

STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Dino Pick, City Manager

DATE: June 22, 2017

SUBJECT: Proposed Budget for Fiscal Year 2017-2018

We are pleased to present the Proposed Budget for Fiscal Year 2017-18. The \$3,108,230 expenditures budget represents a 29.0% increase over the FY 2016-17 budget. The budget is financed by \$3,411,860 in revenues, which will generate a surplus of \$303,630. The proposed use of this surplus is \$60,000 to begin paying interest on the Federal Group LLC note of \$700,000 which is accruing interest at the rate of 5%. The remaining \$243,630 would be allocated to an economic uncertainty reserve.

This budget begins the process of moving Del Rey Oaks to a well-funded future that will incorporate setting monies aside for future needs and begin paying off some of the debt that the City has accumulated. With each succeeding year we hope to refine the budget process and budget document to reflect a more strategic look at the future of Del Rey Oaks.

Major Changes for FY 2017-18

This budget reflects major changes that help the City chart a course to a much brighter future. Revenue increases are important as some of the increases are ongoing.

Major Revenue Changes

- \$720,000 in new revenue from the cannabis tax
- \$130,000 increase in Sales Tax as the City receives the full benefit of previously approved sales tax measures
- \$73,030 increase in Gas Tax monies due to the passage SB1-the \$0.12 increase in gas tax and the passage of Measure X – TAMC regional sales tax measure

Major Expenditure Changes

- \$204,100 increase in Outside Services is due to some one-time increased costs for legal services, audit services and interim Police Chief, along with an ongoing increase of \$50,000 for a public works maintenance contract
- \$378,200 increase in Streets and Storm Drains is to fund Capital Projects for traffic calming and street improvements
- \$87,330 increase in Payroll is due primarily to the severance payments to the previous City Manager

Beginning on the next page is a summary of the proposed budget followed by a more detailed discussion of how it was developed.

| City of Del Rey Oaks | | | | |
|------------------------------------|-------------------|-------------------|-------------------|---------|
| Two-Year Budget Comparison | | | | |
| FY 2017-18 | | | | |
| | 2016-17 | 2017-18 | Increase/ | Percent |
| | Budget | Proposed | (Decrease) | Change |
| Revenues | | | | |
| Property Tax | \$ 556,050 | \$ 587,020 | \$ 30,970 | 5.6% |
| Sales Tax | 1,095,000 | 1,225,000 | 130,000 | 11.9% |
| Cannibas Tax | - | 720,000 | 720,000 | |
| COP Monies | 100,000 | 100,000 | - | 0.0% |
| Other Taxes | 170,000 | 166,400 | (3,600) | -2.1% |
| Licenses & Permits | 285,000 | 214,175 | (70,825) | -24.9% |
| Vehicle Fines | 10,000 | 10,260 | 260 | 2.6% |
| Other Agency Revenue | 79,750 | 111,175 | 31,425 | 39.4% |
| Current Service Fees | 131,950 | 114,300 | (17,650) | -13.4% |
| Rental Income | 42,000 | 46,000 | 4,000 | 9.5% |
| Gas Tax | 44,500 | 117,530 | 73,030 | 164.1% |
| Total Revenues | <u>2,514,250</u> | <u>3,411,860</u> | <u>897,610</u> | 35.7% |
| Expenditures | | | | |
| Payroll and Benefits | 1,568,000 | 1,655,330 | 87,330 | 5.6% |
| Supplies | 100,000 | 87,500 | (12,500) | -12.5% |
| Utilities and Services | 245,950 | 228,800 | (17,150) | -7.0% |
| Outside Services | 192,100 | 396,200 | 204,100 | 106.2% |
| Auto Operation | 70,000 | 125,700 | 55,700 | 79.6% |
| Police and Fire | 200,200 | 202,400 | 2,200 | 1.1% |
| Streets and Storm Water | 34,100 | 412,300 | 378,200 | 1109.1% |
| | <u>2,410,350</u> | <u>3,108,230</u> | <u>697,880</u> | 29.0% |
| Budget Surplus | <u>\$ 103,900</u> | <u>\$ 303,630</u> | <u>\$ 199,730</u> | |
| Recommended use of Surplus: | | | | |
| Accrued Interest on Notes | | 60,000 | | |
| Allocation to Reserves | | 243,630 | | |
| | | <u>\$ 303,630</u> | | |

FY 2017-18 BUDGET AT A GLANCE

Revenues

Operating revenues are proposed to increase by \$897,610, a 35.7% increase. The major reasons for the increase are as follows:

| | |
|-------------------|--|
| \$ 720,000 | New cannabis tax estimated at \$60,000 per month |
| \$ 130,000 | Increase in Sales Tax from sales tax measures |
| \$ 62,800 | New revenue from Measure X to be used for street purposes |
| \$ 11,400 | New revenue from SB1, the \$0.12 increase in gas tax for streets |
| \$ -26,590 | Net decrease from all other revenues |
| <u>\$ 897,610</u> | Net increase in revenues |

The increases in existing revenues and the additional new revenues are permanent increases in revenues which the City can rely on into the future. The new revenue source that staff is recommending the City proceed cautiously with is the cannabis tax. This is a brand new tax. The revenue estimate is based on an estimate provided by MBAM. While it appears that their estimate may be correct, the City just began receiving this tax revenue in late May. Because this is a new industry with many changes occurring at the State level, this money should be used conservatively. As surrounding cities begin to collect cannabis tax, it could have an impact on the City's tax collections.

Operating Expenditures

The proposed appropriation of \$3,108,230 reflects an increase of \$697,880 (29.0%) over the current appropriation.

The budget is moving public works maintenance services to an outside contractor, thus reducing ongoing personnel costs. Most of the increased costs have to do with street improvements as discussed further in this document.

Use of Operating Budget Surplus for Debt Service and Reserves

The budget as presented will generate a surplus of \$303,630. Staff recommends that the surplus be used for the following items:

| | |
|-----------|---|
| \$ 60,000 | begin paying accrued interest of 5% on \$700,000 Note |
| \$243,630 | set funds aside for reserves for future use |

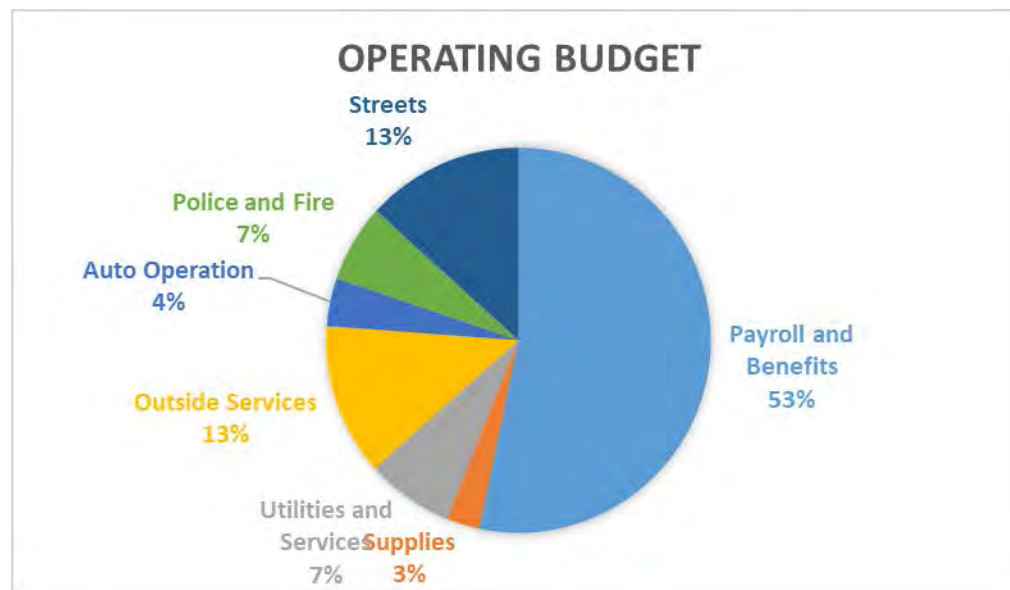
The details of these recommendations are included in the Use of Surplus Funds section later in this report.

EXPENDITURES BUDGET HIGHLIGHTS

Following is a comparison of the operating budget expenditures by category.

| City of Del Rey Oaks | | | | |
|----------------------------|-------------------|---------------------|-------------------------|-------------------|
| Two-Year Budget Comparison | | | | |
| FY 2017-18 | | | | |
| Category | 2016-17 Budget | 2017-18 Proposed | Increase/ (Decrease) | Percent Change |
| Payroll and Benefits | 1,568,000 | 1,655,330 | 87,330 | 5.6% |
| Supplies | 100,000 | 87,500 | (12,500) | -12.5% |
| Utilities and Services | 245,950 | 228,800 | (17,150) | -7.0% |
| Outside Services | 192,100 | 396,200 | 204,100 | 106.2% |
| Auto Operation | 70,000 | 125,700 | 55,700 | 79.6% |
| Police and Fire | 200,200 | 202,400 | 2,200 | 1.1% |
| Streets | 34,100 | 412,300 | 378,200 | 1109.1% |
| | <u>2,410,350</u> | <u>3,108,230</u> | <u>697,880</u> | <u>29.0%</u> |

The chart below shows the 2017-18 expenditures in a pie chart:



Payroll and Benefits - \$1,655,330 (53%)

Employee payroll and benefits costs account for 54% of the budget. The proposed budget contains 9 full time positions, two of which are currently vacant. Please refer to the Resolution Approving the Authorized Positions for the complete personnel allocation.

Following are the detail personnel costs:

| Payroll Costs | Budget 2016-17 | Proposed 2017-18 | Increase/ (Decrease) | % Change |
|-------------------------------|-------------------|---------------------|-------------------------|-------------|
| 60105 · PAYROLL | 950,000 | 883,500 | (66,500) | -7.0% |
| 60110 · OVERTIME | 15,000 | 34,000 | 19,000 | 126.7% |
| 60115 · COUNCIL MEMBER STIPEN | 6,000 | 6,000 | - | 0.0% |
| 60120 · RESERVES PAYROLL | 12,000 | 15,000 | 3,000 | 25.0% |
| 60125 · PERS | 250,000 | 250,000 | 0 | 0.0% |
| 60130 · MEDICARE | 15,000 | 15,000 | - | 0.0% |
| 60135 · DENTAL EXPENSE | 20,000 | 20,000 | (0) | 0.0% |
| 60140 · HEALTH INS | 175,000 | 190,000 | 15,000 | 8.6% |
| 60145 · VISION INS | 1,500 | 1,700 | 200 | 13.3% |
| 60150 · WORKERS COMP | 110,000 | 226,630 | 116,630 | 106.0% |
| 60155 · WELLNESS PROGRAM | 8,000 | 7,500 | (500) | -6.3% |
| 60160 · UNIFORM ALLOWANCE | 5,500 | 6,000 | 500 | 9.1% |
| | <u>1,568,000</u> | <u>1,655,330</u> | <u>87,330</u> | 5.6% |

Personnel costs are budgeted to increase 5.6% (\$87,330) in 2017-18. Payroll and benefits are calculated on a more exact basis than in prior years.

Payroll as currently budgeted will be a slight decrease of \$66,500 (7.4%) for the following reasons:

1. Maintenance Position is frozen and moved to contract services
2. New Chief of Police budgeted at a lower salary
3. Two Police Officers being hired at lower salaries than previous officers
4. No COLA is budgeted
5. City Manager's salary is budgeted at \$105,000, lower than prior city manager
6. Step increases for the current sergeant and police officer
7. 3% incentive pay for the Corporal
8. \$100,000 in severance payments to former city manager

Overtime will increase \$19,000 due to the staff shortages in the Police Department.

Medical Insurance premiums are schedule to increase at their normal pace.

Worker's comp seems high because it includes \$40,630 owing for previous years when the City was not able to pay the full premiums. It also reflects an increase in the premiums. The prior year amounts will be paid in full on August 1, 2017. The \$40,630 will then disappear.

Supplies - \$87,500

The supplies budget reflects a decrease of \$12,500 primarily because the radio system lease payments are reduced in the coming fiscal year because the system will be paid off.

Utilities & Services - \$228,800

The utilities and services budget reflects a minor decrease of \$17,150 primarily due to a decrease in member dues and contributions.

Outside Services - \$396,200

Outside services reflects an increase of \$204,100 (106.2% increase) for the following reasons:

- The Public Works Maintenance Services budget reflects \$50,000 for a contract. These services were previously provided by a City employee. The personnel costs reflect a reduction in wages and benefits due to this change. This results in an overall decrease in the cost of maintenance services of \$47,627.
- Contractual Audit services reflects an increase of \$26,000. It is budgeted at \$56,000 for the new audit contract with Chavan and Associates. While this amount reflects the cost of three years (2014-15, 2015-16, 2016-17) of audits, it is anticipated that all three years will be accomplished during FY 2017-18. The City has not paid much for audits in the past two years. This amount will drop considerably after FY 2017-18 since the City will only need annual audits.
- The budget reflects \$47,500 for the contract for the Interim Chief of Police. This is a one-time expense for 2017-18 while a new Chief is selected.
- The Planning Services budget reflects an increase of \$23,000 for planning services for the Carlton Drive Project. This is a one-time increase.
- Legal services reflects an increase of \$30,000 due to ongoing legal matters. This should be a one-time increase.
- Accounting Services is budgeted at \$18,000. This is for outside government accounting services to address the issues raised in the 2014 audit.

Auto Operations - \$125,700

Auto operations reflects an increase of \$55,700. A replacement police vehicle is budgeted at \$35,000, with \$14,000 to outfit the new vehicle. These are one-time expenses.

Police and Fire - \$202,400

This part of the budget remains unchanged. This accounts for the payment to the City of Seaside for fire services and the City's share of the County ACJIS System.

Streets and Storm Water - \$412,300

This part of the budget has the largest increase of \$378,200. The increase is mainly for the following items:

| | |
|------------------|--|
| \$175,000 | Street Improvements |
| \$100,000 | Traffic Calming projects |
| \$ 22,000 | Hwy 218 Corridor planning project-City's match |
| <u>\$ 75,000</u> | Hwy 218 Corridor planning project-TAMC funded |
| \$372,000 | |

These projects will be financed with SB1 (\$11,400), Measure X (\$62,800) monies, and TAMC (\$75,000). The balance will come from cannabis tax revenue.

Use of Surplus Funds - \$303,630

Accrued Interest on Note Payable - \$60,000

As of June 30, 2017 the City has a promissory note with Federal Group International, LLC in the amount of \$1,200,000 of which \$700,000 is the City's obligation to pay for funds loaned by Federal/JER Associates, LLC to the former Redevelopment Agency of the City of Del Rey Oaks. Interest is accruing at 5% per annum on the \$700,000 note beginning June 1, 2014 until the entire outstanding loan amount, plus interest, is paid in full. Below is a summary of the accrued interest thru 6/30/18.

LOAN AMORTIZATION SCHEDULE

| ENTER VALUES | | LOAN SUMMARY | |
|------------------------------------|--------------|-------------------------------------|---------------|
| <i>Loan amount</i> | \$700,000.00 | <i>Scheduled payment</i> | \$161,682.36 |
| <i>Annual interest rate</i> | 5.00% | <i>Scheduled number of payments</i> | 5 |
| <i>Loan period in years</i> | 5 | <i>Actual number of payments</i> | 1 |
| <i>Number of payments per year</i> | 1 | <i>Total early payments</i> | \$0.00 |
| <i>Start date of loan</i> | 6/1/2014 | <i>Total interest</i> | |
| <i>Optional extra payments</i> | \$0.00 | LENDER NAME | Federal Group |

| PMT NO | FISCAL YEAR ENDED | BEGINNING BALANCE | SCHEDULED PAYMENT | TOTAL PAYMENT | PRINCIPAL | INTEREST | ACCRUED INTEREST |
|--------|-------------------|-------------------|-------------------|---------------|-----------|-------------|------------------|
| 1 | 6/30/2014 | \$700,000.00 | \$0.00 | \$0.00 | | \$2,916.67 | \$2,916.67 |
| 2 | 6/30/2015 | \$700,000.00 | \$0.00 | \$0.00 | \$0.00 | \$35,000.00 | \$37,916.67 |
| 3 | 6/30/2016 | \$700,000.00 | \$0.00 | \$0.00 | \$0.00 | \$35,000.00 | \$72,916.67 |
| 4 | 6/30/2017 | \$700,000.00 | \$0.00 | \$0.00 | \$0.00 | \$35,000.00 | \$107,916.67 |
| 5 | 6/30/2018 | \$700,000.00 | \$0.00 | \$0.00 | \$0.00 | \$35,000.00 | \$142,916.67 |

As of June 30, 2017, the City has accrued interest totaling \$107,916.67. No payment is due under this loan until commencement of construction on the Fort Ord property. Payments are based on an increase of 50% of City revenue associated with the development of the entire property. While the City is not obligated to make payments at present, the interest is accruing at 5%. It is prudent to use funds on hand to begin paying the accrued interest, since the City is earning a mere .86% on its investments.

Allocation to Reserves - \$243,630

The balance of the surplus is recommended to begin funding a Reserve for the City for economic uncertainty. During the fiscal year, staff will come back with proposals on what type of reserves to establish. At present staff recommends a 15% reserve by July 2019, which based on the current budget, would amount to \$475,000.

In addition to the Fiscal Year 2017-2018 Budget, staff is presenting a salary schedule and, for the first time, an authorized positions list, which limits full time staff to 9. This represents a reduction of one position and is due to the Public Works position being frozen as the City seeks to provide this service through a maintenance contract. The City continues to receive a \$100,000 annual grant to fund a full-time police officer through the Citizen's Option for Public Safety (COPS) Program. The City must accept the grant annually by resolution. The City must pass an appropriations limit annually based on a set formula. The limit this year is \$4,101,080.00. Staff is recommending a fee schedule that is unchanged from last year. Staff plans a deeper analysis and review of fees for next fiscal year. Finally, staff is recommending that Council establish a promotional fund of \$1,500 for use by the Mayor, payable at the monthly rate of \$125.00.

RECOMMENDATION

Council adopt:

Resolution 2017-08 Budget for Fiscal Year 2017-2018

Resolution 2017-09 Salary Schedule for Fiscal Year 2017-2018

Resolution 2017-10 Authorized Positions for Fiscal Year 2017-2018

Resolution 2017-11 Approving the Expenditure of the COPS Grant

Resolution 2017-12 Establishing an Appropriations Limit for Fiscal Year 2017-2018

Resolution 2017-13 Adopting a Fee Schedule

Resolution 2017-14 Establishing a Promotional Fund for Fiscal Year 2017-2018

CONCLUSION

The budget as presented funds all required operating expenditures and leaves a surplus of \$303,630. This budget represents a departure from the status quo of former years and puts the city on a path toward a brighter future. Now that the City has additional funds, further budget planning will take place as the cannabis tax and other new revenue sources (SB1 and Measure X) solidify to plan for a more sustainable future.

The Council's approval of this budget and supporting resolutions will begin to chart a new course for the City of Del Rey Oaks.

Respectfully submitted,

Danial Pick
City Manager

CITY OF DEL REY OAKS
PROPOSED BUDGET FOR FISCAL YEAR 2017-2018
RESOLUTION 2017-08

| | | FY 16-17 Revenues and Expenditures YTD | FY 16-17 Budget | % of Budget YTD | FY 17-18 Proposed Budget | % Change from Proposed to Last FY Budget | Reason for change from last fiscal year |
|--------------------------------|---------------------------------------|--|------------------------|-----------------|--------------------------|--|--|
| Ordinary Income/Expense | | | | | | | |
| Income | | | | | | | |
| | 40100 · PROPERTY TAXES | | | | | | |
| | 40110 · P/T-SECURED | \$ 419,514.86 | \$ 400,000.00 | 105% | \$ 425,000 | 6% | |
| | 40120 · P/T-UNSECURED | \$ 15,289.28 | \$ 15,000.00 | 102% | \$ 15,500 | 3% | |
| | 40130 · P/T-PRIOR SECURED | \$ 5,140.47 | \$ 250.00 | 2056% | \$ 5,000 | See Note | Budgeted amount is average received over last 5 years |
| | 40140 · PRIOR UNSECURED | \$ 7.08 | \$ - | 100% | \$ 120 | 100% | Budgeted amount is average received over last 5 years |
| | 40150 · P/T-UNITARY TAX | \$ 7,594.51 | \$ 7,500.00 | 101% | \$ 7,500 | 0% | |
| | 40160 · P/T-SB813 | \$ 7,226.06 | \$ 8,000.00 | 90% | \$ 8,300 | 4% | |
| | 40170 · PROPERTY TAX - VLF | \$ 143,644.00 | \$ 130,000.00 | 110% | \$ 130,000 | 0% | |
| | 40180 · P/T-INT/PENAL | \$ 603.61 | \$ 300.00 | 201% | \$ 600 | 100% | |
| | 40190 · P/T - ADMINISTRATIVE FEE | \$ (5,395.00) | \$ (5,000.00) | 108% | \$ (5,000) | See Note | Anticipate next charge in 2019 |
| | Total 40100 · PROPERTY TAXES | \$ 593,624.87 | \$ 556,050.00 | 107% | \$ 587,020 | 6% | |
| | 40200 · OTHER TAXES | | | | | | |
| | 40210 · SALES TAX | \$ 363,060.70 | \$ 325,000.00 | 112% | \$ 425,000 | 31% | Retail sales increase |
| | 40220 · SALES TAX - ADD ON | \$ 685,880.52 | \$ 750,000.00 | 91% | \$ 800,000 | 7% | Retail sales increase |
| | 40222 · CANNABIS TAX | | | | \$ 720,000 | See Note | Based on estimated \$60k per month per MBAM estimate |
| | 40230 · SALES TAX IN LIEU - 3-FLIP | \$ 52,665.85 | \$ 20,000.00 | 263% | \$ - | See Note | This payment has been discontinued |
| | 40240 · COP MONIES | \$ 112,656.79 | \$ 100,000.00 | 113% | \$ 100,000 | 0% | COP Money is set at \$100,000 per FY |
| | 40250 · PROPERTY TRANSFER TAX | \$ 6,543.97 | \$ 6,000.00 | 109% | \$ 8,100 | 35% | Fluctuates by number of homes sold |
| | 40260 · GAS FRANCHISES | \$ 4,762.51 | \$ 4,500.00 | 106% | \$ 4,800 | 7% | |
| | 40265 · ELECTRIC FRANCHISES | \$ 16,927.80 | \$ 17,500.00 | 97% | \$ 17,000 | -3% | |
| | 40270 · GARBAGE FRANCHISES | \$ 77,242.61 | \$ 86,000.00 | 90% | \$ 86,000 | 0% | Franchise fees are based on franchise agreements and resident usage |
| | 40275 · CABLE TV FRANCHISES | \$ 19,845.89 | \$ 30,000.00 | 66% | \$ 26,500 | -12% | |
| | 40280 · WATER FRANCHISES | \$ 11,384.71 | \$ 14,000.00 | 81% | \$ 12,000 | -14% | |
| | 40290 · SEWER IMPACT | \$ 44,297.65 | \$ 12,000.00 | 369% | \$ 12,000 | 0% | |
| | Total 40200 · OTHER TAXES | \$ 1,395,269.00 | \$ 1,365,000.00 | 102% | \$ 2,211,400 | 62% | Primarily Cannabis Tax |
| | 40300 · LICENSES & PERMITS | | | | | | |
| | 40310 · BUSINESS LICENSES | 85,020.79 | \$ 235,000.00 | 36% | \$ 170,000 | -28% | We transitioned from one method of posting to another last year. This total is based on current process. |

| | | | FY 16-17 Revenues and Expenditures YTD | FY 16-17 Budget | % of Budget YTD | FY 17-18 Proposed Budget | % Change from Proposed to Last FY Budget | Reason for change from last fiscal year |
|--|--|--|--|----------------------|-----------------|--------------------------|--|---|
| | | 40320 · BUILDING PERMITS | 22,635.65 | \$ 30,000.00 | 75% | \$ 23,000 | -23% | These fees fluctuate greatly based on work being done in the city. |
| | | 40330 · PLAN CHECK FEES | 15,325.76 | \$ 14,000.00 | 109% | \$ 15,000 | 7% | |
| | | 40340 · STREET OPENING PERMITS FEES | 2,330.00 | \$ 2,500.00 | 93% | \$ 2,500 | 0% | |
| | | 40350 · PLUMBING PERMITS | 1,250.00 | \$ 1,500.00 | 83% | \$ 1,500 | 0% | |
| | | 40360 · ELECTRICAL PERMITS | 375.00 | \$ 1,500.00 | 25% | \$ 1,000 | -33% | |
| | | 40380 · SB 1473 STATE SURCHG ON PERMITS | \$ 44.04 | | 100% | \$ 50 | 0% | |
| | | 40390 · OTHER LICENSES/PERMITS | \$ 992.26 | \$ 500.00 | 198% | \$ 1,000 | 100% | |
| | | Total 40300 · LICENSES & PERMITS | \$ 127,973.50 | \$ 285,000.00 | 45% | \$ 214,050 | -25% | |
| | | 40309 · -REIMBURSEMENTS | | | | | | |
| | | 40311 · SB1186 DISABILITY ACCESS FUND | 16.52 | | 100% | \$ 125 | 0% | |
| | | Total 40309 · -REIMBURSEMENTS | \$ 16.52 | | 100% | \$ 125 | 0% | |
| | | 40500 · FINES & FORFEITURES | | | | | | |
| | | 40510 · VEHICLE CODE FINES | \$ 5,579.15 | \$ 10,000.00 | 56% | \$ 10,260 | 3% | This is lower due to being down one full time officer and changes within the PD in general. |
| | | Total 40500 · FINES & FORFEITURES | \$ 5,579.15 | \$ 10,000.00 | 56% | \$ 10,260 | 3% | |
| | | 40700 · OTHER AGENCY REVENUE | | | | | | |
| | | 40600 · INTEREST EARNED | \$ 167.78 | \$ 50.00 | 336% | \$ 175 | 250% | Underbudgeted last year |
| | | 40710 · MOTOR VEHICLE LICENSE FEE(MVLF) | | \$ 500.00 | | \$ - | -100% | This was discontinued 2 years ago. Should not have been budgeted last year. |
| | | 40730 · HOPTR | \$ 1,157.60 | \$ 1,200.00 | 96% | \$ 1,200 | 0% | |
| | | 40740 · VEHICLE LICENSE COLLECTION | \$ 746.36 | \$ 500.00 | 149% | \$ 800 | 60% | Underbudgeted last year |
| | | 40750 · PROP 172 | \$ 9,990.11 | \$ 10,000.00 | 100% | \$ 10,000 | 0% | |
| | | 40760 · GRANTS | \$ 79,162.62 | \$ 65,000.00 | 122% | \$ 99,000 | 52% | 75k from TAMC Hwy 218 grant/24k FORA grant |
| | | 40770 · TRAFFIC CONGESTION RELIEF-AB438 | | \$ 2,500.00 | | \$ - | -100% | Discontinued last year, should not have been budgeted. |
| | | Total 40700 · OTHER AGENCY REVENUE | \$ 91,224.47 | \$ 79,750.00 | 114% | \$ 111,175 | 39% | |
| | | 40800 · CURRENT SERVICES | | | | | | |
| | | 40805 · USE PERMITS | \$ 13,240.00 | \$ 14,000.00 | 95% | \$ 14,000 | 0% | |
| | | 40810 · MAPS/PUBLICATIONS | | \$ 250.00 | | \$ - | -100% | These type of things are available electronically from our website. Recommend making this inactive within Quickbooks. |
| | | 40815 · RENTAL INCOME FORMER GOLF RANGE | \$ 33,180.00 | \$ 36,000.00 | 92% | \$ 36,000 | 0% | |
| | | 40820 · POLICE REPORTS | \$ 1,300.00 | \$ 1,200.00 | 108% | \$ 1,300 | 8% | These are accident reports requested by Insurance companies. |
| | | 40825 · PROPERTY INSPECTIONS | \$ 2,750.00 | \$ 3,000.00 | 92% | \$ 3,000 | 0% | |

| | | | FY 16-17 Revenues and Expenditures YTD | FY 16-17 Budget | % of Budget YTD | FY 17-18 Proposed Budget | % Change from Proposed to Last FY Budget | Reason for change from last fiscal year | |
|--|--|--|--|------------------------|------------------------|--------------------------|--|---|---|
| | | | 40830 · POLICE SERVICES | \$ 10,400.00 | \$ 5,000.00 | 208% | \$ 5,000 | 0% | Primarily vehicle tow fees. High last FY year because of totaled PD unit paid for by insurance company. |
| | | | 40835 · PUBLIC EVENTS | \$ 32,312.50 | \$ 35,000.00 | 92% | \$ 35,000 | 0% | PD Events, Laguna Seca, Roots Festival no anticipated change |
| | | | 40840 · MISCELLANEOUS SERVICES | \$ 26,580.50 | \$ 12,500.00 | 213% | \$ 20,000 | 60% | FORA Caretaker costs and Taxi Authority startup reimbursement, not usually a part of this total |
| | | | 40846 · ALARM - FALSE ALARM FIRE | \$ 1,400.00 | | 100% | \$ - | 0% | |
| | | | 40850 · PD DONATIONS | \$ 2,479.00 | \$ 25,000.00 | 10% | \$ - | -100% | This is not a constant. Reserves normally pay this to reimburse ammo, ID's, etc. |
| | | | Total 40800 · CURRENT SERVICES | \$ 123,642.00 | \$ 131,950.00 | 94% | \$ 114,300 | -13% | |
| | | | 40900 · PARKS/RECREATION | | | | | | |
| | | | 40910 · PARK RENTAL | \$ 5,160.63 | \$ 11,000.00 | 47% | \$ 11,000 | 0% | |
| | | | 40920 · RV RENTAL PARKS | \$ 34,415.00 | \$ 31,000.00 | 111% | \$ 35,000 | 13% | Monthly Fees for RV storage and Garden Center |
| | | | Total 40900 · PARKS/RECREATION | \$ 39,575.63 | \$ 42,000.00 | 94% | \$ 46,000 | 10% | |
| | | | 41000 · OTHER | | | | | | Gas Tax amounts are from State projections for FY 2016-17 |
| | | | 41010 · GAS TAX 2103 | \$ 4,815.00 | \$ 15,000.00 | 32% | \$ 4,100 | -73% | |
| | | | 41020 · GAS TAX 2105 | \$ 7,609.47 | \$ 8,500.00 | 90% | \$ 9,760 | 15% | |
| | | | 41030 · GAS TAX 2106 | \$ 7,717.45 | \$ 8,000.00 | 96% | \$ 10,700 | 34% | |
| | | | 41040 · GAS TAX 2107 | \$ 8,435.07 | \$ 11,000.00 | 77% | \$ 12,600 | 15% | |
| | | | 41050 · GAS TAX 2107.5 | \$ 1,000.00 | \$ 2,000.00 | 50% | \$ 1,000 | -50% | |
| | | | 41775 · MEASURE X FUNDS | | | | \$ 62,800 | 100% | |
| | | | 41776 · RSTP FUNDS | | | | \$ 5,170 | 100% | |
| | | | 41777 · SB 1 FUNDS | | | | \$ 11,400 | 100% | Revenue stream starts July or August |
| | | | Total 41000 · OTHER | \$ 29,576.99 | \$ 44,500.00 | 66% | \$ 117,530 | 164% | |
| | | | Total Income | \$ 2,406,482.13 | \$ 2,514,250.00 | 96% | \$ 3,411,860 | 36% | |
| | | | Expense | | | | | | |
| | | | 60100 · PAYROLL & BENEFITS | | | | | | |
| | | | 60105 · PAYROLL | 873,221.19 | \$ 950,000.04 | 92% | \$ 883,500 | -7% | Payroll Worksheet \$774,413 + Langford residual \$9,000 + Dawson \$100,000 |
| | | | 60110 · OVERTIME | 34,895.06 | \$ 15,000.00 | 233% | \$ 34,000 | 127% | This will be higher until we get 2 additional full time officers |
| | | | 60115 · COUNCIL MEMBER STIPEND | 4,900.00 | \$ 6,000.00 | 82% | \$ 6,000 | 0% | |
| | | | 60120 · RESERVES PAYROLL | 8,585.89 | \$ 12,000.00 | 72% | \$ 15,000 | 25% | Based on 5 yr avg. Assumes long lead time for hiring police officers, therefore a need for reserve augmentation |

| | | | FY 16-17 Revenues and Expenditures YTD | FY 16-17 Budget | % of Budget YTD | FY 17-18 Proposed Budget | % Change from Proposed to Last FY Budget | Reason for change from last fiscal year |
|--|--|--|--|------------------------|-----------------|--------------------------|--|--|
| | | 60125 · PERS | 164,163.33 | \$ 249,999.96 | 66% | \$ 250,000 | 0% | |
| | | 60130 · MEDICARE | 13,212.92 | \$ 15,000.00 | 88% | \$ 15,000 | 0% | |
| | | 60135 · DENTAL EXPENSE | 18,233.15 | \$ 20,000.04 | 91% | \$ 20,000 | 0% | |
| | | 60140 · HEALTH INS | 123,123.19 | \$ 174,999.96 | 70% | \$ 190,000 | 9% | Averaged increase based on low of 3% and high of 15% |
| | | 60145 · VISION INS | 1,693.88 | \$ 1,500.00 | 113% | \$ 1,700 | 13% | Increased in January 2017 by VSP |
| | | 60150 · WORKERS COMP | 225,148.06 | \$ 110,000.00 | 205% | \$ 226,630 | 106% | \$40,630 is 16-17 residual, will be paid off on 08/01/2017 \$186,000 is 17/18 MBASIA estimated budget |
| | | 60155 · WELLNESS PROGRAM | 3,343.65 | \$ 8,000.00 | 42% | \$ 7,500 | -6% | We only get \$7,500 each year, not sure why this was set higher. |
| | | 60160 · UNIFORM ALLOWANCE | 3,000.00 | \$ 5,500.00 | 55% | \$ 6,000 | 9% | Based on \$1,000 per officer per year (salary schedule) |
| | | Total 60100 · PAYROLL & BENEFITS | \$ 1,473,520.32 | \$ 1,568,000.00 | 94% | \$ 1,655,330 | 6% | |
| | | | | | | | | |
| | | 60200 · PAYROLL EXPENSES | 3,299.72 | \$ 5,000.00 | 66% | \$ 3,500 | -30% | |
| | | | | | | | | |
| | | 60300 · BANK SERVICE CHARGES | 5,544.90 | \$ 2,500.00 | 222% | \$ 3,500 | 40% | |
| | | | | | | | | |
| | | 60400 · SUPPLIES | | | | | | |
| | | 60410 · MATERIALS/SUPPLY | 40,518.22 | \$ 45,000.00 | 90% | \$ 35,000 | -22% | Spending decreased after 1/2017 |
| | | 60420 · AMMUNITION | | \$ - | | \$ 10,000 | 100% | Activated Ammunition account for tracking/budgeting. |
| | | 60430 · OFFICE SUPPLIES | 17,333.01 | \$ 20,000.00 | 87% | \$ 20,000 | 0% | |
| | | 60440 · SPECIAL SUPPLY POLICE | 27,809.32 | \$ 35,000.00 | 79% | \$ 17,000 | -51% | Ammunition separated out see 60420, reduces this item. |
| | | 60450 · RADIO SYSTEM LEASE - PRINCIPAL | 20,810.29 | \$ - | 0.0% | \$ 5,400 | 100.0% | |
| | | 60451 · RADIO SYSTEM LEASE - INTEREST (Set-up by | 780.51 | \$ - | 0.0% | \$ 100 | 100.0% | Lease will be paid in full in FY 2017-18 |
| | | Total 60400 · SUPPLIES | \$ 107,251.35 | \$ 100,000.00 | 107% | \$ 87,500 | -13% | |
| | | | | | | | | |
| | | 60500 · UTILITIES & SERVICES | | | | | | |
| | | 60505 · REPAIR/MAINTENANCE | 116,905.32 | \$ 85,000.00 | 138% | \$ 88,000 | 4% | |
| | | 60510 · STREET SWEEPING | 10,431.36 | \$ 25,000.00 | 42% | \$ 25,000 | 0% | |
| | | 60515 · GABILAN CREW | 11,684.71 | \$ 15,000.00 | 78% | \$ 15,000 | 0% | |
| | | 60520 · UTILITIES/PGE | 10,352.05 | \$ 15,000.00 | 69% | \$ 17,000 | 13% | Everything but streetlights |
| | | 60525 · UTILITIES/WATER | 6,857.55 | \$ 7,500.00 | 91% | \$ 7,500 | 0% | |
| | | 60530 · TELEPHONE / INTERNET | 11,314.13 | \$ 9,500.00 | 119% | \$ 10,000 | 5% | Replaced 20 year old phone system |
| | | 60535 · WEBSITE DESIGN & MAINTENANCE | 2,698.90 | \$ 5,000.00 | 54% | \$ 3,000 | -40% | Upgraded Computer system and maintenance problems have decreased considerably. |
| | | 60540 · POSTAGE / SHIPPING | 2,738.28 | \$ 3,000.00 | 91% | \$ 3,000 | 0% | |
| | | 60545 · TRAVEL/CONFERENCE | 7,341.89 | \$ 10,000.00 | 73% | \$ 10,000 | 0% | |
| | | 60550 · MEMBER/DUES/CONTRIBUTIONS | 31,233.61 | \$ 52,000.00 | 60% | \$ 35,600 | -32% | Overbudgeted in prior year |

| | | | FY 16-17 Revenues and Expenditures YTD | FY 16-17 Budget | % of Budget YTD | FY 17-18 Proposed Budget | % Change from Proposed to Last FY Budget | Reason for change from last fiscal year |
|--|--|---|--|----------------------|-----------------|--------------------------|--|---|
| | | 60555 · AD/PROMOTION CITY CNCL | 3,098.81 | \$ 7,500.00 | 41% | \$ 3,200 | -57% | Overbudgeted in prior year |
| | | 60560 · LEGAL ADVERT NON-DEPT | 1,187.75 | \$ 1,000.00 | 119% | \$ 1,200 | 20% | New hiring coming up |
| | | 60565 · BOOK/PERIODICAL | 239.45 | \$ 450.00 | 53% | \$ 300 | -33% | We get most via email now rather than print |
| | | 60570 · MEETING CITY CNCL | 9,970.67 | \$ 10,000.00 | 100% | \$ 10,000 | 0% | |
| | | 60588 · ELECTIONS | 4,951.99 | | | \$ - | 0.0% | Not a General Election year |
| | | Total 60500 · UTILITIES & SERVICES | \$ 231,006.47 | \$ 245,950.00 | 94% | \$ 228,800 | -7% | |
| | | 60600 · OUTSIDE SERVICES | | | | | | |
| | | 60605 · TRAINING POLICE | 14,556.61 | \$ 10,000.00 | 146% | \$ 15,000 | 50% | Under budgeted |
| | | 60610 · OTHER PERMITS PW/ENGR | 1,207.50 | \$ 1,200.00 | 101% | \$ 1,200 | 0% | |
| | | 60620 · LIABILITY/PROP NON-DPT | 39,633.00 | \$ 32,000.00 | 124% | \$ 24,000 | -25% | Based on MBASIA estimated budget |
| | | 60625 · CONTRACTUAL AUDIT | 8,786.10 | \$ 30,000.00 | 29% | \$ 56,000 | 87% | Per contract approved at 04/25/2017 meeting |
| | | 60635 · DATA PROCESSING | 6,475.00 | \$ 8,000.00 | 81% | \$ 5,000 | -38% | New computer system, less maintenance |
| | | 60640 · CONTRACTUAL SVCS PLANNING | 34,479.35 | \$ 12,000.00 | 287% | \$ 48,000 | 300% | FY 16/17 Carlton Drive Project - Building/Plng and DDA |
| | | 60643 · CONTRACTUAL SVCS - ICOP | | \$ - | | \$ 47,500 | 100% | Contracted Interim COP added through Nov 1, 2017 |
| | | 60644 · CONTRACTUAL SVCS - PW | 0.00 | \$ - | 0% | \$ 50,000 | 100% | Contracted PW added - Annual |
| | | 60645 · CONTRACTUAL SVCS - ACCOUNTING | 0.00 | \$ - | 0% | \$ 18,000 | 100% | Contracted Accounting Services |
| | | 60650 · CONTRACTUAL SVCS - LEGAL | 82,444.74 | \$ 10,000.00 | 824% | \$ 40,000 | 300% | Continued legal issues - Personnel |
| | | 60655 · CONTRL RETAINER LEGAL | 22,500.00 | \$ 25,000.00 | 90% | \$ 25,000 | 0% | |
| | | 60660 · JANITORIAL FUND | 3,150.00 | \$ 5,000.00 | 63% | \$ 4,000 | -20% | This is normally \$4,000 nto sure why last year set so high |
| | | 60665 · RADIO DISPATCH POLICE | 52,957.83 | \$ 48,000.00 | 110% | \$ 52,000 | 8% | Increase in fees for 911 service |
| | | 60670 · COMM HUM SERV NON-DEPT | 7,100.00 | \$ 3,400.00 | 209% | \$ 3,500 | 3% | |
| | | Total 60600 · OUTSIDE SERVICES | \$ 273,290.13 | \$ 184,600.00 | 148% | \$ 389,200 | 111% | |
| | | 60700 · AUTO OPERATION | | | | | | |
| | | 60710 · AUTO OPS - SUPPLIES / EQUIP | 9,455.36 | \$ 10,000.00 | 95% | \$ 24,000 | 140% | 14k to outfit new police replacement veh from FOR A grant |
| | | 60720 · AUTO OPS - FUEL | 20,312.34 | \$ 30,000.00 | 68% | \$ 30,000 | 0% | |
| | | 60730 · AUTO REPAIR/MAINTENANCE | 13,299.88 | \$ 10,000.00 | 133% | \$ 10,000 | 0% | |
| | | 60735 · AUTO REPLACEMENT | | \$ - | 0% | \$ 35,000 | 100% | Replace one police vehicle in 2017/2018/10k from FOR A |
| | | 60740 · AUTO LEASE PAYMENTS-PRINCIPAL | 14,662.16 | \$ 20,000.00 | 73% | \$ 22,700 | 14% | |
| | | 60741 · AUTO LEASE PAYMENTS-INTEREST (Set up by | 2,815.61 | | | \$ 4,000 | 0.0% | |
| | | Total 60700 · AUTO OPERATION | \$ 60,545.35 | \$ 70,000.00 | 86% | \$ 125,700 | 80% | |
| | | 60800 · POLICE AND FIRE | | | | | | |
| | | 60810 · FIRE SEASIDE | 146,250.00 | \$ 195,000.00 | 75% | \$ 195,000.00 | 0% | |
| | | 60820 · ANIMAL REGULATION FIRE | | \$ 200.00 | | \$ 200.00 | 0.0% | County Service. Used to be SPCA at much higher cost. |
| | | 60830 · FUND JAIL & PRISONER | 145.00 | \$ 500.00 | 29% | \$ 200.00 | -60% | Monterey Jail contract canceled |

| | | FY 16-17 Revenues and Expenditures YTD | FY 16-17 Budget | % of Budget YTD | FY 17-18 Proposed Budget | % Change from Proposed to Last FY Budget | Reason for change from last fiscal year |
|--|--|--|------------------------|-----------------|--------------------------|--|---|
| | 60840 · ACJIS SYSTEM POLICE | 6,863.80 | \$ 4,500.00 | 153% | \$ 7,000.00 | 56% | Increase in cost for system, Patrol car system |
| | Total 60800 · POLICE AND FIRE | \$ 153,258.80 | \$ 200,200.00 | 77% | \$ 202,400.00 | 1% | |
| | 60900 · STREETS & STORM WATER | | | | | | |
| | 60910 · STREET LIGHTING | 13,982.25 | \$ 12,000.00 | 117% | \$ 15,000 | 25% | Under budgeted last fiscal year |
| | 60920 · STORM WATER PROJECT - PHASE 4 | 19,294.11 | \$ 22,000.00 | 88% | \$ 25,000 | 14% | |
| | 60930 · S.M.I.P. | 148.68 | \$ 100.00 | 149% | \$ 200 | 100% | Based on number of buildig permits issued |
| | 60940 · SB 1473 | 53.30 | | 100% | \$ 100 | 0% | This is a relatively new charge per business license. Started half way through last FY but will continue. |
| | 60950 · Capital Improvements Program (CIP) | 0.00 | \$ - | 0% | \$ 372,000 | 100% | 100k traffic calming project/175k streets project/75k HWY 218 cooridor planning project |
| | Total 60900 · STREETS & STORM WATER | \$ 33,478.34 | \$ 34,100.00 | 98% | \$ 412,300 | 1109% | |
| | Total Expense | \$ 2,341,195.38 | \$ 2,410,350.00 | 98% | \$ 3,108,230 | 29% | |
| | Total Income | \$ 2,406,482.13 | \$ 2,514,250.00 | 96% | \$ 3,411,860 | 36% | |
| | Total Expense | \$ 2,341,195.38 | \$ 2,410,350.00 | 98% | \$ 3,108,230 | 29% | |
| | NET INCOME | \$ 65,286.75 | \$ 103,900.00 | 63% | \$ 303,630.00 | 192% | |
| | 75000 · DEBT SERVICE | | | | \$ 60,000 | 100% | \$5k/month on Federal LLC settlement (\$700k accruing interest at 5%) |
| | 10102 · RESERVE FUND | | | | \$ 243,630 | 100% | Goal by July 2019 is 15% of budget (\$506,467) |

PASSED AND ADOPTED at a regular meeting of the Del Rey Oaks City Council duly held on June 27, 2017, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SIGNED:

Jerry B. Edelen, Mayor

ATTEST:

Danial D. Pick, City Clerk

RESOLUTION NO. 2017-09
A RESOLUTION OF THE CITY OF DEL REY OAKS ESTABLISHING
SALARIES FOR THE FISCAL YEAR 2017-2018

BE IT RESOLVED by the City Council of the City of Del Rey Oaks, as follows:

That for the fiscal year 2017-2018, commencing July 1, 2017 the following salary plan is adopted.

| TITLE | STEP 1 | STEP 2 | STEP 3 | STEP 4 | STEP 5 |
|--------------------------------------|--|----------|----------|----------|-----------|
| Assistant to the City Manager | 6,102.10 | 6,402.04 | 6,726.98 | 7,063.88 | 7,418.16 |
| BI-WEEKLY | 2,816.55 | 2,957.70 | 3,104.64 | 3,260.00 | 3,423.78 |
| HOURLY RATE | 35.21 | 36.97 | 38.81 | 40.75 | 42.80 |
| Deputy City Clerk | 4,886.03 | 5,132.72 | 5,389.19 | 5,389.19 | 5,941.26 |
| BI-WEEKLY | 2,255.01 | 2,369.12 | 2,487.57 | 2,611.46 | 2,741.87 |
| HOURLY RATE | 28.19 | 29.61 | 31.09 | 32.65 | 34.28 |
| Police Sergeant | 6,102.10 | 6,402.04 | 6,726.98 | 7,063.88 | 7,418.16 |
| BI-WEEKLY | 2,816.55 | 2,957.70 | 3,104.64 | 3,260.00 | 3,423.78 |
| HOURLY RATE | 35.21 | 36.97 | 38.81 | 40.75 | 42.80 |
| Police Officer | 4,779.53 | 5,020.79 | 5,270.74 | 5,534.82 | 5,813.03 |
| BI-WEEKLY | 2,206.16 | 2,317.29 | 2,432.62 | 2,554.28 | 2,682.78 |
| HOURLY RATE | 27.58 | 28.96 | 30.41 | 31.93 | 33.54 |
| Chief of Police | | | | | 11,500.00 |
| BI-WEEKLY | | | | | 5,750.00 |
| HOURLY RATE | | | | | 66.35 |
| City Manager | | | | | 8,750.00 |
| BI-WEEKLY | Per Contract | | | | 4,375.00 |
| HOURLY RATE | | | | | 50.48 |
| Public Works Employee 1 | 4,020.98 | 4,222.02 | 4,436.11 | 4,657.81 | 4,888.20 |
| BI-WEEKLY | 1,855.93 | 1,948.63 | 2,047.63 | 2,149.81 | 2,256.19 |
| HOURLY RATE | 23.20 | 24.35 | 25.59 | 26.88 | 28.20 |
| Temporary/Part Time Employees | | | | | |
| BI-WEEKLY | Up to this amount, at the discretion of the City | | | | N/A |
| HOURLY RATE | Manager | | | | 50.00 |

1. City Council Members shall be paid the sum of \$100.00 per month for attendance at all regular and special council meetings unless previously granted a leave of absence with pay, or unless excused by the Mayor.

2. All Employees of the City pay the full seven percent (7%) contribution to each employee's PERS account.

3. The position of Police Corporal shall receive incentive pay of an additional three percent (3%) calculated on their current pay step.

PASSED AND ADOPTED at a regular meeting of the Del Rey Oaks City Council duly held on June 28, 2016, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Jerry B. Edelen, Mayor

Danial D. Pick, City Clerk

RESOLUTION NO. 2017-10

A RESOLUTION OF THE CITY OF DEL REY OAKS ESTABLISHING AN AUTHORIZED POSITIONS FOR THE FISCAL YEAR 2017-2018

-oOo-

CITY OF DEL REY OAKS
Authorized Positions
By Fiscal Year

| Position | Actual | Actual | Proposed |
|--|--------------|--------------|-------------|
| | 2015-16 | 2016-17 | 2017-18 |
| City Manager | 1.00 | 1.00 | 1.00 |
| Assistant to the City Manager/Deputy City Clerk | 1.00 | 1.00 | 1.00 |
| Deputy City Clerk | 1.00 | 1.00 | 1.00 |
| Chief of Police | 1.00 | 1.00 | 1.00 |
| Sergeant | 1.00 | 2.00 | 1.00 |
| Police Officer | 4.00 | 3.00 | 4.00 |
| Maintenance - Frozen | <u>1.00</u> | <u>1.00</u> | <u>0.00</u> |
| Total Positions | <u>10.00</u> | <u>10.00</u> | <u>9.00</u> |

PASSED AND ADOPTED at a regular meeting of the Del Rey Oaks City Council duly held on June 27, 2017, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Jerry B. Edelen, Mayor

ATTEST:

Danial D. Pick, City Clerk

RESOLUTION NO. 2017-11

A RESOLUTION APPROVING THE EXPENDITURE PLAN OF FUNDS FROM THE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND

-oOo-

WHEREAS, SB 736 provides for the allocation of funds from the Supplemental Law Enforcement Services Fund for distribution to counties through the Citizens' Option for Public Safety (COPS) Program for further distribution to local agencies;

WHEREAS, SB 736 prohibits said distribution by counties until a city provides a spending plan for said funds, which must be spent for front-line law enforcement services;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Del Rey Oaks that it does hereby approve the expenditure of funds received from the Supplemental Law Enforcement Services Fund through the Citizens' Option for Public Safety (COPS) Program, for the following:

1. Continued employment of a full-time police officer who was hired with said funds previously received.
2. Un-programmed overtime for police officers.
3. Un-programmed training for police officers.

PASSED AND ADOPTED by the City Council of the City of Del Rey Oaks at a regular meeting duly held on June 27, 2017 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Jerry B. Edelen, Mayor

ATTEST:

Danial D. Pick, City Clerk

RESOLUTION NO. 2017-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2017-2018 PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION

-oOo-

WHEREAS, Article XIII B of the California Constitution provides that the total annual appropriations subject to limitation of each governmental entity, including this City, shall not exceed the appropriation limit of such entity of government for the prior year adjusted for changes in the cost of living or personal income and population, except as otherwise provided for in said Article XIII B and implementing State statutes; and

WHEREAS, pursuant to said Article XIII B of said California Constitution, and 7900 *et seq.* of the California Government Code, the City is required to set its appropriations limit for each fiscal year; and

WHEREAS, the City Council of the City of Del Rey Oaks has interpreted the technical provisions of said Proposition 4 computations and has caused a technical review to be made of the documentation for the City's said appropriation limitation, and has caused the numbers upon which the City's appropriation limit was and is based to be calculated on the basis of increase in city or county population; and

WHEREAS, based on such calculations the City Clerk has determined the said appropriation limit and pursuant to Section 7910 of said California Government Code has made available to the public the documentation used in the determination of said appropriation limit;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Del Rey Oaks, California that said appropriation limit for fiscal year 2017-2018 shall be and is hereby set in the amount of \$4,101,080.00 for said fiscal year.

PASSED AND ADOPTED at a regular meeting of the Del Rey Oaks City Council duly held on June

27, 2017 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Jerry B. Edelen, Mayor

ATTEST:

Danial D. Pick, City Clerk

CITY OF DEL REY OAKS
 APPROPRIATIONS LIMIT WORKSHEET FOR FY 2017-18

| | AMOUNT | SOURCE |
|----------------------------|-----------------------|-----------------------|
| A. LAST YEAR'S LIMIT | <u>\$3,929,202.76</u> | Prior Year |
| B. ADJUSTMENT FACTORS | | |
| 1. Populations | 1.0066 | State Dept of Finance |
| 2. Inflation | 1.0369 | State Dept of Finance |
| | 1.0437 | (B1*B2) |
| Total Adjustment % | 0.0437 | (B1*B2-1) |
| C. ANNUAL ADJUSTMENT | \$171,877.24 | (B*A) |
| D. OTHER ADJUSTMENTS: | | |
| Lost Responsibility (-) | 0 | |
| Transfer to private (-) | 0 | |
| Transfer to fees (-) | 0 | |
| Assumed Responsibility (+) | 0 | |
| Sub-total | 0 | |
| E. TOTAL ADJUSTMENTS | \$171,877.24 | (C+D) |
| F. THIS YEAR'S LIMIT | <u>\$4,101,080.00</u> | (A+E) |

RESOLUTION NO. 2017-13

A RESOLUTION ADOPTING A FEE SCHEDULE FOR CERTAIN CHARGES FOR CITY SUBDIVISION,
PLANNING AND RELATED SERVICES AND CERTAIN CHARGES FOR CITY SERVICES

-oOo-

BE IT RESOLVED by the City Council of the City of Del Rey Oaks that attached Exhibit A Planning and Related Fee Schedule for subdivisions, planning and other related services furnished by the City, is hereby adopted, effective July 1, 2017;

PASSED AND ADOPTED by the City Council of the City of Del Rey Oaks at a regular meeting duly held on June 27, 2017, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Jerry B. Edelen, Mayor

ATTEST:

Danial D. Pick, City Clerk

Resolution 2017-13

Establishing Certain Fees for Fiscal Year 2017-18

| CITY OF DEL REY OAKS FEE SCHEDULE | | FEE |
|---|---|--|
| Planning | | |
| Architectural Review Committee Review: | | |
| Commercial | | |
| Major | (New commercial) | \$1,990 |
| Minor | (Commercial additions, remodels, exterior tenant improvements, | \$620 |
| Residential | | |
| Major | (New one or two-story buildings, or second-story additions) | \$840 |
| Minor | (One-story additions, exterior alterations to one-story buildings or one-story of a two-story) | \$200 |
| Architectural Review Committee Sign Review: | | |
| Major | (Large monument signs, multiple freestanding signs, pole signs, internally illuminated signs) | \$680 |
| Minor | (All signs not included above) | \$120 |
| Architectural Review/Solar Panels | | No Fee |
| Appeal Fees | | |
| Appeals of Planning Commission Decisions to City Council | | \$370 |
| Appeals of Staff Decisions/Home Occupation Permits | | \$170 |
| Environmental Review | | |
| Environmental Impact Report | | contract price + 17% |
| Environmental Initial Study Leading to a Negative Declaration (Excludes Fish and Game Fee and technical studies) | | \$3,570 |
| Environmental Exemption | | \$100 |
| Use Permits | | |
| Master | (Projects requiring environmental review and/or multiple permits) | \$4,000 deposit |
| Major | (Commercial, industrial, multi-family) | \$2,990 |
| Minor | (Single-family residential uses) | \$820 |
| Permits | | |
| Home Occupation (Business) Permit due every year | | \$150 |
| Home Occupational Use Permit Application Fee | | \$10 |
| Permit Extension | | \$780 |
| Reopen Permit | | \$850 |
| Special Permits (Temporary use) | | \$280 |
| Special Sign Permit (Temporary window/banner sign) | | \$170 |
| Investigative fee for work without permit(s) | | Cost of the permit |
| Missed Inspections or work not complete | | \$95/hour |
| Electrical/Plumbing/Mechanical Permit | | \$125 |
| Grading Permit Fee | | \$120 |
| Tree Removal/Significant Alteration Permit | | \$25 |
| Residential Property Inspections Reports - Single Family Dwelling | | \$250 |
| Duplicate Job Card | | \$25 |
| Variance Permit | | |
| Master | (Multiple variances for commercial, multi-family or Industrial projects) | \$1,410 |
| Major | (One variance (coverage, height, parking adjustments) for commercial, multi-family or industrial sites) | \$980 |
| Minor | (One variance - residential fences, setbacks, parking, etc. | \$820 |
| Engineering | | |
| Encroachment Permit (Residential) | | \$250 |
| Encroachment Permit (Commercial) | | \$300 plus 2% of cost of public improvements requires plan check |
| Street Opening Permit (Residential) | | \$250 |
| Street Opening Permit (Commercial) | | \$300 plus 2% of cost of public improvements requires plan check |
| Driveway, Curb, Gutter, Sidewalk Permit | | \$150 |
| Construction Activity Road Impact Fee | | 1% of the sum of the building permit's project valuation |
| Storm Water Review & Inspection Fee | | \$250 plus \$95/hour for plan review & inspection |

| CITY OF DEL REY OAKS FEE SCHEDULE | | FEE |
|--|------------------------------------|---|
| Zoning Permits | | |
| R-1 District | | \$100 |
| D District (Condo.) | | \$100 |
| Hotel/motel/multi-family | | \$200 |
| 1-7 units | | \$925 |
| 8-36 units | | \$125/unit |
| >36 units | | Negotiated fee for cost of service |
| Commercial & Industrial | | |
| <15,000 sf | | \$500+140 K/sf |
| >15,000 | | Negotiated fee for cost of service |
| Additional meetings | | \$400 |
| Reclassification or Rezoning | | |
| Major text | (alterations of existing sections) | \$1,500 Deposit/cost of service |
| Minor text | (addition of new section) | \$1,000/1st section charged+\$300 for each additional section |
| Standard Subdivision Map | | |
| Tentative | | \$1,800 + \$100/lot |
| Exceptions | | \$700/lot w/exceptions |
| Minor | | \$1,600 |
| Exceptions | | \$700/lot w/exceptions |
| Additional meetings for minor text amendments | | \$120 |
| Final Map | | |
| Processing | | \$750 + \$60/lot |
| Parcel Map | | \$600 per map |
| Lot Line Adjustment | | \$1,000 |
| General Plan Amendment | | |
| Minor Text | (alterations of existing sections) | \$1,000 |
| Major Text | (addition of new sections) | \$1,000 deposit/Cost of services |
| Map | | Cost of service |
| Printed Material | | |
| Agenda Packet Servie Per Year | | \$180 |
| Copies | | \$0.50 per page |
| R-1 Guidelines | | \$10 |
| Commercial Guidelines | | \$10 |
| Sign Ordinance | | \$10 |
| Subdivision Ordinance | | \$10 |
| Zoning Ordinance Text | | \$15 |
| General Plan Text | | \$20 |
| Development Agreement | | |
| <p>Consultant fee, plus 30% of consultant fees to cover normal staff costs, plus 15% of consultant fee as a contingency fund to cover unanticipated costs, plus duplication. These fees shall be considered advances and should the actual cost be less than the fee advanced, the excess shall be returned to the applicant; should the actual cost be more than the fee advanced, the difference shall be paid by the applicant.</p> <p>Applicant shall, in addition to those fees listed in this fee schedule, pay the actual cost of legal advertising.</p> <p>It is the City policy and requirement that processing of development or planning projects be fully cost recoverable. Application fees are intended to reimburse the City for minimal costs incurred for the normal or routine amount of time necessary to process applicant's requests. If additional or other unusual time is required on a particular project, then the developer/applicant will be charged for these additional costs to the City, plus a 30% administrative overhead fee.</p> | | |

| CITY OF DEL REY OAKS FEE SCHEDULE | | FEE |
|--|------------------------------------|--|
| SERVICES | | |
| Reports | | |
| Accident Report | | \$25 |
| Police Report | | \$25 |
| Police / Fire Fees | | |
| Hazardous Materials / Fire Response fee/Traffic Accident - (Fire presence required) | | \$2,500 |
| False Alarm / Fire Response / Fire Alarm - Sprinkler System (Fire presence required) | | \$2,500 |
| Fingerprinting | | \$25 per card |
| Special Events | | \$125 per hour |
| Vehicle Repossession | | \$25 |
| Vehicle Storage Release | | \$250 |
| Citation Sign-Off | | \$25 |
| VIN Verification | | \$25 |
| Police Shoulder Patch Request | | \$20 |
| False Police Alarm Fees | | |
| 1st alarm within 60 days | | No Charge |
| 2nd alarm within 60 days | | \$150 |
| Subsequent Alarms | | \$250 |
| Duplication Fees | | |
| Duplication of Audio Tape | | \$50 Each |
| Duplication of DVD (Council Meeting, Etc.) | | \$50 Each |
| Duplication of DVD / Police Photos | | \$50 Each |
| Enlargement of Photographs | | City's cost |
| Returned Check Fee | | |
| Stop Payment/NSF | | \$35 |
| Miscellaneous Fees | | |
| Maps | | \$5 |
| Business License Application Fee | | \$25 |
| Dog park annual registration fee (per dog) Payable January 1 of each year | | \$20 Resident/\$30 Non-Resident/\$2 day pass |
| SPCA Animal Fees | | Actual Cost to City to be paid by owner |
| Park Barbeque Reservation Fees: | | |
| Residents: | Groups of 1 to 50 | \$50 |
| | Groups of 51 to 100 | \$100 |
| | Groups of 101 to 150 | \$150 |
| Non-Residents: | Groups of 1 to 50 | \$100 |
| | Groups of 51 to 100 | \$150 |
| | Groups of 101 to 150 | \$200 |
| Bounce House Permit | | \$50 |
| Temporary Day Use Permit | | \$50 |
| Old Town Hall Reservation Fees: | | |
| Resident : | First 3 hours (per hour) | \$50 |
| | Each additional hour | \$25 |
| | Cleaning Fee | \$10 |
| | Use Permit | \$50 |
| | Refundable Cleaning/Damage Deposit | \$250 |
| Non-Resident: | First 3 hours (per hour) | \$70 |
| | Each additional hour | \$25 |
| | Cleaning Fee | \$10 |
| | Use Permit | \$50 |
| | Refundable Cleaning/Damage Deposit | \$250 |
| Non-Profit: | First 3 hours (per hour) | \$40 |
| | Each additional hour | \$15 |
| | Cleaning Fee | \$10 |
| | Use Permit | \$50 |
| | Refundable Cleaning/Damage Deposit | \$250 |
| Recreational Vehicle Storage Facility (plus \$5 key deposit) | | |
| Resident: | | \$85 per month |
| Non-Resident: | | \$110 per month |

RESOLUTION NO. 2017-14

A RESOLUTION OF THE CITY OF DEL REY OAKS ESTABLISHING A PROMOTION FUND FOR THE FISCAL YEAR 2017-2018

-oOo-

BE IT RESOLVED by the City Council of the City of Del Rey Oaks, as follows: That for the promotion and advertising of the City for the fiscal year 2017-2018 there is appropriated the sum of \$1,500.00, payable at the monthly rate of \$125.00, which shall be paid to the Mayor, for his discretionary use, as other claims are paid by the City. Said sum shall be paid monthly without itemization. Said sum shall be charged to the Advertising and Promotion Funds of said City.

PASSED AND ADOPTED at a regular meeting of the Del Rey Oaks City Council duly held on June 27, 2017, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Jerry B. Edelen, Mayor

ATTEST:

Danial D. Pick, City Clerk