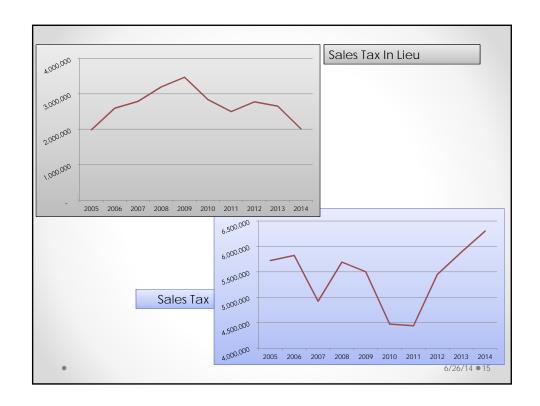
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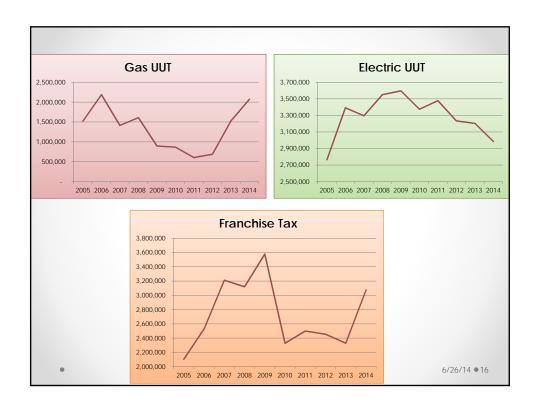
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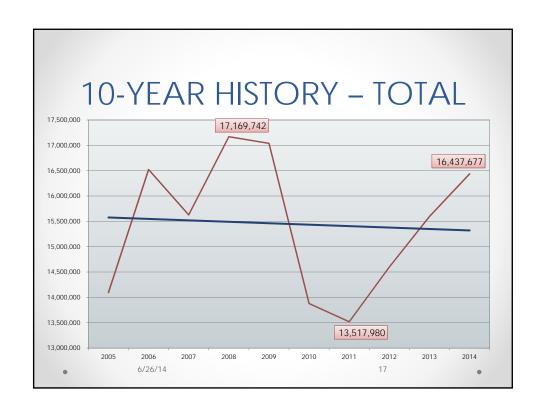
Economic Uncertainty Fund Policy

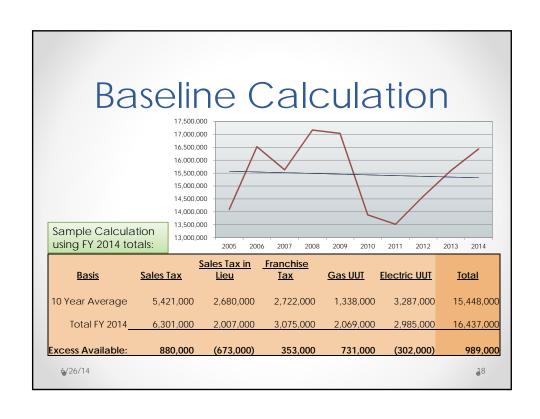
- City is dependent on these revenue streams
 - Budgets are developed assuming these revenues will cover fixed costs into the future
- Extremely volatile
 - Not driven just by the economy
 - Commodity pricing
 - Supply and demand
 - Revenues misallocated to the City (Sales Tax)

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Economic Uncertainty Fund Policy Proposal

- Use as the baseline the 10-year rolling average FOR THE AGGREGATE OF THE 5 REVENUE CATEGORIES
- Staff proposes the following:
 - At the end of each fiscal year, transfer the excess of the revenue total and the baseline to the Economic Uncertainty Fund.
 - Phased in over 4 years, minimum deposit of \$500,000 each year
 - Thresholds:
 - Minimum set at \$1,500,000
 - Maximum set at \$2,000,000
 - Anything in excess of the \$2 million goes into Undesignated Reserves in Economic Uncertainty

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Earthquake Insurance

- The City does not currently purchase earthquake insurance.
- The City's insurance risk pool does offer an option to purchase at a group rate
- The City does have a policy covering property, but earthquake damage is excluded
- Estimate: \$300,000

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FY 2014-2015 General Fund Assumptions - Revenues

COMPARED TO FY 2013-2014 YEAREND ESTIMATES

- * Business License Tax -2% Growth due to annual CPI change and anticipated reduction of sales and use tax credits which result in a higher Business License Tax
- * Property Tax Current projection is flat based on pending reassessment appeals
- * Transient Occupancy Tax (TOT) -1.57% growth due to an increase in rates and occupancy.
- * Sales Tax –13% increase from 2014 estimated yearend; This category is projected to rebound in FY 2015 due to two major reasons:
 - * The end to two misallocations approximating \$700,000 that reduced FY 2014 sales tax revenue
 - * An increase of \$543,000 due to the strengthening sales statewide as well as locally
- * Charges for Services –1.85% increase from yearend estimates, due to forecasted decrease in demand for permits/inspections
- * Interest on Investments -3% decrease from yearend estimates primarily due to low Federal Reserve Rate
- * Utility Users' Tax and Franchise Fees -3.5% increase from yearend estimates.
- * All other revenues remain flat or have very little growth compared to yearend estimates.

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FY 2014-2015 General Fund Assumptions - Expenditures

- *Salaries increase of \$642,000 due to:
 - *Expiring Concessions \$292,800
 - *Increase in Overtime \$100,000
 - *Increase in Special compensations and steps-\$249,200
- *California Public Employees' Retirement System(CalPERS) Rate Increases – \$822,000 increase in the discount rate, going from 7.75% return to 7.5%. This impacts both rates, safety and nonsafety:
 - *Safety Rate Increase: \$762,000
 - *Misc Group Rate Increase: \$60,000
- *Increases to CalPERS costs due to Expiring Concessions \$730,000

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FY 2014-2015 General Fund Assumptions

- * Health Benefits \$400,000 Increase
- * OPEB \$400,000 Increase
- * Non-Personnel Costs Total increase of \$297,000
 - * Equipment Replacement Charge -10% increase \$142,000.
 - * Increase in Utility Fees -3% increase \$32,000
 - * Contractual Services & Professional/Technical Increase of \$123,000
- st All other Nonpersonnel Costs, such as Meetings & Travel, Training & Education, Supplies and Services have not been increased.
- * ESUSD Funding -
 - * \$250,000 Cash Contribution
 - * \$ 80,000 Crossing Guard Services

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Fund Balance Reserve

Available Fund Balance: \$ 11,401,500 FY 13/14 Estimated Revenues: \$ 59,118,000 FY 13/14 Estimated Expenditures: 59,418,000 9/30/14 Projected Deficit: (300,000)

9/30/14 Unreserved, Undesign. Fund Bal.: 11,101,500

Fund Balance Reserve Funded Level: Projected Expenditures 9/30/15: 61,637,800 **Required Reserve:** 10,478,400

Over (Under) Reserve: 623,100

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17%

Fund Balance Reserve

FY 2013-2014 Forecasted Surplus, net: \$ 623,100

FY 2014-15 Estimated Revenues: 60,500,000

FY 2014-15 Estimated Expenditures: 61,638,000

FY 2014-15 Estimated Decrease to Fund Bal.: (1,138,000)

FY 2014-2015 Estimated Shortfall: (514,900)

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Fiscal Year 2014-2015 – General Fund Preliminary Estimates

2014-2015 ESTIMATE

 REVENUES
 60,500,000

 EXPENDITURES
 61,638,000

 SURPLUS (DEFICIT)
 (1,138,000)

PRIOR YEAR FUND BALANCE

EXCESS (DEFICIT) RESERVES FROM PY: 623,100

SURPLUS/(SHORTFALL): \$ (514,900)

 Proposed Increase to Expenditures for:
 500,000

 Funding for Revenue Sensitivity
 200,000

 Funding for Equipment Replacement
 80,000

 Funding for Facilities Maintenance
 780,000

 Cumulative increase to 2013-2014 Estimate:
 \$(1,294,900)

Funding for Capital Projects

Changes to FY 2014/2015 Estimates

REVENUES EXPENDITURES SURPLUS (DEFICIT)
 2014-2015
 2014-2015
 CHANGE IN ESTIMATE

 \$57,686,000
 60,500,000
 2,814,000

 61,495,000
 61,638,000
 (143,000)

 (3,809,000)
 (1,138,000)
 2,671,000

CHANGE IN REVENUE ESTIMATES DUE TO:

Increase in Gas UUT:

Increase in Sales and Use Tax & Sales Tax in

Increase in Franchise Tax:

Increase in Business License:

Increase in TOT:

Net decrease in all other revenues:

TOTAL CHANGE IN REVENUE ESTIMATES:

20	14-2015	2014-2015	CHANGE IN
FC	DRECAST	REVISED	ESTIMATE
	110,000	1,200,000	1,090,000
	341,000	974,000	633,000
	2,000	620,000	618,000
	212,000	698,000	486,000
	26,000	333,000	307,000
	-	(320,000)	(320,000)
\$	691,000	3,506,000	2,814,000

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Three-Year Forecast Assumptions - Revenue

- Property Tax 2% increase on Secured (Source: Hdl. Companies)
- Sales Tax -
 - FY 15/16 Increase of \$375,000, or 4.7% due to Plaza El Segundo Phase 2 ("The Pointe")
 - FY 16/17 & 17/18– 1.5% Growth; no new revenues (Source: HdL Companies)
- TOT (Hotel Tax) -
 - FY 15/16 Increase of \$816,000 due to Remodeled Hacienda Hotel
 - FY 16/17 & 17/18- Projected increases of 4%; New Hotel added (Source: Hoteliers)
- Business License Tax 2% Growth (CPI Increase)
- Recreation & Parks Increase in fees
- No growth in remaining categories

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Three-Year Forecast Assumptions - Expenditures

- *Salaries increase on average \$130,000 annually due to:
 - * Normal Step/Longevity Increases \$30,000
 - *Increase in Sick/Vacation Payouts \$100,000
 - * No COLA
 - * Expiring concessions included
- *California Public Employees' Retirement System(CalPERS) Rate Increases -
 - * FY 2015-2016 \$479,500
 - * FY 2016-2017 \$600,000 (First Year of Change in Mortality Assumptions)
 - * FY 2017-2018 \$435,000 (Second Year of Change in Mortality Assumptions)
- *Health Benefits \$200,000 annual increase
- *Increase in OPEB \$200,000 annual increase
- *Workers' Compensation \$200,000 annual increase

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Three-Year Forecast Assumptions - Expenditures

- *Non-Personnel Costs Minimal Increases
 - *Equipment Replacement Charge -10% annual increase.
 - *Increase in Utility Fees -3% annual increase.
 - *Contractual Services & Professional/Technical 2% annual increase
 - *Wiseburn Pool \$300,000 annual costs beginning in FY 2015/2016
- *All other Nonpersonnel Costs, such as Meetings & Travel, Training & Education, Supplies and Services have not been increased.
- *ESUSD Funding No Change

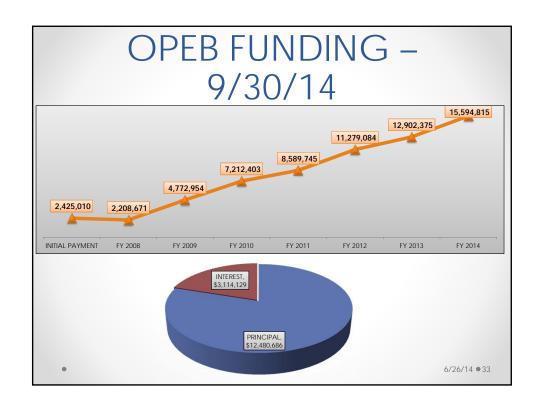
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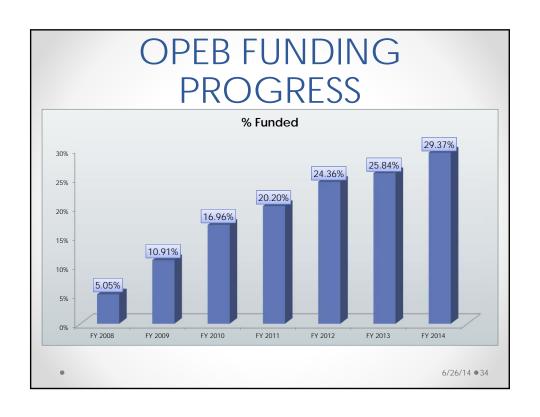
General Fund Three-Year Forecast

	2015-2016 FORECAST	2016-2017 FORECAST	2017-2018 FORECAST
REVENUES	62,195,000	64,038,000	65,430,000
EXPENDITURES	63,479,000	64,831,000	66,189,000
SURPLUS (DEFICIT)	(1,284,000)	(793,000)	(759,000)
Increase to Expenditures for: Funding for Equipment Replacement Funding for Facilities Maintenance	200,000 80,000 280,000	200,000 150,000 350,000	200,000 150,000 350,000
Increase to Transfers for: Funding for Revenue Volatility	500,000	500,000	500,000
PROJECTED DEFICIT, AS ADJUSTED:	(2,064,000)	(1,643,000)	(1,609,000)
Funding for Capital Projects			6/26/14 • 31

RETIREE HEALTH BENEFIT FUNDING (OPEB)

- Funding began September 2008
- The City elected to fund two years earlier than required by accounting standards; this decision was made due to a large unfunded liability;
- At the time, the City was only paying the current retiree portion, not setting aside funds for future retirees





Capital Update

- Council requested listing of infrastructure needs
- Staff worked on the list and prioritized them into the following four categories:
 - o <u>CATEGORY 1</u> IMMEDIATE NEEDS: Those projects that need to be addressed in the next few years
 - <u>CATEGORY 2</u> MIDTERM NEEDS: Projects needing improvements in the next 2-5 years
 - <u>CATEGORY 3</u> LONG-TERM NEEDS: Projects needing improvements in the next 5-10 years
 - <u>CATEGORY 4</u> FUTURE POTENTIAL PROJECTS: Other projects that should be addressed in the future.

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Capital Update

Project	Cost
Immediate Needs	
1. Seismically Retrofit Fire Station 1 and Install New	\$420,000
Apparatus Bay Doors	\$420,000
2. Richmond Street	\$800,000
3. Finance Software Upgrades	\$350,000
4. Sidewalk Construction/ Replacement (first 3 years)	\$1,500,000
5. Seismic Early Warning System	\$40,000
6. Fire Station Facility Upgrades	\$465,000
7. Police Department Upgrades	\$300,000
8. Library Exterior Painting	\$40,000
9. Library Technology Upgrade	\$175,000
10. New City Website	\$150,000
11. Replace Plunge Filter System*	\$800,000
Subtota	al \$5,040,000

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Capital Update Project Midterm Needs - \$15,175,000-\$23,175,000	Cost
12. Sidewalk Construction/ Replacement	\$500,000 Annually
13. Parks Facilities Upgrades	\$2,000,000 - \$10,000,000
14. El Segundo Blvd – Phase 2 (Sepulveda to Aviation)	\$2,850,000
 15. El Segundo Blvd - Phase 1 (Whiting to Sepulveda) 16. Imperial Ave (Sepulveda to Aviation) 17. Center Street Resurfacing (El Segundo to Imperial) 	\$2,500,000 \$2,250,000 \$900,000
18. Grand Ave. Resurfacing (Sepulveda Blvd. to Maryland)	\$800,000
19. Finalize City Hall Upgrades (Council Chambers and windows)	\$600,000
20. Teen Center Upgrades	\$75,000
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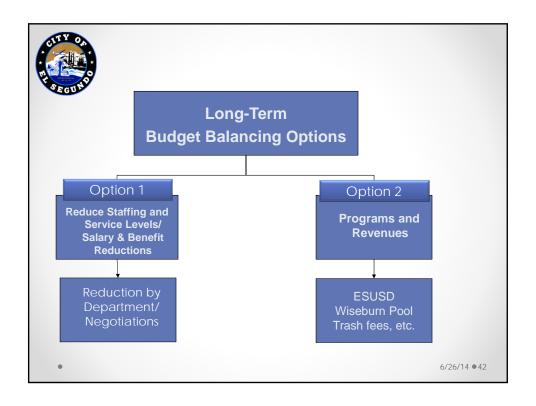
Capital Update		
Project	Cost	
Long Term Needs - \$13,295,000-13,895,000		
21. Sidewalk Construction/ Replacement	\$500,000 Annually	
22. Rebuild Playgrounds at Hilltop, Acacia, and Washington Parks	\$375,000 - \$975,000	
23. Local Streets Reconstruction	\$10,000,000	
24. Hughes Way	\$350,000	
25. Mariposa Ave. (Sepulveda to Main)	\$500,000	
26. Resurface City and Parks Facility Parking Lots	\$1,000,000	
27. Other Plunge Facility Upgrades	\$500,000	
28. Hornet Way Paving	\$70,000	
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Capital Update		
Project	Cost	
Future Needs - \$22,270,000-27,770,000		
29. Construct New Potable Water Reservoir	\$16,500,000 - \$22,000,000	
30. Develop Abandoned Water Reservoir	\$2,000,000	
31. Re-purpose Under-utilized Parks Facilities Unused Handball Court	\$200,000	
32. Circuit Training on Greenbelt	\$120,000	
33. Planning and Building Safety software and scanning project	\$600,000	
34. Bollards on Main Street and Richmond St.	\$250,000	
35. Crosswalk Lighting on Main	\$100,000	
36. Library Expansion Project – Children's Room	\$2,500,000	
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Capital Update

- Recommendation:
 - o Prioritize Capital Projects
 - o Establish funding level

General Fund Three-			
General rund miee-			
Year Forecast			
2015-2016 2016-2017 2017-20 FORECAST FORECAST FORECA			
REVENUES	62,195,000	64,038,000	65,430,000
EXPENDITURES	63,479,000	64,831,000	66,189,000
SURPLUS (DEFICIT)	(1,284,000)	(793,000)	(759,000)
Increase to Expenditures for:			
Funding for Equipment Replacement	200,000	200,000	200,000
Funding for Facilities Maintenance _	80,000	150,000	150,000
	280,000	350,000	350,000
Increase to Transfers for:			
Funding for Revenue Volatility	500,000	500,000	500,000
PROJECTED DEFICIT, AS ADJUSTED:	(2,064,000)	(1,643,000)	(1,609,000)
Funding for Capital Projects			6/26/14 ●41





OPTION 1 –Staffing and Service Level Impacts by Department FY 2014-2015

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OPTION 1 – Summary 3% Reduction by Department FY 2014-2015

City Treasurer	\$3,200
City Clerk	\$9,800
City Council	\$0
City Attorney	\$0
City Manager/IS	\$85,000
Planning & BS	\$85,700
Finance	\$57,000
Human Resources	\$23,800
Police	\$500,000
Fire	\$450,000
Public Works	\$177,500
Recreation & Parks	\$154,500
Library Services	\$92,000
TOTAL	\$1,638,500

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OPTION 1 - Staffing Reductions City Manager- \$85,000

Staff Reductions

Combine 2 Administrative positions (City Council and City Manager Assistants) into one full-time and one part-time position

Estimated Savings: \$85,000

Impacts of Staff Reductions

- Reduced public access to City Council, City Manager
- Delayed response to citizen inquiries
- Delayed scheduling of meetings and events
- Reduced internal communication and coordination

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OPTION 1 - Staffing Reductions Planning & Building Safety - \$85,700

Staff Reductions

Reduce Contractual Services - \$85,700

Impacts of Staff Reductions

- Reduction in professional/technical funding will mean:
 - More large scale development projects will be reviewed/managed by in-house staff instead of consultants
 - Re-organizing staffing levels at the counter; will reduce counter hours for professional staff (engineers and planners)
 - Inability to contract out for special studies (i.e. traffic and parking)

OPTION 1 - Staffing Reductions Finance Department - \$57,000

Staff Reductions

- Accounting Technician Position backfilled with Part-Time
- Estimated Savings \$57,000

Impacts of Staff Reductions

- Minimal staffing to serve the public counter assisting customers paying water utility bills, opening and closing. Calculating and processing business licenses (renewals and new accounts), accounts receivable billing and coordinating the collection process for uncollectible revenues.
- Reduced ability to mine for unlicensed businesses using state programs
- Reduced ability to process accounts receivable in a timely manner
- Reduced ability to monitor the monthly aging report

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OPTION 1 - Staffing Reductions Human Resource Department - \$23,800

Staff Reductions

Reduce City Receptionist service hours:

Office Specialist I, Hourly, part-time staff \$17,700 *

Nonpersonnel Reductions

Advertising/Publishing (2506-6201)
 Training and Education (2506-6223)
 Testing/Recruitment (2506-6262)
 TOTAL
 \$2,000
 \$1,100
 \$3,000
 \$23,800

*Wages represent 280 hours at Step A (\$17.11) and 720 hours at Step B (\$17.97)

Impacts of Staff Reductions

 City Hall Receptionist and mail room operations will continue to be staffed in the morning hours only, Monday-Thursday.
 Automated attendant will be used in the afternoon to direct incoming calls.

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OPTION 1 - Staffing Reductions Police Department - \$439,000-500,000

Reduce staffing by 2 sworn positions (Officers)

•	Police Officer (anticipated retirement)	\$201,600
•	Police Officer (resigned/will not fill)	\$157,800
•	Eliminate part-time Background Investigators	\$50,600
•	Police Service Officer, part-time HNB	<u>\$29,000</u>
To	otal Savings(range)\$439,000 to \$500,000	\$439,000

^{**} Reduce staffing by 2 sworn positions

(one officer and one sergeant) total savings - \$500,000

Impacts of Staff Reductions

Reduction in service, loss of supervision, higher risk management, minimal patrol staffing, reduction in task force participation, overtime increase, lateral assignment reduction

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OPTION 1 - Staffing Reductions Fire Department - \$350,000-450,000

Run Short Up to 3 Suppression Positions Daily -

Impacts of Staff Reductions:

- Overall fire suppression staffing reduced from 14 per day to 11, over a 42% reduction from long standing staffing level of 19.
- Transportation of patients by private ambulance more frequently.
- Reduced revenues generated from paramedic transport billing due to less ESFD transports.
- Transportation of patients to the most accessible receiving hospital more frequently.

OPTION 1 - Staffing Reductions Fire Department - \$350,000-450,000

Fire Department: Run Short Up to 3 Suppression Positions Daily - \$350K-\$450K in Budget Savings

Impacts of Staff Reductions:

- Reduced capability of handling simultaneous incidents.
- Reduced personnel to provide emergency assistance at individual incidents.
- Delays in emergency response.
- Reduced ability to handle large scale incidents.
- Increased reliance on mutual aid.
- Reduced capability to perform fire prevention inspections.

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OPTION 1 – Staffing/Service Reductions Public Works - \$177,500

Staff Reductions

Full Time and Overtime Savings \$65,000

Nonpersonnel Reductions

 Supplies
 \$ 7,000

 Services
 105,500

 Total
 \$177,500

Impacts of Reductions

- Reduced counter hours and customer service
- Reduced ability to meet current workload by eliminating some overtime; delays in response time for internal and external customers
- Reduced outreach to the community for storm water mandates; use digital media instead; impact is that fewer people will be reached.

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OPTION 1 – Staffing/Service Reductions Public Works - \$177,500

Impacts of Reductions

- Reduced training and access to professional journals/programs for staff development
- Reduced budget for tools that break and/or need to be replaced.
- Reduced ability to implement special projects or needs through contracts (e.g., traffic studies, engineering drafting, etc)

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OPTION 1 - Staffing Reductions Recreation & Parks- \$154,500

Parks Division

Freeze full-time Park Maintenance Worker II

52,500

* Back-fill with PT position

* Impact: realignment of duties may reduce ability to provide field preparation services (drag & line) to youth sports organizations and/or ESHS.

Terminate Services Agreement with Tree Musketeers

5,000

Reduce budget for various park repairs and projects

14,000

* Impact: Reduces the ability to make park improvements such as fencing repairs and modifications or identify special projects that enhance park facilities.

71,500

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OPTION 1 - Staffing Reduct	ions
Recreation & Parks- \$154,500	
RECREATION & PARKS - Recreation Division Reduce operating hours of Rec Facilities * Impact: Reduced accessibility to program registration and administrative assistance in the evening hours; Teen Center & Joslyn Center closed on Sundays, displacing programs	41,000
Reduce Acacia Pool operating hours (weekends only) * Impact: Reduced accessibility to outdoor pool, as residents in close proximity would be required to travel to Hilltop Pool.	7,500
Reduce operating supplies and special projects * Impact: Reduces the ability to replace large equipment items or enhance recreation facilities through small projects	12,000
Reduce special events budget * Impact: Relies upon event sponsorships which are not predictable; reduces ability to enlarge or plan additional events	12,500
	73,000
•	6/26/14 ●55

OPTION 1 - Staffing Reductions Recreation & Parks- \$154,500 **RECREATION & PARKS - Community Cable** Division 9,000 Reduce PT salary & programming budget * Impact: Reduced programming and onsite coverage for community events and ESUSD programs (i.e. sports games, drama and musical productions) 1,000 Reduce operating supplies * Impact: Reduced ability to purchase media-related supplies and/or promotional efforts 10,000 **Total Recreation and Parks Department** \$154,500 6/26/14 • 56

OPTION 1 – Staffing/Service Reductions Library - \$92,000

Staff Reductions

Re-organization of Library Staff for Support & Adult Services Divisions – 1- FTE Library Assistant w/benefits – VACANT

Estimated Savings \$ 92,000

Service Impacts

- Shift Adult Services & Children's staff to Support Services for Cataloging and Processing of Materials;
- At Circulation Desk, wait period of 4-6 weeks for best-sellers, new books/magazines, requests, and holds;
- Longer lines and wait time at the Information, Internet and Children's Desks for questions and homework help;
- No loss of Main Library hours

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OPTION 2 - Program Reductions/ Revenue

Meddellolis/ Neveride		
Program Reductions	Estimated Savings	
Close Beach restrooms	\$ 20,000	
Reduce Storm Water Funds	\$100,000	
LAX Masterplan Legal Fees & Lobbyist Ef	fforts \$ 50,000	
Reduce ESUSD Funding:		
Cash Contribution	\$250,000	
Library School Resource	\$190,000	
Crossing Guard Contract	\$ 80,000	
Total Progr	ram Options \$690,000	
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OPTION 2 - Program Reductions/ Revenue

Revenue Increases	Estimated Revenues
Recovery of Trash Fees for 3 and 4 Units	\$75,000
Recovery of Residential Permit Fee Costs	\$200,000
Ambulance Recovery - Residential Fees	\$180,000
Total Program Options	\$455,000

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SUMMARY OF OPTIONS

Summary of Budget Balancing	
Options	Total
Staffing/Service Reductions	\$ 1,638,500
Program Reductions	690,000
Revenue Increases	455,000
	\$ 2,783,500

SUMMARY OF OPTIONS			
Service / Staffing Reduction Options by Department		nated Cost avings	
FIRE DEPARTMENT		armge	
1 Run Short up to 3 Suppression Positions Daily	\$350,	000-450,000	
FINANCE DEPARTMENT			
2 Freeze FT Accounting Technician Position - backfill w/ PT	\$	57,000	
HUMAN RESOURCES DEPARTMENT			
3 Reduce PT City Receptionists service hours	\$	17,700	
4 Reduce Nonpersonnel budget	\$	6,100	
CITY MANAGER'S DEPARTMENT			
5 Reduce two FT Administrative Positions to one FT & one PT	\$	85,000	
PLANNING & BUILDING SAFETY			
6 Reduce Contractual Services	\$	85,700	
LIBRARY SERVICES DEPARTMENT			
7 Reorganize staffing and freeze vacant position	\$	92,000	
POLICE DEPARTMENT			
8 Reduce staff by two sworn positions	\$	500,000	
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RECREATION & PARKS DEPARTMENT	
9 Freeze FT Park Maintenance Worker - backfill w/ PT	\$ 52,500
10 Terminate Services Agreement with Tree Musketeers	\$ 5,000
11 Reduce park repairs and projects Reduce operating hours of various Recreation	\$ 14,000
12 facilities	\$ 41,000
13 Reduce Acacia Pool operating hours	\$ 7,500
14 Reduce recreation facility supplies and projects	\$ 12,000
15 Reduce special event budget	\$ 12,500
16 Reduce Cable TV programming (PT Salaries)	\$ 9,000
17 Reduce Cable TV operating supplies	\$ 1,000

SUMMARY OF OPTIONS				
PUBLIC WORKS DEPARTMENT				
18 Staff Reductions	\$	65,000		
19 Reduce supplies	\$	7,000		
20 Reduce services	\$	105,500		
CITY TREASURER REDUCTIONS				
21 Reduce Supplies & Services	\$	3,200		
CITY CLERK				
22 Reduce Supplies & Services	\$	9,800		
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SUMMARY OF OPTIONS				
Program Reduction Options	_	<u>Estimated</u> <u>Cost Savings</u>		
23 Close Beach Restrooms	\$	20,000		
24 Reduce Storm Water Funds	\$	100,000		
25 Reduce LAX Master Plan legal fees and lobbying	\$	50,000		
26 Eliminate cash contribution to ESUSD	\$	250,000		
27 Eliminate Library services to ESUSD	\$	190,000		
28 Eliminate Crossing Guard Contract to ESUSD	\$	80,000		
Revenue Enhancements	///	Estimated Revenue Enhancements		
29 Recovery of Trash Fees for 3 and 4 Unit Properties	\$	75,000		
30 Recovery of Residential Trash Fees	\$	200,000		
31 Ambulance Recovery - Residential Fees	\$	180,000		
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Outstanding Policy Decisions

- Establish Capital Improvement Funding
- Department Reduction Options
- Program Reduction Options
- Revenue Increase Options
- Fund Policy Economic Uncertainty
- Earthquake Insurance