

A G E N D A
REGULAR JOINT MEETING OF
THE BOARD OF DIRECTORS, THE EXECUTIVE COMMITTEE,
AND THE USER COMMITTEE
TUESDAY, MARCH 19, 2019, 2:00 PM
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
SECOND FLOOR CONFERENCE ROOM
4440 W. BROADWAY, HAWTHORNE, CA

A. **CALL TO ORDER**

B. **ROLL CALL**

Board of Directors

Executive Committee

User Committee

C. **PUBLIC DISCUSSION**

Members of the public will be given the opportunity to directly address the Board of Directors, the Executive Committee, and the User Committee on any item listed on the agenda.

D. **BOARD OF DIRECTORS ACTION ITEMS**

1. Resolution of the Board of Directors of the South Bay Regional Public Communications Authority Adopting the Budget for Fiscal Year 2019-2020

E. **EXECUTIVE DIRECTOR'S REPORT**

F. **BOARD OF DIRECTORS COMMENTS**

G. **EXECUTIVE COMMITTEE COMMENTS**

H. **USER COMMITTEE COMMENTS**

I. **BOARD DIRECTORS' & EXECUTIVE COMMITTEE'S CLOSED SESSION**

Conference with Labor Negotiator

Pursuant to Government Code Section 54957.6

Discussion with Liebert Cassidy Whitmore Re: Teamsters Local 911

Conference with Labor Negotiator

Pursuant to Government Code Section 54957.6

Discussion with Liebert Cassidy Whitmore Re: Communications Workers of America

Conference with Labor Negotiator

Pursuant to Government Code Section 54957.6

Discussion with Liebert Cassidy Whitmore Re: Management & Confidential

J. EXECUTIVE COMMITTEE'S CONSENT CALENDAR

1. Minutes from February 19, 2019
2. Check Register from February 2019
3. Amendment #2 to the Agreement between the South Bay Regional Public Communications Authority and M Jack Brooks, JD for Consulting Services; and
Approve of a Corresponding Change Purchase Order in the Amount of \$80,000 for a Total Not-To-Exceed Amount of \$180,000 for these Services; and
Approve an Additional Operating Budget Transfer in the Amount of \$80,000 from the Salaries & Benefits Category to the Supplies & Services Category of the Adopted Fiscal year 2018/2019 Budget to Continue Funding these Services.
4. Side Letter Agreement Amending the July 1, 2016 to June 30, 2019 Memorandum of Understanding between Management and Confidential Employees and the South Bay Regional Public Communications Authority
5. Side Letter Agreement Amending the July 1, 2017 to June 30, 2020 Memorandum of Understanding between the Communications Workers of America and the South Bay Regional Public Communications Authority

K. ITEMS REMOVED FROM THE CONSENT CALENDAR**L. EXECUTIVE COMMITTEE'S GENERAL BUSINESS**

1. Single Audit and Independent Auditors' Reports for the Year Ended June 30, 2018

M. CLOSED SESSION AGENDA

Conference with Labor Negotiator
Pursuant to Government Code Section 54957.6
Discussion with Liebert Cassidy Whitmore Re: Teamsters Local 911

Conference with Labor Negotiator
Pursuant to Government Code Section 54957.6
Discussion with Liebert Cassidy Whitmore Re: Communications Workers of America

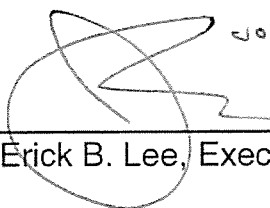
Conference with Labor Negotiator
Pursuant to Government Code Section 54957.6
Discussion with Liebert Cassidy Whitmore Re: Management & Confidential

N. ADJOURNMENT

Posting Place: 4440 W. Broadway, Hawthorne, CA 90250 and
www.rcc911.org

Posting Date/Time: March 14, 2019/5:00 PM

Signature:

 JOHN KROK

Erick B. Lee, Executive Director

D-1



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: March 19, 2019

ITEM NUMBER: D-1

TO: Board of Directors

FROM: Erick B. Lee, Executive Director

SUBJECT: RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY ADOPTING THE BUDGET FOR FISCAL YEAR 2019-2020

ATTACHMENTS:

1. Resolution
2. Recommended Fiscal Year 2019-2020 Budget

RECOMMENDATION

Staff recommends that the Board of Directors adopt the resolution adopting the budget for Fiscal Year 2019-2020.

DISCUSSION

The Authority derives its revenue from four main sources:

1. Owner City Assessments
2. Contract City Fees
3. Reimbursements from Owner and Contract Agencies and Other Revenues
4. Investment Earnings

Member city assessments for Fiscal Year 2019-2020 are not proposed to increase in the recommended budget. Fees for contract cities are established by formulas specified in the agreements with each agency. Given these parameters, staff has developed a budget which provides for an 0.67% increase in Enterprise Fund (Fund 10) revenues and a 4.1% increase in expenditures over the prior year's adopted budget.

These comparisons do not include Fiscal Year 2018-2019 mid-year appropriations, as they were for one-time expenditures (over \$6.5M) that significantly distort the year-to-year differences. However, these additional appropriations, along with carryover amounts from the prior year, are detailed in Attachment #1 in the budget tables in the "Amended" column for reference purposes.

Categories	FY 17-18 Actual	FY 18-19 Adopted	FY 19-20 Proposed	Increase (Decrease)	%
Revenue Summary by Category – Enterprise Fund (Fund 10)					
Assessments					
Member Cities	\$7,454,179	\$7,454,179	\$7,454,179	\$ -	0.00%
Contract Cities	4,355,551	4,666,570	4,935,680	269,110	5.77%
Subtotal Assessments	\$11,809,730	\$12,120,749	\$12,389,859	\$269,110	2.22%
Non-Assessment Revenue	\$1,003,280	\$1,032,978	\$852,408	(\$180,570)	-17.48%
Total	\$12,813,010	\$13,153,727	\$13,242,267	88,540	0.67%
Expense Summary by Category – Enterprise Fund (Fund 10)					
Operating Budget	\$12,051,299	\$12,038,663	\$12,426,528	\$387,865	3.22%
Capital Outlay	130,808	17,500	125,000	107,500	614.29%
Total	\$12,182,107	\$12,056,163	\$12,551,528	\$495,365	4.11%
Salaries & Benefits	\$9,292,582	\$9,517,204	\$9,951,782	\$434,578	4.57%
Supplies/Svcs/Equip	2,758,717	2,521,459	2,474,746	(46,713)	-1.85%
Capital Outlay	130,808	17,500	125,000	107,500	614.29%
Total	\$12,182,107	\$12,056,163	\$12,551,528	\$495,365	4.11%
Summary of Revenues Over (Under) Expenses					
Total	\$ 630,903	\$ 1,097,564	\$690,738		

Changes from Prior Year

The following are the ten most significant increases in budgeted accounts:

Salaries/Full-Time - \$229,996

Includes contracted and estimated increases from MOUs and agreement with employees.

Capital Outlay - \$107,500

Increase relates to anticipated communications and technology infrastructure replacement purchases.

PERS Contribution - \$100,293

Increase relates to corollary salary increases and CalPERS rate increases.

Medical Insurance - \$66,527

Includes contracted increases from MOUs and agreement with employees.

Legal Services - \$50,000

Increase relates to establishing a budget for general counsel services.

Education Incentive - \$35,673

Includes contracted increases from MOUs with employees.

Overtime - \$30,000

Increase relates to developing a closer alignment with anticipated expenditures.

General Liability Insurance - \$23,166

Increase relates to anticipated increases in insurance costs.

POST Training - \$21,815

Increase relates to planned off-site training for employees.

Communications Contract Services - \$18,000

Increase relates to ongoing costs necessary to establish a redundant/backup internet connection to ensure internet and cloud-based systems remain operational.

Other significant changes from Fiscal Year 2018-2019 that are included in the preliminary Fiscal Year 2019-2020 budget include:

Additional Finance and Accounting Services - \$15,000

Funds will be used to secure outside additional consulting services on an as-needed basis.

Microwave Servicing and Equipment Replacement - \$25,000

Routine maintenance, repair, and replacement of microwave equipment that is no longer under warranty.

Elimination of the following positions:*Administration Manager (1)*

Position was eliminated in Fiscal Year 2018-2019. The incumbent was reclassified as the Administrative Services Manager.

Information Technology Manager (1)

Position has been vacant for over one year. The Authority currently contracts with the City of Hawthorne for information technology services.

Lead Communications Technician (1)

Position is vacant. For over two years, the Authority has contracted for services that were formerly performed by this position.

Public Safety Communications Specialist I (1)

Position has been vacant for most of Fiscal Year 2018-2019. As a workplan item for Fiscal Year 2019-2020, staff will be conducting an evaluation of the Technical Services Division's workload to determine optimum staffing levels and if this position is necessary in future fiscal years.

Reclassification of the following positions:

- *Technical Services Manager to Administrative Services Manager*
With the elimination of the Administration Manager position, the incumbent was reclassified into the Technical Services Manager position. The job description was also updated and the position was re-titled as Administrative Services Manager.

Addition of the following positions:

Accountant (1)

This additional position doubles the size of the Finance work unit and will help to ensure that this important area of the Authority's business is properly administered.

Communications Operator (3)

With the continued planned expansion of dispatch services for the cities of Manhattan Beach and Hermosa Beach in Fiscal Year 2019-2020, the Authority will be staffing 120 more hours of dedicated dispatch services than it did two years ago before the expansion. These additional hours equate to three (3) full-time equivalent (FTE's) in actual hours worked each week, not including the additional time needed for training or backfilling for these employees while they are on leave.

Work Plans for Fiscal Year 2019-2020

Some of the notable work plans staff anticipates accomplishing in Fiscal Year 2019/2020 include:

INSB Network

Continue to participate in the early implementation phases of the network, including finalization of the installation at the rehabilitated water tower site in Manhattan Beach.

Mark 43 CAD/RMS Project

Continue to actively participate in the development of the CAD system, with anticipated go-live in Fiscal Year 2019-2020.

Comprehensive Cost of Service & Allocation Study

Implement direction received from the Board of Directors and Executive Committee regarding recommendations made by the consultant's study,

City of Redondo Beach's Request for a Quote re: Consolidation of Services.

Develop a quote for contract dispatch services.

City of El Segundo's Contract

Work with the City of El Segundo to develop a successor agreement for dispatch services. The current agreement expires on September 30, 2020.

Updating of Bylaws

Work with the Board of Directors the Executive Committee to identify and implement changes to the Authority's bylaws.

Review of Technical Services Division

Conduct an evaluation of the workload and practices of the Technical Services Division to ensure the work unit is properly staffed and administered.

Reduce Call Processing and Dispatch Times for Fire Department Calls

Work with the Fire Departments to refine call processing and dispatch procedures in order to reduce the overall response times associated with emergency calls.

Implement New Performance Measures

Begin compiling and reporting new performance measures on a monthly basis.

Develop Policy for Funding Non-Current Liabilities

Work with the Executive Committee to determine policies related to funding the long-term costs of benefits provided to employees and retirees through pension and Other Post-Employment Benefits (OPEB) plans.

Attachment #1 (Recommended Fiscal Year 2019-2020 Budget) details staff's recommended use of budgeted funds along with descriptions of the Authority's programs, associated work plan objectives, and performance measure data. This recommended budget continues to fund the Authority's goal of providing an outstanding level of service to the communities it serves.

FISCAL IMPACT

As proposed, revenues are anticipated to exceed expenditures by \$690,738 as indicated below:

Estimated Cash Available (Fund 10) as of June 30, 2019	\$2,775,216
FY 2019/20 Revenues	13,242,267
FY 2019/20 Expenditures	12,551,528
Revenues Over Expenditures	690,738
Estimated Cash Available (Fund 10) as of June 30, 2020	\$3,465,954

Allocation of Estimated Cash Available		
Member	June 30, 2019	June 30, 2020
City of Gardena	\$890,289	\$1,111,878
City of Hawthorne	1,250,790	1,562,106
City of Manhattan Beach	634,137	791,971
Total	\$2,775,216	\$3,465,954

D-1

Attachment 1

Resolution

RESOLUTION NO. _____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH
BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
ADOPTING THE BUDGET FOR FISCAL YEAR 2019-2020**

WHEREAS, the South Bay Regional Public Communications Authority has been established for the purpose of implementing, operating, and maintaining a consolidated regional public safety services communications system for the mutual benefit of its membership;

WHEREAS, funds are required of the Member Agencies to support such operations;

WHEREAS, in a public session, on March 19, 2019, the Board of Directors examined and adopted the budget for Fiscal Year 2019-2020 as outlined below;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of said Authority has adopted a budget in the amount of \$12,551,528 for the period of July 1, 2019 through June 30, 2020 in accordance with the following allocations:

Administration Department	\$2,209,646
Operations Department	8,249,962
Technical Services Division	1,966,920
Capital Outlay	125,000
Total Budget	\$12,551,528

BE IT FURTHER RESOLVED that the Finance & Performance Audit Manager of the Authority is authorized to issue assessments to the Member Cities in accordance with the terms, conditions, and formulas contained in Article X of the Authority Bylaws, and as shown on page 25 of the budget document.

WE HEREBY CERTIFY that the foregoing is a true copy of the resolution adopted by the Board of Directors of the South Bay Regional Public Communications Authority in a meeting thereof held on the 19th day of March 2019, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Rodney Tanaka, Mayor Pro Tem
Chairman, Board of Directors

Erick B. Lee, Executive Director
Secretary, Board of Directors

D-1
Attachment 2
Recommended Fiscal
Year 2019-2020
Budget



South Bay Regional Public Communications Authority



**Fiscal Year 2019-2020
Recommended Budget**



Table of Contents

Budget Message	4
Authority Profile	15
Personnel Summary	21
Financial Summaries	23
Administration Department	35
Operations Department	45
Technical Services Division	53
Appendix	59
Budget Policy	67
Fiscal Year 2019-2020 Budget Resolution	71



AUTHORITY OFFICIALS

Board of Directors

Rodney Tanaka
Mayor Pro Tem
City of Gardena

Haidar Awad
Councilmember
City of Hawthorne

David Lesser
Councilmember
City of Manhattan Beach

Executive Committee

Edward Medrano
City Manager
City of Gardena

Arnold Shadbeh
Interim City Manager
City of Hawthorne

Bruce Moe
City Manager
City of Manhattan Beach

User Committee

Thomas Kang
Chief of Police
City of Gardena

Michael Ishii
Chief of Police
City of Hawthorne

Derrick Abell
Chief of Police/Interim Fire Chief
City of Manhattan Beach

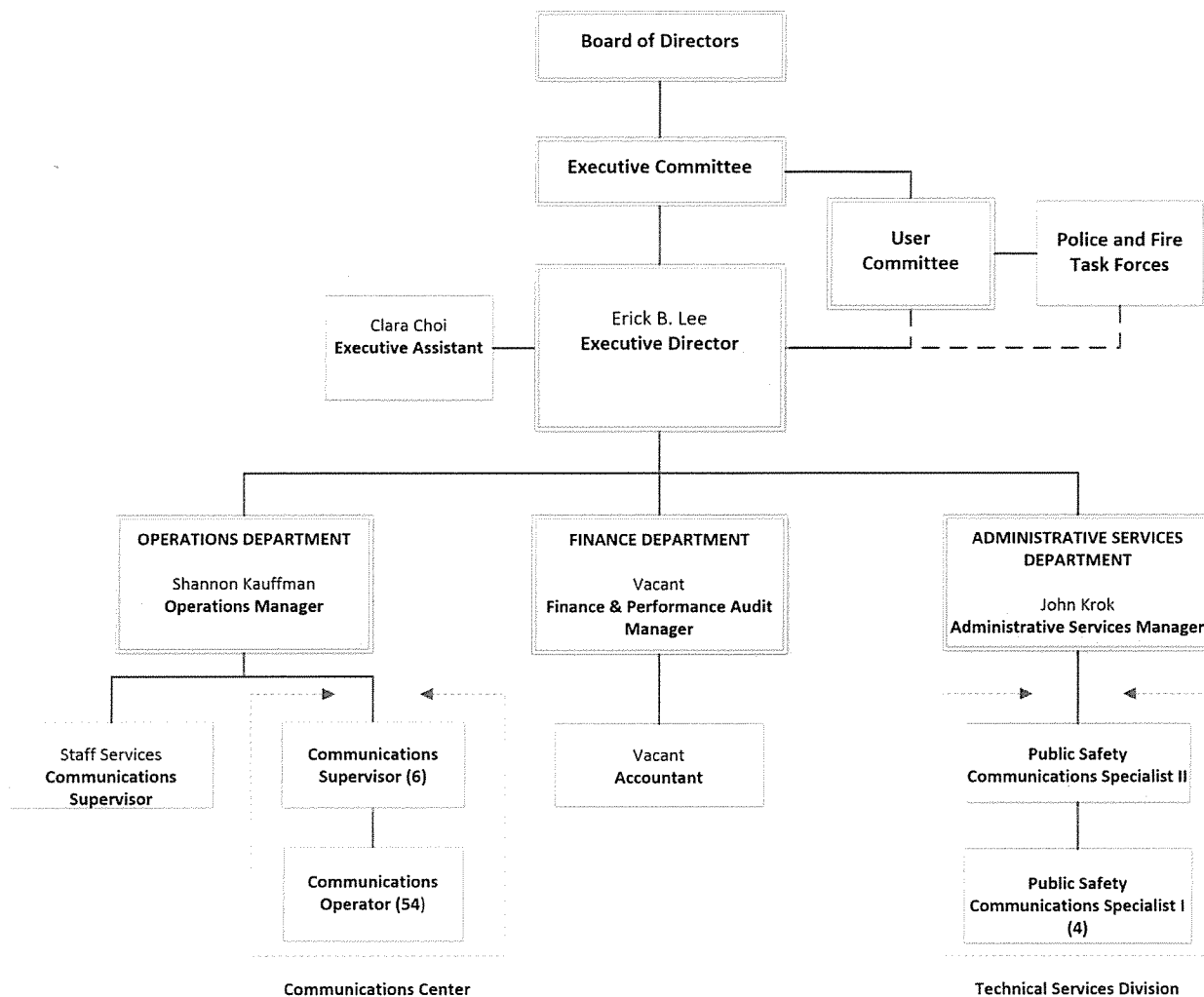
SBRPCA Staff

Erick B. Lee, Executive Director
Shannon Kauffman, Operations Manager
John Krok, Administrative Services Manager
Clara Choi, Executive Assistant



Organization Chart

Fiscal Year 2019-2020



Budget Message

March 19, 2019

Members of the Executive Committee and the User Committee:

This past year has been another busy year for staff. I am pleased to report some of our accomplishments as follows:

- Received 362,519 calls in CY2018
 - 911 Calls: 131,086 (102,739 from cell phones)
 - 7 Digit Calls: 231,434
- Secured successor MOUs with both the Teamsters Local 911 and the Communication Workers of America (CWA) bargaining groups.
- Participated in 13 career fairs to recruit new Communications Operators in CY2018.
- Processed 385 applications and subsequently hired 12 new Communications Operators in CY2018.
- Completed a resource forecasting analysis to anticipate future attrition.
- Completed a redesign of the Authority's website to ensure transparency and provide additional information to our stakeholders and members of the public.
- Developed a recruitment video to attract high quality applicants to fill vacant positions.
- Completed the installation of the infrastructure to migrate the Authority to the Interoperable Network of the South Bay (INSB) radio network. Also submitted all allowable costs associated with this project for reimbursement under the terms of the UASI 2016 grant subrecipient agreement. The network is anticipated to go-live in early 2019.
- Completed the no interest Equipment Lease-Purchase project to procure and deploy over \$6.5M in new mobile and portable radios.

- Participated in the development of the Mark43 Computer Aided Dispatch (CAD) system. The system is anticipated to go-live in Fiscal Year 2019-2020.
- Monitored the federal government's progress in deploying FirstNet in Los Angeles County and the South Bay region.
- Issued an RFP for the Comprehensive Cost of Service & Allocation Study. This project is anticipated to be completed by the end of Fiscal Year 2018-2019.
- Defined new agency standards and performance measures.
- Updated and revised the Communications Operator training materials.
- Completed 176 installations and 332 repairs of various telecommunications equipment used by Police, Fire, and Public Works in CY2018.
- Installed over 300 new mobile radios in public safety vehicles to prepare the Authority's agencies for migration to the INSB radio network.
- Reviewed and updated organizational governance documents and policies including:
 - Budgetary Policy
 - Meeting Schedule for the Board of Directors
 - Position Classification Plan
 - Publicly Available Pay Schedule
 - Purchasing Policy
 - Schedule of Fees and Charges

Having these accomplishments in mind, staff is ready to build on these successes and respectfully submits this Preliminary Budget for Fiscal Year 2019-2020. In developing this budget, staff was mindful of the financial impact to the Member Cities, but at the same time kept in mind the Authority's goal of continuing to provide an outstanding level of service to the communities served.

Assessments for Member Cities are proposed to remain at the same level as the prior year, while Contract City assessments will increase in accordance with the terms of each city's agreement. Total revenues are estimated to increase by 0.67%.

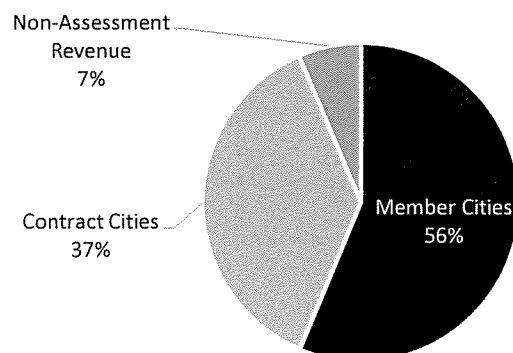
The preliminary expenditure budget is \$12,551,528 which represents an increase of \$387,865 in operating expenses (3.2%), and an increase of \$107,500 (614.3%) in capital outlay expenses compared to the adopted budget in Fiscal Year 2018-2019. The total preliminary expenditure budget is an increase of \$495,365 over the prior year, or 4.1%.

These comparisons do not include Fiscal Year 2018-2019 mid-year appropriations as they were for one-time expenditures (over \$6.5M) that significantly distort the year to year differences. However, these amounts are detailed in the budget tables for reference purposes. Additionally, carryover amounts from prior fiscal years for continuing capital projects are also excluded.

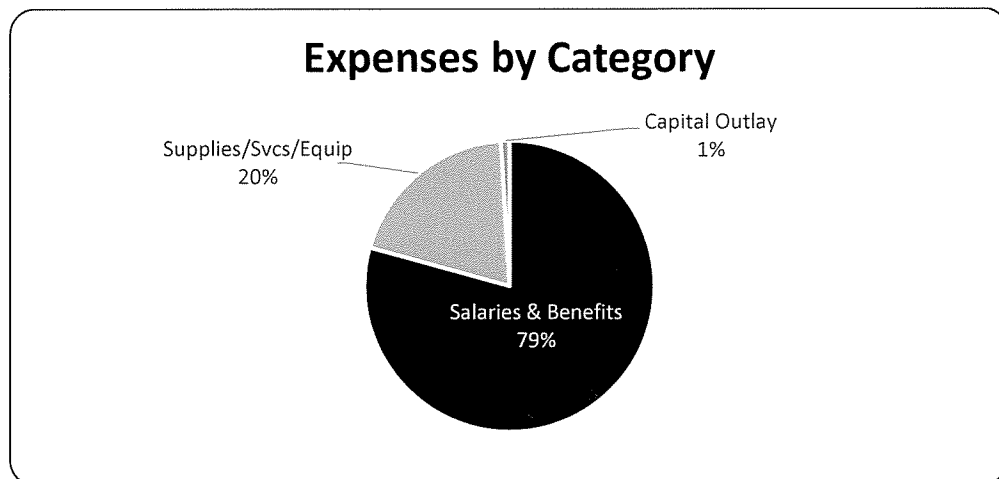
The following tables and charts illustrate the significant budget categories with their corresponding increases and decreases.

REVENUE SUMMARY BY CATEGORY – ENTERPRISE FUND (FUND 10)				
	FY 18-19 Adopted	FY 19-20 Proposed	Increase (Decrease)	%
Assessments				
Member Cities	\$7,454,179	\$7,454,179	\$ -	0.00%
Contract Cities	4,666,570	4,935,680	269,110	5.77%
Subtotal Assessments	\$12,120,749	\$12,389,859	\$269,110	2.22%
Non-Assessment Revenue	\$1,032,978	\$852,408	(\$180,570)	-17.48%
Grand Total	\$13,153,727	\$13,242,267	88,540	0.67%

Revenue by Category



EXPENSE SUMMARY BY CATEGORY – ENTERPRISE FUND (FUND 10)					
	FY 18-19 Adopted	FY 18-19 Amended	FY 19-20 Proposed	Inc (Dec) vs. Adopted	%
Operating Budget	\$12,038,663	\$18,662,938	\$12,426,528	\$387,865	3.22%
Capital Outlay	17,500	17,500	125,000	107,500	614.29%
Total	\$12,056,163	\$18,680,438	\$12,551,528	\$495,365	4.11%
Salaries & Benefits	\$9,517,204	\$9,228,051	\$9,951,782	\$434,578	4.57%
Supplies/Svcs/Equip	2,521,459	9,434,887	2,474,746	(46,713)	-1.85%
Capital Outlay	17,500	17,500	125,000	107,500	614.29%
Total	\$12,056,163	\$18,680,438	\$12,551,528	\$495,365	4.11%



Changes from the Prior Year:

The following are the ten most significant increases in budgeted accounts:

- Salaries/Full-Time (\$229,996): Includes contracted and estimated increases from MOUs and agreement with employees.
- Capital Outlay (\$107,500): Increase relates to anticipated communications and technology infrastructure replacement purchases.
- PERS Contribution (\$100,293): Increase relates to corollary salary increases and PERS rate increases.

- Medical Insurance (\$66,527): Includes contracted increases from MOUs and agreement with employees.
- Legal Services (\$50,000): Increase relates to establishing a budget for general counsel services
- Education Incentive (\$35,673): Includes contracted increases from MOUs with employees.
- Overtime (\$30,000): Increase relates to developing a closer alignment with anticipated expenditures.
- General Liability Insurance (\$23,166): Increase relates to anticipated increases in insurance costs.
- POST Training (\$21,815): Increase relates to planned off-site training for employees.
- Communications Contract Services (\$18,000): Increase relates to ongoing costs necessary to establish a redundant/backup internet connection to ensure internet and cloud-based systems remain operational.

Summary of Expenditure Increases				
Line Item	FY 18-19 Adopted	FY 19-20 Proposed	Inc (Dec) vs. Adopted	%
Salaries (Full-Time)	\$6,386,544	\$6,616,540	\$229,996	3.60%
Capital Outlay	17,500	125,000	107,500	614.29%
PERS Contribution	1,024,352	1,124,645	100,293	9.79%
Medical Insurance	711,932	778,459	66,527	9.34%
Legal Services	45,000	95,000	50,000	111.11%
Education Incentive	96,733	132,406	35,673	36.88%
Overtime	360,000	390,000	30,000	8.33%
General Liability Ins.	187,660	210,826	23,166	12.34%
POST Training	2,000	23,815	21,815	1,090.75%
Comm Contract Svcs	31,000	49,000	18,000	58.06%

Other significant changes from Fiscal Year 2018-2019 that are included in the preliminary Fiscal Year 2019-2020 budget are as follows:

Additional Finance and Accounting Services - \$15,000

Funds will be used to secure outside additional consulting services on an as-needed basis.

Microwave Servicing and Equipment Replacement - \$25,000

Routine maintenance, repair, and replacement of microwave equipment that is no longer under warranty.

Elimination of the following positions:

Administration Manager (1)

Position was eliminated in Fiscal Year 2018-2019. The incumbent was reclassified as the Administrative Services Manager.

Information Technology Manager (1)

Position has been vacant for over one year. The Authority currently contracts with the City of Hawthorne for information technology services.

Lead Communications Technician (1)

Position is vacant. For over two years, the Authority has contracted for services that were formerly performed by this position.

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Position has been vacant for most of Fiscal Year 2018-2019. As a workplan item for Fiscal Year 2019-2020, staff will be conducting an evaluation of the Technical Services Division's workload to determine optimum staffing levels and if this position is necessary in future fiscal years.

Reclassification of the following positions:

Technical Services Manager to Administrative Services Manager

With the elimination of the Administration Manager position, the incumbent was reclassified into the Technical Services Manager position. The job description was also updated and the position was re-titled as Administrative Services Manager.

Addition of the following positions:

Accountant (1)

This additional position doubles the size of the Finance section work unit and will help to ensure that this important area of the Authority's business is properly administered.

Communications Operator (3)

With the continued planned expansion of dispatch services for the cities of Manhattan Beach and Hermosa Beach in Fiscal Year 2019-2020, the Authority will be staffing 120 hours more of dedicated dispatch services than it did two years ago before the expansion. These additional hours equate to three (3) full-time equivalent (FTE's) in actual hours worked each week, not including the additional time needed for training or backfilling for these employees while they are on leave.

Additional Budget Information:

Beginning in Fiscal Year 2015-2016, CalPERS began to require payment for each agency's unfunded actuarial liability (UAL) as a separate payment for each coverage plan. These payments are based on each plan's total liability rather than by plan individual payroll, which is to allow employers to track their own UAL and pay it down faster if they choose. The change in the allocation of the UAL results in some employers paying more towards their UAL and some paying less.

For budget purposes, CalPERS provided a percentage of payroll for each plan's UAL contribution. Rates for Fiscal Year 2019-2020 including the UAL contribution are 20.447% for Tier 1 employees, 8.628% for Tier 2 employees and 7.397% for PEPRA employees. For comparison, the Fiscal Year 2018-2019 rates were 17.350% for Tier 1 employees, 7.861% for Tier 2 employees and 6.563% for PEPRA employees. All employees are now paying at least one half of the employee contribution previously paid by the Authority. The total increase in retirement costs for Fiscal Year 2019-2020 is \$100,293.

Additionally, costs for step increases earned by newer employees who have not yet reached the top of the approved salary range for their positions are included. Total costs for salary and benefit increases in the proposed budget for Fiscal Year 2019-2020 are \$434,578.

The remaining increases to operating expenses are included in a detailed listing by account in the subsequent pages.

Capital Outlay for Fiscal Year 2019-2020:

The capital outlay project request is for \$125,000 for communications and technology infrastructure replacement purchases.

Members' Assessments for Fiscal Year 2019-2020: The calculation of the assessments is found in the Financial Summaries section of the document. The budget, as presented, uses the same assessment amount as Fiscal Year 2018-2019 assuming no use of the Enterprise Fund estimated cash balance at June 30, 2019.

Assessments for Client Cities:

Culver City's assessment is \$2,587,601, an increase of \$80,236. The assessment reflects the 3.2% Consumer Price Index (CPIU) adjustment as stated in their agreement. The current agreement expires on March 1, 2022.

El Segundo's assessment is \$1,372,870, an increase of \$42,105. The assessment reflects a 3.2% Consumer Price Index (CPIU) adjustment as stated in their agreement. The current agreement expires on September 30, 2020.

Hermosa Beach's assessment is \$975,208, an increase of \$146,769. The assessment reflects the prior year assessment multiplied by the 3.2% Consumer Price Index (CPIU) adjustment and the three (3) year budget increase amount of 5.0% plus the five (5) year amortized increase of \$78,837. The current agreement expires on June 30, 2028.

Other Revenues:

These include interest income from the Authority's investment with the Local Agency Investment Fund (LAIF); labor charges for repairs, and/or maintenance of communications equipment charged to non-members; and reimbursements from participating agencies for wireless services and GST software maintenance. Staff maintains a daily cash position to determine available funds for investment with LAIF to maximize interest income. The interest rates for Fiscal Year 2019-2020, are projected to increase as the Federal Reserve progressively raises interest rates.

Work Plan Objectives for Fiscal Year 2019-2020:

Staff believes the proposed budget will provide the necessary funds to accomplish the Authority's objectives for the coming year, which include:

INSB Network

Continue to participate in the early implementation phases of the network, including finalization of the installation at the rehabilitated water tower site in Manhattan Beach.

Mark 43 CAD/RMS Project

Continue to actively participate in the development of the CAD system, with anticipated go-live in Fiscal Year 2019-2020.

Comprehensive Cost of Service & Allocation Study

Implement direction received from the Board of Directors and Executive Committee regarding recommendations made by the consultant's study,

City of Redondo Beach's Request for a Quote re: Consolidation of Dispatch Services.

Develop a quote for contract services.

City of El Segundo's Contract

Work with the City of El Segundo to develop a successor agreement for dispatch services. The current agreement expires on September 30, 2020.

Updating of Bylaws

Work with the Board of Directors the Executive Committee to identify and implement changes to the Authority's bylaws.

Review of Technical Services Division

Conduct an evaluation of the workload and practices of the Technical Services Division to ensure the work unit is properly staffed and administered.

Reduce Call Processing and Dispatch Times for Fire Department Calls

Work with the Fire Departments to refine call processing and dispatch procedures in order to reduce the overall response times associated with emergency calls.

Implement New Performance Measures

Begin compiling and reporting new performance measures on a monthly basis.

Develop Policy for Funding Non-Current Liabilities

Work with the Executive Committee to determine policies related to funding the long-term costs of benefits provided to employees and retirees through pension and Other Post-Employment Benefits (OPEB) plans.

FirstNet Implementation in the South Bay

Monitor the federal government's progress in developing the First Responder Network Authority (FirstNet) and provide updates and recommendations to the Executive and User Committees on its implementation in the South Bay region.

Fund Balance/Reserves:

In accordance with the Executive Committee's Budget Policy, as established by Resolution No. 321, the preliminary Fiscal Year 2019-2020 budget includes a 10% Operational and Capital Reserve of \$1,255,153.

Additionally, in October 2011 the Executive Committee established a reserve in the amount of \$250,000 for future funding of OPEB liabilities. The Authority continues to maintain this reserve.

The available Enterprise Fund cash balance is projected to be \$2,774,716 by June 30, 2019, and has been allocated to each member based on its ownership percentage of the Authority.

Acknowledgement:

I thank the Board of Directors, the Executive Committee, the User Committee, and the Police and Fire Task Forces for their continued support for another successful year at the Authority. I also want to thank the Authority staff for consistently providing outstanding service to the communities we serve.

Respectfully submitted,



Erick B. Lee, Executive Director



Authority Profile

Mission

The South Bay Regional Public Communications Authority (SBRPCA) is dedicated to providing prompt, efficient, and cost-effective emergency communications services to the greater South Bay area.

Overview

The South Bay Regional Public Communications Authority (Authority) was organized on October 14, 1975 under the provisions of the Joint Exercise of Powers Act of the Government Code of the State of California. The purpose of the Authority is to provide a forum for discussion, study, development, implementation, operations, and maintenance of a consolidated regional public safety services communications system. At the present time, the Authority serves the cities of Gardena, Hawthorne, and Manhattan Beach in the aforementioned capacity. The Authority also provides services to the cities of Culver City, El Segundo and Hermosa Beach under contract.

The Authority's Board of Directors, consisting of one Councilmember from each of the Member Cities, maintains authority over the annual budget for the Authority. Policy management is relegated to the Executive Committee, consisting of City Managers from each of the Member Cities. The Executive Director, who is appointed by the Executive Committee, manages the day-to-day operations. A User Committee, consisting of Police and Fire Chiefs from the Member Cities, provides direction relative to the needs of the organization. Police Officers and Firefighters from the Member Cities make up the Police and Fire Task Forces, which provide feedback and recommendations to facilitate an optimum level of service and safety for citizens, police officers, and firefighters.

The Authority annually processes approximately 375,000 police and fire incidents in the Southern California region of Los Angeles County commonly referred to as the "South Bay."

The RCC is currently budgeted for 72 full-time positions. Five (5) Technical Services staff members install radio communications equipment, light bars, mobile cameras, computer systems, and all necessary equipment for full-service, emergency vehicles. Staff also coordinates capital projects and provides technical services to the following outside agencies: El Camino College Campus Police Department; Gardena Public Works Department; Hermosa Beach Public Works Department; L.A. Impact; Manhattan Beach Public Works Department; and Palos Verdes Estates.

Brief Profiles of Member/Client Cities

City of Gardena – incorporated on September 11, 1930 as a general law city with a Council-Manager form of government; located 13 miles south of metropolitan Los Angeles in the South Bay area of Los Angeles County; full service city including its own municipal bus lines; 5.9 square miles; population of 60,785; 6 parks, 1 community center, 1 municipal pool, 1 parkette, and 2 gymnasiums. The City provides police protection and contracts with Los Angeles County for fire and emergency medical services. The City has approximately 300 full time employees.

City of Hawthorne – incorporated in 1922 as a general law city with a Council-Manager form of government; ideally located near the Los Angeles International Airport, connected by rail to the Port of Los Angeles and downtown Los Angeles, and surrounded by the San Diego (I-405), Harbor (I-110), and Glenn M. Anderson (I-105) Freeways; the City of Hawthorne could easily be termed the “Hub of the South Bay”; 6 square miles; population 88,003; 10 parks including 1 skate park; 1 pool; 1 sports center; 1 memorial center; and 1 senior center. The City provides police protection and contracts with Los Angeles County for fire and emergency medical services. The City has approximately 260 full time employees.

City of Manhattan Beach – incorporated on December 7, 1912 as a general law city with a Council-Manager form of government; located 19 miles southwest of downtown Los Angeles on the southerly end of Santa Monica Bay; 3.88 square miles; population of 35,297; full service city with its own police, fire/emergency services personnel; 2.1 miles of beach front and a 928-foot long pier; a 9-hole golf course; 2 community centers; 54 acres of developed parks; 21 acres parkway; and 40 acres of recreational beach. The City has approximately 290 full time employees.

City of Culver City – incorporated in 1917 as a general law city and transitioned to a charter city in 1947. The City operates under a Mayor/City Council-City Manager form of government; located 5 miles north of Los Angeles International Airport; 5.2 square miles; population of 40,448 full service city with its own police and fire/emergency services personnel; 18 parks.

City of El Segundo – incorporated on January 18, 1917 as a general law city with a Council-Manager form of government; located 14 miles southwest of downtown Los Angeles, adjacent to the City of Los Angeles International Airport and borders the Century Freeway (105) on the north and the San Diego Freeway (405) on the east, both of which provide linkages to other major freeways traveling north, south and east; 5.5 square miles; population of 16,646; full service city with its own police, fire/emergency services personnel; 1 police station, 2 fire stations, 22 parks,

13 recreational facilities and 91.2 acres of parks. The city has approximately 270 full time employees.

City of Hermosa Beach – incorporated on January 14, 1907 as a general law city with a Council-Manager form of government; located 4 miles south of Los Angeles International Airport; 1.3 square miles; population of 19,801 full service city with its own police and fire protection; emergency medical services; 20 parks; 36.52 acres of beach; 19.50 acres of open space park; 1 community theatre. The City has approximately 140 full time employees.

Description of Funds

The accounts of the Authority are organized in funds, which is considered a separate accounting entity. The operations of the fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity (net assets), revenues, and expenses. The Authority uses only one Proprietary Fund Type as follows:

Enterprise Fund (Fund 10) – Used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues; (b) has third-party requirements that the cost of providing services, including capital costs, be recovered with fees and charges; or, (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

Grant Fund (Fund 20) – During Fiscal Year 2009-2010, the Authority received a State Homeland Security Grant to equip the “new” Punta Place Radio Site. Revenues and expenses for this grant were accounted for in this Fund. The project was completed in Fiscal Year 2010 -2011 and all revenues were received during Fiscal Year 2011-2012. The fund remains open to account for the equipment (capital assets) purchased with the grant. Additionally, the Authority received a grant under the 2016 Urban Area Security Initiative (UASI) program to build out the Interoperability Network of the South Bay. Purchases associated with this grant were also made from Fund 20.

Basis of Accounting and Budgeting

Proprietary fund types are accounted for using the “economic resources” measurement focus and accrual basis of accounting. This means that all assets and liabilities (whether current or non-current) associated with the activity are included on the balance sheet. Their reported fund equity presents total net assets. The operating statements of the proprietary funds present increases (revenues) and decreases (expenses) in total net assets.

Revenues are recognized when they are earned and expenses are recognized when the liability is incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are member assessments and charges for services. Operating expenses include the costs of legal, accounting, and other administrative services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Budget Process

Departments begin developing their budget requests in November and submit them in December to the Finance Section of the Administration Department. Finance staff compiles all the requests and also calculates the personnel costs based on payroll information, along with any new labor-negotiated items.

In January, the Executive Director reviews the requests with departments and makes necessary changes for the preliminary budget to be submitted to the Executive Committee. Around the same time, staff prepares the mid-year budget report, which is submitted to the Board of Directors and the Executive Committee. In February, the Executive Committee meets with the Executive Director and staff to discuss the preliminary budget and makes recommendations. Finance staff incorporates all of the changes and prepares the proposed budget document. Afterwards staff presents the proposed budget to the Board of Directors and the Executive Committee for final approval in March.

Budget Amendments

During the year, the Executive Director may execute line item transfers within the following major budget categories as long as the total expenses of each category remain unchanged: Salaries & Benefits; Services & Supplies; and Capital Outlay. However, the legal level of budgetary authority is set at the Fund level, as determined by the Executive Committee. The Board of Directors reviews and approves budget amendments (increases and decreases) at the January meeting when the mid-year budget report is submitted.

Revenue Estimates

Assessments: Revenues that support the Authority's operations come from assessments to its Members. Prior to the Fiscal Year 2008-2009 budget, assessments were developed based on the percentage of system utilization and the communications equipment maintained. On January 15, 2008, the Board amended its Bylaws to change the assessment formula based on the Member

Cities' ownership share instead of system usage. The ownership share was based on the Members' share of the bonds issued in 2001 to finance the Authority's headquarters.

For the City of El Segundo the assessment is adjusted each year based on the Consumer Price Index (CPI), as stated in their agreement. The current agreement expires on September 30, 2020.

On September 25, 2015, the Executive Committee approved a Client Assessment formula for agencies that join the Authority in the future. Since the City of Culver City had requested a proposal for services, the methodology was required to provide a consistent manner of determining initial assessment costs for new client agencies as well as on-going assessments that would be reasonable and more realistically reflect the impact of budget increases on the owner agencies. This methodology was used to determine the increase for both Hermosa Beach and Culver City for Fiscal Year 2017-2018.

Other Revenues:

These include interest income from the Authority's investment with the State's Local Agency Investment Fund (LAIF); installation, repairs and/or maintenance charges to Member Cities (not included in the assessment formula) and other clients. The Authority maintains a daily cash position to maximize its investment with LAIF and interest income.

Operating Departments

Administration – Includes the day-to-day management of the Authority's operations based on the Board of Directors' and the Executive Committee's policy guidelines; managing the Communications Center; Personnel and Training; and Finance (accounting including accounts payable, accounts receivable, payroll, cash receipts, bank reconciliation, budgeting, and financial reporting). The department is staffed with: an Executive Director; an Operations Manager; an Administrative Services Manager; a Finance & Performance Audit Manager; an Accountant; and an Executive Assistant.

Operations – Seven (7) Communications Supervisors and fifty-three (53) Communications Operators provide 911 services to the Member Cities, the City of Culver City, City of El Segundo and the City of Hermosa Beach. The combined resident population served for all six (6) cities is approximately 261,000 people.

Technical Services – Provides installation, repairs, and maintenance of telecommunications equipment services to the Members Cities and other clients, as well as maintenance of the

Authority's facilities. The department is staffed with one (1) Public Safety Communications Specialist II and four (4) Public Safety Communications Specialist I positions.

Personnel Summary

Department/Position Title	FY 15-16 Budget	FY 16-17 Budget	FY 17-18 Budget	FY 18-19 Budget	FY 19-20 Proposed
Administration Department					
Executive Director	1	1	1	1	1
Operations Manager	1	1	1	1	1
Administration Manager	1	1	1	1	0
Finance & Performance Audit Manager ⁵	1	1	1	1	1
Information Technology Manager ¹	0	0	1	1	0
Executive Assistant ⁷	1	1	1	1	1
Administrative Services Manager ⁶	1	1	1	1	1
Accountant	0	0	0	0	1
Subtotal	6	6	7	7	6
Operations Department					
Communications Supervisor	7	7	7	7	7
Communications Operator ²	41	41	51	51	54
Subtotal	48	48	58	58	61
Technical Services Division					
Lead Communications Technician	1	1	1	1	0
Communications Technician ³	1	1	0	0	0
Public Safety Communications Specialist II	1	1	1	1	1
Public Safety Communications Specialist I ^{3,4}	3	3	5	5	4
Subtotal	6	6	7	7	5
Grand Total	60	60	72	72	72

Notes

1. Position added mid-year in FY 2017-18.
2. 10 positions were added for FY 2017-18 to cover the dispatch requirements for the City of Culver City added as a client on 3/1/2017. Two (2) additional positions proposed for FY 2019-20 to cover additional requirements of Manhattan Beach and Hermosa Beach.
3. Position was eliminated for FY 2017-18 and an additional Public Safety Communications Specialist I was added to replace the position.
4. Additional position authorized in FY 2013-14 to ensure adequate personnel support for all member agencies build out of vehicles. Position was retitled from Junior Communications Technician for FY 2017-18. One (1) additional position was added to provide adequate personnel to cover Culver City build out of vehicles. One (1) vacant position proposed to be eliminated for FY 2019-20 while staff evaluates the workload needs of the division.
5. Position formerly titled "Accounting & Finance Manager."
6. Position formerly titled "Technical Services Manager" and accounted for in the Technical Services Department.
7. Position formerly titled "Executive Secretary."



FINANCIAL SUMMARIES

Cash Balance Estimates

Fund 10 - Enterprise Fund		Fund 10
Beginning Balance		
Cash Available as of June 30, 2018	\$	5,069,748
Operating and Capital Reserve		(904,148)
OPEB Reserve		(250,000)
Available Cash	\$	3,915,600
Gardena - 32.08%		1,256,124
Hawthorne - 45.07%		1,764,761
Manhattan Beach - 22.85%		894,715
Fiscal Year 2018/19 Estimated Revenues & Expenditures		
Revenues	\$	17,774,084
Expenditures		18,563,963
Revenues Over (Under) Expenditures	\$	(789,879)
Estimated Balance - End of FY2018/19		
Estimated Cash Available on June 30, 2019	\$	4,279,869
Operating and Capital Reserve (10% of Budget)		(1,255,153)
OPEB Reserve		(250,000)
Estimated Available Cash After Reserve Allocations	\$	2,774,716
Gardena - 32.08%		890,129
Hawthorne - 45.07%		1,250,565
Manhattan Beach - 22.85%		634,023
Fiscal Year 2019/2020 Budget Resources		
Assessments		
Gardena		2,391,301
Hawthorne		3,359,598
Manhattan Beach		1,703,280
Member City Subtotal	\$	7,454,179
Culver City		2,587,601
El Segundo		1,372,870
Hermosa Beach		975,208
Contract City Subtotal	\$	4,935,680
Non-Assessment Revenues		852,408
Total Budget Resources	\$	13,242,267
Fiscal Year 2019/2020 Budget Expenses		
Operating		12,426,528
Capital		125,000
Total Budget Expenses	\$	12,551,528
Revenues Over (Under) Expenditures	\$	690,738
Estimated Balance - End of FY2019/20		
Estimated Cash Available on June 30, 2020	\$	4,970,607
Operating and Capital Reserve		(1,255,153)
OPEB Reserve		(250,000)
Estimated Available Cash After Reserve Allocations	\$	3,465,454
Gardena - 32.08%		1,111,718
Hawthorne - 45.07%		1,561,880
Manhattan Beach - 22.85%		791,856

Fund 20 - Grant Fund		Fund 20
Beginning Balance		
Cash Available as of June 30, 2018	\$	108,329
Available Cash	\$	108,329
Gardena - 45%		48,748
Hawthorne - 10%		10,833
Manhattan Beach - 45%		48,748
Fiscal Year 2018/19 Estimated Revenues & Expenditures		
Revenues	\$	5,000,000
Expenditures		5,108,329
Revenues Over (Under) Expenditures	\$	(108,329)
Estimated Balance - End of FY2018/19		
Estimated Cash Available on June 30, 2019	\$	-
Estimated Available Cash	\$	-
Gardena - 45%		-
Hawthorne - 10%		-
Manhattan Beach - 45%		-
Fiscal Year 2019/2020 Budget Resources		
Assessments		
Gardena		-
Hawthorne		-
Manhattan Beach		-
Member City Subtotal	\$	-
Total Budget Resources	\$	-
Fiscal Year 2019/2020 Budget Expenses		
Total Budget Expenses	\$	-
Excess Revenues	\$	-
Estimated Balance - End of FY2019/20		
Estimated Cash Available on June 30, 2020	\$	-
Estimated Available Cash	\$	-

Assessments & Methodologies

Assessments	FY2018/19 Assessment	FY2019/20 Base	2018 CPIU	3 Year Budget Increases	3 Year Member Increases	Total % Increase	Amortized Adjustment	Contract Charges	FY2019/20 Assessment	Increase Amount
Member Cities										
Gardena	\$ 2,391,301					0.00%			\$ 2,391,301	-
Hawthorne	3,359,598					0.00%			3,359,598	-
Manhattan Beach	1,703,280					0.00%			1,703,280	-
Subtotal	7,454,179								7,454,179	-
Contract Cities										
Culver City	\$ 2,507,365	\$ 2,507,365	3.20%	-	-	3.20%	-	-	\$ 2,587,601	\$ 80,236
El Segundo	1,330,766	1,315,766	3.20%	-	-	3.20%	-	15,000	1,372,870	42,105
Hermosa Beach	828,439	828,439	3.20%	5.00%	-	8.20%	78,837	-	975,208	146,769
Subtotal	\$ 4,666,570								\$ 4,935,680	\$ 269,110
Total Assessments	\$ 12,120,749								\$12,389,859	\$ 269,110

METHODOLOGIES	
Member Cities	If a deficit is projected, the owner cities are assessed an amount necessary to achieve a fund balance target prescribed by the Board of Directors.
Contract Cities	
Culver City	Percentage increase is based upon the prior average 3 year assessment increases for owner cities plus prior year CPIU with no cap.
El Segundo	El Segundo is charged a flat maintenance fee of \$15,000 annually. The percentage increase is based upon CPIU and capped at 5%. The FY 2018/19 assessment shown includes the \$15,000 maintenance fee, the base amount is \$1,315,766.
Hermosa Beach	Based upon the prior average 3 year budget increases plus prior year CPIU. It was determined that Hermosa Beach was paying lower than anticipated rates so a new assessment amount was calculated based upon the revised methodology. The difference between the old methodology and revised was then amortized over 5 years and added each year to the proposed amount.

Revenues by Account Title

Account Number & Title	FY2016/17 Actual	FY2017/18 Actual	FY2018/19 Budget	YTD 12/31/2018	FY 2018/19 Est	FY 2019/20 Proposed	Amount Inc (Dec)	Percent Inc (Dec)
Enterprise Fund (Fund 10)								
10-50-111-4110 Gardena	\$ 2,391,301	\$ 2,391,301	\$ 2,391,301	\$ 2,032,606	\$ 2,391,301	\$ 2,391,301	\$ -	0.00%
10-50-111-4120 Hawthorne	3,359,598	3,359,598	3,359,598	2,855,658	3,359,598	3,359,598	-	0.00%
10-50-111-4130 Manhattan Beach	1,703,280	1,703,280	1,703,280	1,447,788	1,703,280	1,703,280	-	0.00%
Member City Subtotal	7,454,179	7,454,179	7,454,179	6,336,052	7,454,179	7,454,179	-	0.00%
10-50-111-4140 Hermosa Beach	671,081	700,072	828,439	621,329	828,439	975,208	146,769	17.72%
10-50-111-4145 El Segundo	1,271,063	1,294,928	1,330,766	998,075	1,330,766	1,372,870	42,104	3.16%
10-50-111-4146 Culver City	754,266	2,360,551	2,507,365	1,880,524	2,507,365	2,587,601	80,236	3.20%
Contract City Subtotal	2,696,410	4,355,551	4,666,570	3,499,928	4,666,570	4,935,680	269,110	5.77%
Subtotal Assessments	\$ 10,150,589	\$ 11,809,730	\$ 12,120,749	\$ 9,835,980	\$ 12,120,749	\$ 12,389,859	\$ 269,110	2.22%
10-50-111-4150 El Camino Community College	743	790	790	-	790	790	-	0.00%
10-50-111-4152 Medical Director/Hermosa Beach	25,000	12,500	-	-	-	-	-	0.00%
10-50-111-4153 Medical Director/Manhattan Beach	25,000	26,250	27,000	-	27,000	27,000	-	0.00%
10-50-111-4154 Medical Director/El Segundo	25,000	26,250	27,000	-	27,000	27,000	-	0.00%
10-50-111-4210 Investment Earnings (LAIF)	20,623	59,183	57,173	28,731	57,173	50,000	(7,173)	-12.55%
10-50-111-4220 POST Reimbursements	-	574	600	120	600	600	-	0.00%
10-50-111-4255 Unrealized Gain/Loss on Investments	-	10,527	-	(8,632)	(8,632)	-	-	0.00%
10-50-111-4410 Vending Machine Revenue	2,550	-	-	-	-	-	-	0.00%
10-50-111-4430 Other Miscellaneous Revenue	14,205	379	2,500	4,862,935	4,862,935	2,500	-	0.00%
Subtotal Administration - Other	\$ 113,121	\$ 136,452	\$ 115,063	\$ 4,883,153	\$ 4,966,866	\$ 107,890	(7,173)	-6.23%
10-60-211-4215 DUI Reimbursement-Overtime	2,655	2,275	2,000	430	2,000	2,000	-	0.00%
10-60-211-4435 Reimbursements Sprint Wireless	76,426	80,257	77,289	-	77,289	77,289	-	0.00%
10-60-211-4440 Reimbursements/Verizon Wireless	6,696	10,869	15,229	-	15,229	15,229	-	0.00%
10-60-211-4460 Pink Patch Project	-	-	-	356	356	-	-	0.00%
Subtotal Operations	\$ 85,777	\$ 93,401	\$ 94,518	\$ 786	\$ 94,874	\$ 94,518	-	0.00%
10-70-311-4310 Labor-Installation-Member	-	-	-	561	(561)	-	-	0.00%
10-70-311-4360 Reimbursements for Billable Parts	427,918	710,838	642,397	81,683	542,156.00	600,000	(42,397)	-6.60%
10-70-311-4370 Reimbursements for GST Software	42,868	47,574	50,000	-	50,000	50,000	-	0.00%
10-70-311-4371 Reimbursement ES Chat Software	-	-	100,000	-	-	-	(100,000)	-100.00%
10-70-311-4375 Reimb Net Motion Licenses & Maint.	-	-	31,000	-	-	-	(31,000)	-100.00%
10-70-311-4445 GETAC Project Reimbursements	83,000	-	-	-	-	-	-	0.00%
10-70-311-4455 Culver City Transition Reimbursement	294,049	15,014	-	-	-	-	-	0.00%
Subtotal Technical Services	\$ 847,835	\$ 773,427	\$ 823,397	\$ 82,244	\$ 591,595	\$ 650,000	\$ (173,397)	-21.06%
Subtotal Non-Assessment Revenues	\$ 1,046,733	\$ 1,003,280	\$ 1,032,978	\$ 4,966,183	\$ 5,653,335	\$ 852,408	\$ (180,570)	-17.48%
Total Enterprise Fund (Fund 10) Revenues	\$ 11,197,322	\$ 12,813,010	\$ 13,153,727	\$ 14,802,164	\$ 17,774,084	\$ 13,242,267	\$ 88,540	0.67%
Grant Fund (Fund 20)								
20-80-433-4270 Grant Reimb/P25 Comm Repeater	-	3,505,856	-	-	5,000,000	-	-	-
Total Grant Fund (Fund 20) Revenues	\$ -	\$ 3,505,856	\$ -	\$ -	\$ 5,000,000	\$ -	\$ -	-
Grand Total All Funds	\$ 11,197,322	\$ 16,318,865	\$ 13,153,727	\$ 14,802,164	\$ 22,774,084	\$ 13,242,267	\$ 88,540	0.67%

Expenses by Department - Enterprise Fund (10)

Department/Description	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Adopted	FY 18-19 Amended	YTD 12/31/2018	FY 18-19 YE Est	FY 19-20 Proposed	Vs. Adopted Inc (Dec)	Vs. Amended Inc (Dec)	Vs. Amended Inc (Dec)
Administration										
Salaries & Benefits	\$ 1,081,667	\$ 1,603,581	\$ 1,230,309	\$ 1,080,309	\$ 465,204	\$ 1,027,428	\$ 1,177,578	\$ (52,731)	\$ (97,269)	9.00%
Supplies/Services/Equip	693,291	820,423	1,056,183	1,206,183	573,286	1,137,374	1,032,068	(24,115)	(174,115)	-14.44%
Subtotal Administration	\$ 1,774,958	\$ 2,424,005	\$ 2,286,492	\$ 2,286,492	\$ 1,038,490	\$ 2,164,802	\$ 2,209,646	\$ (76,846)	\$ (76,846)	-3.36%
Operations										
Salaries & Benefits	\$ 6,258,193	\$ 6,865,303	\$ 7,222,292	\$ 7,222,292	\$ 3,387,731	\$ 7,627,464	\$ 7,990,434	\$ 768,142	\$ 768,142	10.64%
Supplies/Services/Equip	178,622	201,499	229,740	229,740	92,235	230,240	259,528	29,788	29,788	12.97%
Subtotal Operations	\$ 6,436,815	\$ 7,066,802	\$ 7,452,032	\$ 7,452,032	\$ 3,479,967	\$ 7,857,704	\$ 8,249,962	\$ 797,930	\$ 797,930	10.71%
Technical Services										
Salaries & Benefits	\$ 858,106	\$ 823,697	\$ 1,064,603	\$ 925,450	\$ 334,975	\$ 704,322	\$ 783,770	\$ (280,833)	\$ (141,679)	-15.31%
Supplies/Services/Equip	1,818,096	1,736,794	1,235,536	7,998,964	7,168,508	7,819,635	1,183,150	(52,386)	(6,815,814)	-85.21%
Subtotal Technical Services	\$ 2,676,203	\$ 2,560,491	\$ 2,300,139	\$ 8,924,414	\$ 7,503,483	\$ 8,523,957	\$ 1,966,920	\$ (333,219)	\$ (6,957,493)	-77.96%
Total Operating Expenses	\$ 10,887,975	\$ 12,051,299	\$ 12,038,663	\$ 18,662,938	\$ 12,021,940	\$ 18,546,463	\$ 12,426,528	\$ 387,865	\$ (6,236,410)	-33.42%
Total Capital Outlay	\$ 25,433	\$ 130,808	\$ 17,500	\$ 17,500	\$ 350	\$ 17,500	\$ 125,000	\$ 107,500	\$ 107,500	614.29%
Grand Total	\$ 10,913,408	\$ 12,182,107	\$ 12,056,163	\$ 18,680,438	\$ 12,022,290	\$ 18,563,963	\$ 12,551,528	\$ 495,365	\$ (6,128,910)	-32.81%
Department Summary										
Administration	\$ 1,774,958	\$ 2,424,005	\$ 2,286,492	\$ 2,286,492	\$ 1,038,490	\$ 2,164,802	\$ 2,209,646	\$ (76,846)	\$ (76,846)	-3.36%
Operations	6,436,815	7,066,802	7,452,032	7,452,032	3,479,967	7,857,704	8,249,962	797,930	797,930	10.71%
Technical Services	2,676,203	2,560,491	2,300,139	8,924,414	7,503,483	8,523,957	1,966,920	(333,219)	(6,957,493)	-77.96%
Capital Outlay	25,433	130,808	17,500	17,500	350	17,500	125,000	107,500	107,500	614.29%
Grand Total	\$ 10,913,408	\$ 12,182,107	\$ 12,056,163	\$ 18,680,438	\$ 12,022,290	\$ 18,563,963	\$ 12,551,528	\$ 495,365	\$ (6,128,910)	-32.81%
Major Category Summary										
Salaries & Benefits	\$ 8,197,967	\$ 9,292,582	\$ 9,517,204	\$ 9,228,051	\$ 4,187,910	\$ 9,359,214	\$ 9,951,782	\$ 434,578	\$ 723,732	7.84%
Supplies/Services/Equip	2,690,009	2,758,717	2,521,459	9,434,887	7,834,029	9,187,249	2,474,746	(46,713)	(6,960,141)	-73.77%
Capital Outlay	25,433	130,808	17,500	17,500	350	17,500	125,000	107,500	107,500	614.29%
Grand Total	\$ 10,913,408	\$ 12,182,107	\$ 12,056,163	\$ 18,680,438	\$ 12,022,290	\$ 18,563,963	\$ 12,551,528	\$ 495,365	\$ (6,128,910)	-32.81%

Expenses by Account Title

ACCOUNT DESCRIPTION	EDEN ACCOUNT	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Adopted	FY 18-19 Amended	YTD 12/31/2018	FY 18-19 YE Est	FY 19-20 Proposed	Vs. Adopted Inc (Dec)	Vs. Adopted Inc (Dec)	Vs. Amended Inc (Dec)	Vs. Amended Inc (Dec)
Salaries (Full-Time)	5101	\$ 4,898,406	\$ 5,150,558	\$ 6,386,544	\$ 6,097,391	\$ 2,369,244	\$ 5,337,066	\$ 6,616,540	\$ 229,996	\$ 3,606	\$ 519,150	\$ 8,511
Salaries (Part-Time)	5102	63,362	95,155	74,203	74,203	41,756	90,472	-	(74,203)	(100.00%)	(74,203)	(100.00%)
Overtime	5103	783,891	1,144,879	360,000	360,000	466,075	1,232,216	390,000	30,000	8.33%	30,000	8.33%
Acting Pay	5104	917	284	4,815	4,815	651	8,188	10,000	5,185	107.68%	5,185	107.68%
Bilingual Pay	5105	9,156	9,100	8,667	8,667	3,500	8,610	8,400	(267)	(3.08%)	(267)	(3.08%)
Merit Pay	5107	5,300	4,089	4,400	4,400	3,312	4,400	3,650	(750)	(17.05%)	(750)	(17.05%)
Sick Leave Payoff	5108	121,503	128,133	152,323	152,323	123,673	134,481	145,594	(6,729)	(4.42%)	(6,729)	(4.42%)
Vacation Leave Payoff	5109	104,941	130,209	95,114	95,114	76,602	92,358	112,698	17,584	18.49%	17,584	18.49%
Training Pay	5110	7,584	7,464	5,613	5,613	6,774	13,548	15,000	9,387	167.24%	9,387	167.24%
Other Pay	5112	800	-	-	-	-	-	7,200	7,200	0.00%	7,200	0.00%
Accrued Leave Expense	5113	33,328	32,567	-	-	-	-	-	-	0.00%	-	0.00%
Holiday Payoff	5114	70,757	78,302	87,497	87,497	104,884	159,506	100,000	12,503	14.29%	12,503	14.29%
Education Incentive	5115	83,206	93,849	96,733	96,733	44,642	89,283	132,406	35,673	36.88%	35,673	36.88%
Overtime-Ridealongs	5116	9,619	-	10,000	10,000	-	5,000	10,000	-	0.00%	-	0.00%
Medical Insurance	5201	589,905	593,977	711,932	711,932	347,348	745,114	778,459	66,527	9.34%	66,527	9.34%
Dental Insurance	5202	30,168	31,006	63,797	63,797	14,705	33,313	57,877	(5,920)	(9.28%)	(5,920)	(9.28%)
Vision Care	5203	15,050	13,846	20,835	20,835	7,325	15,041	22,362	1,527	7.33%	1,527	7.33%
Life Insurance	5204	7,719	7,016	9,634	9,634	3,869	8,076	9,979	345	3.58%	345	3.58%
Medicare	5205	89,463	100,802	108,394	108,394	47,819	103,631	105,933	(2,461)	(2.27%)	(2,461)	(2.27%)
Unemployment Insurance	5206	8,502	2,934	6,713	6,713	-	-	6,713	-	0.00%	-	0.00%
Workers' Compensation	5207	143,490	165,726	172,144	172,144	45,792	104,181	154,838	(17,306)	(10.05%)	(17,306)	(10.05%)
PERS Contribution	5208	756,788	825,216	1,024,352	1,024,352	405,598	1,033,211	1,124,645	100,293	9.79%	100,293	9.79%
Retirees' Medical Insurance	5209	93,899	101,472	101,804	101,804	44,562	98,953	111,099	9,295	9.13%	9,295	9.13%
OPeB Accrued Liability	5210	261,672	125,390	-	-	-	-	-	-	0.00%	-	0.00%
Social Security	5211	1,264	589	890	890	64	-	890	-	0.00%	-	0.00%
Deferred Comp Matching	5212	7,275	8,346	10,800	10,800	29,717	42,567	27,500	16,700	154.63%	16,700	154.63%
GASB 68 Pension Expenses	5213	-	441,673	-	-	-	-	-	-	0.00%	-	0.00%
Subtotal Salaries & Benefits		\$ 8,197,967	\$ 9,292,582	\$ 9,517,204	\$ 9,228,051	\$ 4,187,910	\$ 9,359,214	\$ 9,951,782	\$ 434,578	4.57%	\$ 723,732	7.84%

ACCOUNT DESCRIPTION	EDEN ACCOUNT	FY 16-17	FY 17-18	FY 18-19	FY 18-19	YTD	FY 18-19	FY 19-20	Vs. Adopted Inc (Dec)	Vs. Adopted Inc (Dec)	Vs. Amended Vs. Amended Inc (Dec)
		Actual	Actual	Adopted	Amended		12/31/2018				
		\$	\$	\$	\$	\$	\$	\$			
Maintenance & Operations	5300										
Communications Contract Svcs	5301	22,042	23,210	31,000	31,000	11,564	31,000	49,000	18,000	58.06%	18,000
Computer Contract/CAD	5302	355,223	360,450	235,000	235,000	150,360	235,000	200,000	(35,000)	-14.89%	(35,000)
Accountant/Auditing Services	5304	12,950	12,250	18,000	18,000	2,300	18,000	33,000	15,000	83.33%	15,000
Legal Services	5305	12,213	62,130	45,000	45,000	10,440	30,000	95,000	50,000	111.11%	50,000
Recruitment Costs	5306	22,110	68,616	86,173	86,173	41,207	64,414	53,610	(32,563)	-37.79%	(32,563)
Software Maintenance Services	5307	42,148	43,232	148,074	148,074	90,814	148,074	69,762	(78,312)	-52.89%	(78,312)
Banking Services (Fees)	5308	4,250	5,753	6,000	6,000	2,414	6,000	6,000	-	0.00%	-
Website Maintenance Service	5309	2,735	3,070	15,000	15,000	1,460	15,000	5,000	(10,000)	-66.67%	(10,000)
GST Software Reimbursable	5311	50,832	47,574	50,000	50,000	44,791	50,000	50,000	-	0.00%	-
Medical Director Services	5312	68,750	65,000	54,000	54,000	22,917	54,000	54,000	-	0.00%	-
Temporary Staffing	5313	-	-	50,000	200,000	92,588	200,000	50,000	-	0.00%	(150,000)
Membership Dues	5401	510	220	1,620	1,620	429	1,620	3,220	1,600	98.77%	1,600
Publications	5402	1,236	785	2,060	2,060	1,418	1,150	2,060	-	0.00%	-
Conferences, Meeting & Travel	5403	27,552	36,256	41,518	41,518	6,179	41,518	40,485	(1,033)	-2.49%	(1,033)
Employee Services/EC-BOD	5404	6,182	4,061	4,500	4,500	28	2,000	3,500	(1,000)	-22.22%	(1,000)
Employee Awards	5405	-	-	500	500	-	-	500	-	0.00%	-
POST Training	5406	1,996	-	2,000	2,000	-	2,000	23,815	21,815	1090.75%	21,815
Tuition Reimbursement	5407	22,819	10,014	22,000	22,000	5,440	12,343	20,000	(2,000)	-9.09%	(2,000)
Office Supplies	5501	7,860	12,101	9,000	9,000	4,174	9,000	9,000	-	0.00%	-
Miscellaneous Supplies	5502	6	160	1,100	1,100	-	550	1,100	-	0.00%	-
General Technical Supplies	5503	775	(10,660)	7,500	7,500	(83)	5,000	7,500	-	0.00%	-
Vending Machine Supplies	5504	1,141	-	-	-	-	-	-	-	0.00%	-
Voice Recording Tapes	5505	-	-	500	500	-	-	-	(500)	-100.00%	(500)
Uniforms/Safety Equipment	5506	4,360	6,087	10,000	10,000	11,902	18,000	11,500	1,500	15.00%	1,500
Postage	5507	1,133	1,224	1,300	1,300	349	1,300	1,600	300	23.08%	300
Shipping Costs	5508	-	-	-	-	-	-	-	-	0.00%	-
Reproduction	5509	1,800	1,046	2,500	2,500	-	1,850	2,000	(500)	-20.00%	(500)
Office Equipment Lease	5511	14,290	14,499	15,750	15,750	6,598	15,750	15,750	-	0.00%	-
General Liability Insurance	5513	140,152	172,917	187,660	187,660	133,006	187,660	210,826	23,166	12.34%	23,166
Parts - Billing	5514	309,717	527,416	642,397	721,985	271,078	542,156	600,000	(42,397)	-6.60%	(121,985)
Parts - Telecommunications	5515	14,949	6,491	15,357	15,357	150	15,357	-	(15,357)	-100.00%	(15,357)
Install Wire, Loom & Hardware	5516	12,827	35,533	25,132	25,132	19,179	25,132	40,000	14,868	59.16%	14,868
Vehicle Operations	5517	5,554	4,333	6,500	6,500	1,577	6,000	6,500	-	0.00%	-
Equipment Repair	5520	77	-	10,000	10,000	232	5,000	5,000	(5,000)	-50.00%	(5,000)
Outside Tech Serv-Towers/Equip	5521	142,658	237,587	331,000	470,153	178,545	470,153	325,000	(6,000)	-1.81%	(145,153)
GETAC Project	5524	87,368	-	-	-	-	-	-	-	0.00%	-
Culver City Infrastructure Trans	5525	281,546	23,321	-	-	-	-	-	-	0.00%	-
Telephone - Administration	5601	11,412	15,387	15,000	15,000	4,658	15,000	15,000	-	0.00%	-
Telephone - El Segundo	5603	2,322	2,403	3,000	3,000	973	3,000	3,000	-	0.00%	-
Telephone - Gardena	5604	1,671	2,683	5,000	5,000	562	3,000	5,000	-	0.00%	-
Telephone - Hawthorne	5606	4,946	4,419	6,000	6,000	2,145	5,000	6,000	-	0.00%	-
Telephone - Hermosa Beach	5607	18,991	21,838	25,000	25,000	13,448	26,895	25,000	-	0.00%	-
Telephone - Manhattan Beach	5608	5,019	4,528	8,000	8,000	2,443	5,000	8,000	-	0.00%	-
Telephone - Punta Place	5611	3,739	3,765	5,500	5,500	1,935	4,000	5,500	-	0.00%	-

Expenses by Account Title

ACCOUNT DESCRIPTION	EDEN ACCOUNT	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Adopted	FY 18-19 Amended	YTD 12/31/2018	FY 18-19 YE Est	FY 19-20 Proposed	Vs. Adopted Inc (Dec)	Vs. Amended Inc (Dec)
Telephone - RCC	5612	9,649	10,630	12,000	12,000	4,551	11,000	12,000	0.00%	-
Sprint Wireless Reimbursable	5613	78,661	77,632	77,289	77,289	30,741	77,289	77,289	0.00%	-
Verizon Wireless Reimbursable	5614	7,904	15,022	15,229	15,229	9,761	15,229	15,229	0.00%	-
Telephone-Culver City	5615	5,173	22,457	5,500	5,500	5,161	10,322	5,500	0.00%	-
Maintenance/HQ	5701	119,843	146,587	144,800	144,800	47,061	109,800	154,400	6.63%	9,600
Maintenance/Other	5702	2,987	-	-	-	-	-	-	0.00%	-
Electricity - HQ	5703	87,150	88,489	97,000	97,000	41,830	97,000	106,700	10.00%	9,700
Electricity - Grandview	5704	1,787	2,012	2,000	2,000	621	2,000	2,200	10.00%	200
Electricity - Punta	5705	5,358	5,552	6,000	6,000	3,170	6,000	6,600	10.00%	600
Gas - HQ	5706	9,323	7,991	10,000	10,000	1,869	10,000	11,000	10.00%	1,000
Water - HQ	5707	3,368	3,733	3,500	3,500	1,227	3,500	3,850	10.00%	350
Depreciation Expenses	5710	620,590	533,902	-	-	-	-	-	0.00%	-
Electricity - MB Water Tower	5715	1,919	2,088	2,500	2,500	1,222	2,500	2,750	10.00%	250
Office Equipment	5810	4,343	4,382	-	-	-	10,000	-	0.00%	-
Other Equipment	5820	4,095	7,820	-	6,549,436	6,549,436	6,555,687	15,000	0.00%	(6,529,687)
Furniture & Fixtures	5830	-	720	-	-	-	-	-	0.00%	-
Vehicles	5840	-	-	-	-	-	-	-	0.00%	-
Subtotal Supplies/Services/Equip		\$ 2,690,009	\$ 2,758,717	\$ 2,521,459	\$ 9,434,887	\$ 7,834,029	\$ 9,187,249	\$ 2,474,746	-1.85%	\$(6,960,141)
Total Operating Expenses		\$ 10,887,975	\$ 12,051,299	\$ 12,038,663	\$ 18,662,938	\$ 12,021,940	\$ 18,546,463	\$ 12,426,528	3.22%	\$(6,236,410)
Total Capital Outlay	5901	25,433	130,808	17,500	17,500	350	17,500	125,000	614.29%	\$ 107,500
Total Enterprise Fund (Fund 10)		\$ 10,913,408	\$ 12,182,107	\$ 12,056,163	\$ 18,680,438	\$ 12,022,290	\$ 18,563,963	\$ 12,551,528	4.11%	\$(6,128,910)
Grant Fund (20)	5901	-	769,797	-	1,602,473	41,644	5,108,329	-	0%	(1,602,473)
Grand Total All Funds		10,913,408	12,951,903	12,056,163	20,282,911	12,063,934	23,672,292	12,551,528	4.11%	(7,731,383)

Notes:

Proposed budget excludes non-cash expenses such as accrued leave, depreciation, and gain (loss) on disposal of fixed assets.
FY 2018/19 Amended budget includes appropriations after budget adoption

5 Year Revenue Projections - Enterprise Fund (10)

Account Number & Title	FY 2018/19 YE Est	FY 2019/20 Proposed	FY 2020/21 Projected	FY 2021/22 Projected	FY 2022/23 Projected	FY 2023/24 Projected
Enterprise Fund (Fund 10)						
10-50-111-4110 Gardena	\$ 2,391,301	\$ 2,391,301	\$ 2,391,301	\$ 2,391,301	\$ 2,391,301	\$ 2,391,301
10-50-111-4120 Hawthorne	3,359,598	3,359,598	3,359,598	3,359,598	3,359,598	3,359,598
10-50-111-4130 Manhattan Beach	1,703,280	1,703,280	1,703,280	1,703,280	1,703,280	1,703,280
Member City Subtotal	\$ 7,454,179	\$ 7,454,179	\$ 7,454,179	\$ 7,454,179	\$ 7,454,179	\$ 7,454,179
10-50-111-4140 Hermosa Beach	828,439	975,208	1,136,777	1,311,483	1,502,555	1,613,832
10-50-111-4145 El Segundo	1,330,766	1,372,870	1,420,828	1,469,094	1,526,289	1,593,289
10-50-111-4146 Culver City	2,507,365	2,587,601	2,678,989	2,770,968	2,879,959	3,007,637
Contract City Subtotal	\$ 4,666,570	\$ 4,935,680	\$ 5,236,594	\$ 5,551,545	\$ 5,908,802	\$ 6,214,758
Subtotal Assessments	\$ 12,120,749	\$ 12,389,859	\$ 12,690,773	\$ 13,005,724	\$ 13,362,981	\$ 13,668,937
10-50-111-4150 El Camino Community College	\$ 790	\$ 790	\$ 790	\$ 790	\$ 790	\$ 790
10-50-111-4152 Medical Director Service/Hermosa Beach	-	-	-	-	-	-
10-50-111-4153 Medical Director Service/Manhattan Beach	27,000	27,000	27,000	27,000	27,000	27,000
10-50-111-4154 Medical Director Services/El Segundo	27,000	27,000	27,000	27,000	27,000	27,000
10-50-111-4210 Investment Earnings (LAIF)	57,173	50,000	40,000	40,000	40,000	40,000
10-50-111-4220 POST Reimbursements	600	600	617	638	662	691
10-50-111-4255 Unrealized Gain/Loss on Investments	(8,632)	-	-	-	-	-
10-50-111-4410 Vending Machine Revenue	-	-	-	-	-	-
10-50-111-4430 Other Miscellaneous Revenue	4,862,935	2,500	2,571	2,656	2,758	2,878
Subtotal Administration - Other	\$ 4,966,866	\$ 107,890	\$ 97,978	\$ 98,084	\$ 98,210	\$ 98,358
10-60-211-4215 DUI Reimbursement-Overtime	2,000	2,000	2,057	2,125	2,206	2,302
10-60-211-4435 Reimbursements Sprint Wireless	77,289	77,289	79,476	82,123	85,268	88,960
10-60-211-4440 Reimbursements/Verizon Wireless	15,229	15,229	15,660	16,181	16,801	17,529
10-60-211-4460 Pink Patch Project	356	-	-	-	-	-
Subtotal Operations	\$ 94,874	\$ 94,518	\$ 97,193	\$ 100,429	\$ 104,276	\$ 108,791
10-70-311-4310 Labor-Installation-Member	(561)	-	-	-	-	-
10-70-311-4360 Reimbursements for Billable Parts	542,156	600,000	616,980	637,525	661,943	690,605
10-70-311-4370 Reimbursements for GST Software	50,000	50,000	51,415	53,127	55,162	57,550
10-70-311-4371 Reimbursement ES Chat Software	-	-	-	-	-	-
10-70-311-4375 Reimb Net Motion Licenses & Maint.	-	-	-	-	-	-
10-70-311-4445 GETAC Project Reimbursements	-	-	-	-	-	-
10-70-311-4455 Culver City Transition Reimbursement	-	-	-	-	-	-
Subtotal Technical Services	\$ 591,595	\$ 650,000	\$ 668,395	\$ 690,653	\$ 717,105	\$ 748,155
Subtotal Non-Assessment Revenues	\$ 5,653,335	\$ 852,408	\$ 863,566	\$ 889,166	\$ 919,590	\$ 955,304
Total Enterprise Fund Revenues	\$ 17,774,084	\$ 13,242,267	\$ 13,554,339	\$ 13,894,890	\$ 14,282,572	\$ 14,624,242
Grant Fund (Fund 20)						
20-80-433-4270 Grant Reimb/P25 Comm Repeater Migration	5,000,000	-	-	-	-	-
Total Grant Fund Revenues	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total All Funds	\$ 22,774,084	\$ 13,242,267	\$ 13,554,339	\$ 13,894,890	\$ 14,282,572	\$ 14,624,242

Notes:

1. Member City assessments remain flat for the duration of the projection period.
2. Contract City assessments increase per the contract terms of each city. CPIU Projection is the three (3) year average CPIU, escalated by 50 basis points per year.

5 Year Expense Projections - Enterprise Fund (10)

Department/Description	FY 18-19 YE Est	FY 19-20 Proposed	FY 20-21 Projected	FY 21-22 Projected	FY 22-23 Projected	FY 23-24 Projected
Administration						
Salaries & Benefits	\$ 1,027,428	\$ 1,177,578	\$ 1,205,638	\$ 1,229,362	\$ 1,253,560	\$ 1,278,241
Supplies/Services/Equipment	1,137,374	1,032,068	1,061,276	1,096,616	1,138,616	1,187,918
Subtotal Administration	\$ 2,164,802	\$ 2,209,646	\$ 2,266,914	\$ 2,325,978	\$ 2,392,176	\$ 2,466,160
Operations						
Salaries & Benefits	\$ 7,627,464	\$ 7,990,434	\$ 8,169,100	\$ 8,474,181	\$ 8,638,869	\$ 8,806,851
Supplies/Services/Equipment	230,240	259,528	266,873	275,760	286,321	298,719
Subtotal Operations	\$ 7,857,704	\$ 8,249,962	\$ 8,435,973	\$ 8,749,940	\$ 8,925,190	\$ 9,105,569
Technical Services						
Salaries & Benefits	\$ 704,322	\$ 783,770	\$ 795,289	\$ 810,978	\$ 826,980	\$ 843,301
Supplies/Services/Equipment	7,819,635	1,183,150	1,216,633	1,257,147	1,305,296	1,361,815
Subtotal Technical Services	\$ 8,523,957	\$ 1,966,920	\$ 2,011,923	\$ 2,068,125	\$ 2,132,275	\$ 2,205,117
Total Operating Expenses	\$ 18,546,463	\$ 12,426,528	\$ 12,714,809	\$ 13,144,043	\$ 13,449,641	\$ 13,776,846
Total Capital Outlay	\$ 17,500	\$ 125,000	\$ 250,000	\$ 500,000	\$ 500,000	\$ 500,000
Grand Total	\$ 18,563,963	\$ 12,551,528	\$ 12,964,809	\$ 13,644,043	\$ 13,949,641	\$ 14,276,846
Department Summary						
Administration	\$ 2,164,802	\$ 2,209,646	\$ 2,266,914	\$ 2,325,978	\$ 2,392,176	\$ 2,466,160
Operations	7,857,704	8,249,962	8,435,973	8,749,940	8,925,190	9,105,569
Technical Services	8,523,957	1,966,920	2,011,923	2,068,125	2,132,275	2,205,117
Capital Outlay	17,500	125,000	250,000	500,000	500,000	500,000
Grand Total	\$ 18,563,963	\$ 12,551,528	\$ 12,964,809	\$ 13,644,043	\$ 13,949,641	\$ 14,276,846
Major Category Summary						
Salaries & Benefits	\$ 9,359,214	\$ 9,951,782	\$ 10,170,028	\$ 10,514,520	\$ 10,719,408	\$ 10,928,393
Supplies/Services/Equipment	9,187,249	2,474,746	2,544,781	2,629,523	2,730,233	2,848,452
Capital Outlay	17,500	125,000	250,000	500,000	500,000	500,000
Grand Total	\$ 18,563,963	\$ 12,551,528	\$ 12,964,809	\$ 13,644,043	\$ 13,949,641	\$ 14,276,846

Notes:

- Salaries and benefits projections are based upon known and anticipated increases in employee compensation per MOUs.
- CalPERS increases are based upon projections provided by CalPERS. Misc Tier 1 aggregated rates shown below:
(UAL + Normal Cost %) FY19 20.447%; FY20, FY21, FY22, FY23, FY24 21.121%
- Supplies/Services/Equipment are increased by the three (3) year average CPIU, escalated by 50 basis points per year.

5 Year Cash Balance Projections - Enterprise Fund (10)

Cash Balance Projections		FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
		Estimate	Proposed	Projected	Projected	Projected	Projected
Beginning Balance		\$ 5,070,248	\$ 4,280,369	\$ 4,971,107	\$ 5,560,637	\$ 5,811,484	\$ 6,144,415
Operating and Capital Reserve		(904,148)	(1,255,153)	(1,296,481)	(1,364,404)	(1,394,964)	(1,427,685)
OPEB Reserve		(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Available Cash		\$ 3,916,100	\$ 2,775,216	\$ 3,424,626	\$ 3,946,232	\$ 4,166,520	\$ 4,466,730
Budget Resources							
Assessments							
Gardena		\$ 2,391,301	\$ 2,391,301	\$ 2,391,301	\$ 2,391,301	\$ 2,391,301	\$ 2,391,301
Hawthorne		3,359,598	3,359,598	3,359,598	3,359,598	3,359,598	3,359,598
Manhattan Beach		1,703,280	1,703,280	1,703,280	1,703,280	1,703,280	1,703,280
Member City Subtotal		\$ 7,454,179	\$ 7,454,179	\$ 7,454,179	\$ 7,454,179	\$ 7,454,179	\$ 7,454,179
Culver City		2,507,365	2,587,601	2,678,989	2,770,968	2,879,959	3,007,637
El Segundo		1,330,766	1,372,870	1,420,828	1,469,094	1,526,289	1,593,289
Hermosa Beach		828,439	975,208	1,136,777	1,311,483	1,502,555	1,613,832
Contract City Subtotal		\$ 4,666,570	\$ 4,935,680	\$ 5,236,594	\$ 5,551,545	\$ 5,908,802	\$ 6,214,758
Non-Assessment Revenues		5,653,335	852,408	863,566	889,166	919,590	955,304
Total Budget Resources		\$17,774,084	\$13,242,267	\$13,554,339	\$13,894,890	\$14,282,572	\$14,624,242
Budget Expenses							
Operating		\$18,546,463	\$12,426,528	\$12,714,809	\$13,144,043	\$13,449,641	\$13,776,846
Capital		17,500	125,000	250,000	500,000	500,000	500,000
Total Budget Expenses		\$18,563,963	\$12,551,528	\$12,964,809	\$13,644,043	\$13,949,641	\$14,276,846
Revenues Over (Under) Expenditures		\$ (789,879)	\$ 690,738	\$ 589,529	\$ 250,847	\$ 332,931	\$ 347,396
Ending Estimated Balance							
Ending Balance		\$ 4,280,369	\$ 4,971,107	\$ 5,560,637	\$ 5,811,484	\$ 6,144,415	\$ 6,491,810
Operating and Capital Reserve		(1,255,153)	(1,296,481)	(1,364,404)	(1,394,964)	(1,427,685)	(1,471,419)
OPEB Reserve		(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Available Balance After Reserve Allocations		\$ 2,775,216	\$ 3,424,626	\$ 3,946,232	\$ 4,166,520	\$ 4,466,730	\$ 4,770,391
Gardena - 32.08%		890,289	1,098,620	1,265,951	1,336,620	1,432,927	1,530,342
Hawthorne - 45.07%		1,250,790	1,543,479	1,778,567	1,877,850	2,013,155	2,150,015
Manhattan Beach - 22.85%		634,137	782,527	901,714	952,050	1,020,648	1,090,034

* 5 year projections do not include long-term plans to address pension & OPEB unfunded liabilities



ADMINISTRATION DEPARTMENT

Administration Department

The department has six (6) positions: an Executive Director; an Operations Manager; an Administrative Services Manager; a Finance & Performance Audit Manager; an Accountant; and an Executive Assistant.

Management

The Authority operates under the overall direction of the Executive Director, who implements the policies adopted by the Executive Committee; manages the day-to-day operations; conducts labor negotiations; guides the development of the annual budget; works closely with Authority's legal counsel; oversees construction/ maintenance of all transmission and receiver sites; secures grants; coordinates the agenda for monthly meetings with the Executive Committee, the User Committee, and the Police and Fire Task Force; and negotiates maintenance agreements with other governmental agencies. An Executive Assistant supports the entire organization.

Operations

The Operations Manager manages the Communications Center's daily operations; develops staff's schedules; coordinates training for all Communications Supervisors and Communications Operators; and may act as the Executive Director during the Executive Director's absence.

Administration

The Administrative Services Manager conducts recruitment; maintains personnel records; processes required documents for health and other insurance coverage and retirement benefits for all employees; manages the Technical Services Division; and may act as the Executive Director during the Executive Director's absence.

Accounting & Finance

The Finance & Performance Audit Manager manages the overall accounting functions; prepares the annual budget; monitors cash flow; invests idle cash; prepares monthly budget performance reports and quarterly cash and investments reports; coordinates the annual financial audit; and advises the Executive Director in financial matters. Payroll, accounts payable, cash receipts, accounts

receivable, journal entries; preparation of the Annual Report for Special Districts to the State Controller and the quarterly Sales & Use Tax Report; and other related accounting functions are also performed by the Finance & Performance Audit Manager and an Accountant assigned to the Department.

Staff Services

In January 2008, the Executive Director created a "Staff Services" position which is filled by an existing Communications Supervisor on a voluntary basis. The position provides assistance to either the Operations Manager or the Administrative Services Manager for special projects. Serving in this capacity enables the Communications Supervisor to be exposed to management activities, which then prepares him or her as the Authority develops plans for succession. The period served for this assignment may run from one year to eighteen months and the Executive Director may assign the position if no one volunteers.

Expenses by Account Title - Administration Department

10-50-111-5XXX Administration Account Descriptions	EDEN Account	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Adopted	FY 18-19 Amended	YTD 12/31/2018	FY 18-19 YE Est	FY 19-20 Proposed	Vs. Adopted Inc (Dec)	Vs. Amended Inc (Dec)	Vs. Amended Inc (Dec)
Salaries (Full-Time)	5101	\$ 739,014	811,470	\$ 729,724	\$ 729,724	\$ 302,720	655,441	\$ 819,504	\$ (60,220)	-6.85%	\$ 89,780
Acting Pay	5104	-	-	-	-	189	500	-	-	0.00%	-
Merit Pay	5107	2,650	2,800	3,000	3,000	2,000	3,000	2,150	(850)	-28.33%	(850)
Sick Leave Payoff	5108	23,414	20,409	29,269	29,269	10,808	21,616	21,501	(7,768)	-26.54%	(7,768)
Vacation Leave Payoff	5109	63,863	88,078	35,680	35,680	15,756	31,511	35,095	(585)	-1.64%	(585)
Other Pay	5112	800	-	-	-	-	-	7,200	7,200	0.00%	7,200
Accrued Leave Expense	5113	(3,917)	(9,155)	-	-	-	-	-	-	0.00%	-
Holiday Payoff	5114	-	-	-	-	2,423	5,814	-	-	0.00%	-
Medical Insurance	5201	53,583	54,858	80,873	80,873	38,512	80,873	93,161	12,288	15.19%	12,288
Dental Insurance	5202	2,865	3,271	5,764	5,764	1,993	5,764	6,968	1,204	20.89%	1,204
Vision Care	5203	1,203	1,068	1,726	1,726	667	1,726	2,256	530	30.72%	530
Life Insurance	5204	580	595	814	814	293	814	832	18	2.16%	18
Medicare	5205	12,267	13,796	14,150	14,150	5,012	14,150	13,727	(423)	-2.99%	(423)
Unemployment Insurance	5206	-	32	-	-	-	-	-	-	0.00%	-
Workers' Compensation	5207	8,322	9,612	11,482	11,482	2,322	5,574	12,533	1,051	9.16%	1,051
PERS Contribution	5208	105,773	115,893	143,528	143,528	46,729	143,528	119,629	(23,899)	-16.65%	(23,899)
Retirees' Medical Insurance	5209	13,604	14,434	13,499	13,499	6,062	14,550	15,524	2,025	15.00%	2,025
OPEB Accrued Liability	5210	50,371	26,401	-	-	-	-	-	-	0.00%	-
Deferred Comp Matching Benefit	5212	7,275	8,346	10,800	10,800	29,717	42,567	27,500	16,700	154.63%	16,700
GASB 68 Pension Expenses	5213	-	441,673	-	-	-	-	-	-	0.00%	-
Subtotal Salaries & Benefits		\$1,081,667	\$1,603,581	\$1,230,309	\$1,080,309	\$ 465,204	\$1,027,428	\$1,177,578	\$ (52,731)	-4.29%	\$ 97,269
Communications Contract Services	5301	\$ 22,042	\$ 23,210	\$ 31,000	\$ 31,000	\$ 11,564	\$ 31,000	\$ 49,000	\$ 18,000	58.06%	\$ 18,000
Computer Contract/CAD-Tiburon	5302	66,899	30,450	90,000	90,000	50,360	90,000	55,000	(35,000)	-38.89%	(35,000)
Accountant/Auditing Services	5304	12,950	12,250	18,000	18,000	2,300	18,000	33,000	15,000	83.33%	15,000
Legal Services	5305	12,213	62,130	45,000	45,000	10,440	30,000	95,000	50,000	111.11%	50,000
Recruitment Costs	5306	22,110	68,616	86,173	86,173	41,207	64,414	53,610	(32,563)	-37.79%	(32,563)
Software Maintenance Services	5307	42,148	43,232	148,074	148,074	90,814	148,074	69,762	(78,312)	-52.89%	(78,312)
Banking Services (Fees)	5308	4,250	5,753	6,000	6,000	2,414	6,000	6,000	-	0.00%	-
Website Maintenance Service	5309	2,735	3,070	15,000	15,000	1,460	15,000	5,000	(10,000)	-66.67%	(10,000)
Medical Director Services	5312	68,750	65,000	54,000	54,000	22,917	54,000	54,000	-	0.00%	-
Temporary Staffing	5313	-	-	50,000	200,000	92,588	200,000	50,000	-	0.00%	(150,000)
Membership Dues	5401	510	220	870	870	400	870	390	(480)	-55.17%	(480)
Publications	5402	-	-	350	350	1,009	350	350	-	0.00%	-
Conferences, Meetings, & Travel	5403	16,971	22,950	5,606	5,606	-	5,606	13,680	8,074	144.02%	8,074
Employee Services/EC-BOD	5404	2,060	2,218	2,000	2,000	28	1,000	1,000	(1,000)	-50.00%	(1,000)
Tuition Reimbursement	5407	3,429	-	4,000	4,000	-	-	2,000	(2,000)	-50.00%	(2,000)
Office Supplies	5501	7,860	12,101	9,000	9,000	4,174	9,000	9,000	-	0.00%	-
Miscellaneous Supplies	5502	6	160	1,100	1,100	-	550	1,100	-	0.00%	-
Vending Machine Supplies	5504	1,141	-	-	-	-	-	-	-	0.00%	-
Voice Recording Tapes	5505	-	-	500	500	-	-	-	(500)	-100.00%	(500)
Postage	5507	1,133	1,224	1,300	1,300	349	1,300	1,600	300	23.08%	300
Reproduction	5509	1,447	693	2,000	2,000	-	1,500	1,500	(500)	-25.00%	(500)

Expenses by Account Title - Administration Department

10-50-111-5XXX Administration Account Descriptions	EDEN Account	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Adopted	FY 18-19 Amended	YTD 12/31/2018	FY 18-19 YE Est	FY 19-20 Proposed	Vs. Adopted Inc (Dec)	Vs. Adopted Inc (Dec)	Vs. Amended Inc (Dec)	Vs. Amended Inc (Dec)
Office Equipment Lease	5511	14,290	14,499	15,750	15,750	6,598	15,750	15,750	-	0.00%	-	0.00%
General Liability Insurance	5513	140,152	172,917	187,660	187,660	133,006	187,660	210,826	23,166	12.34%	23,166	12.34%
Vehicle Operations	5517	2,705	366	2,000	2,000	-	1,500	2,000	-	0.00%	-	0.00%
Telephone - Administration	5601	11,412	15,387	15,000	15,000	4,658	15,000	15,000	-	0.00%	-	0.00%
Maintenance/HQ	5701	119,843	146,587	144,800	144,800	47,061	109,800	154,400	9,600	6.63%	9,600	6.63%
Maintenance/Other	5702	2,987	-	-	-	-	-	-	-	0.00%	-	0.00%
Electricity - HQ	5703	87,150	88,489	97,000	97,000	41,830	97,000	106,700	9,700	10.00%	9,700	10.00%
Electricity - Grandview	5704	1,787	2,012	2,000	2,000	621	2,000	2,200	200	10.00%	200	10.00%
Electricity - Punta	5705	5,358	5,552	6,000	6,000	3,170	6,000	6,600	600	10.00%	600	10.00%
Gas - HQ	5706	9,323	7,991	10,000	10,000	1,869	10,000	11,000	1,000	10.00%	1,000	10.00%
Water - HQ	5707	3,368	3,733	3,500	3,500	1,227	3,500	3,850	350	10.00%	350	10.00%
Electricity - MB Water Tower	5715	1,919	2,088	2,500	2,500	1,222	2,500	2,750	250	10.00%	250	10.00%
Office Equipment	5810	4,343	4,382	-	-	-	10,000	-	-	0.00%	-	0.00%
Other Equipment	5820	-	2,421	-	-	-	-	-	-	0.00%	-	0.00%
Furniture & Fixtures	5830	-	720	-	-	-	-	-	-	0.00%	-	0.00%
Vehicles	5840	-	-	-	-	-	-	-	-	0.00%	-	0.00%
Subtotal Supplies/Services/Equip		\$ 693,291	\$ 820,423	\$1,056,183	\$1,206,183	\$ 573,286	\$1,137,374	\$1,032,068	\$ (24,115)	-2.28%	\$ (174,115)	-14.44%
Total Expenses - Administration		\$1,774,958	\$2,424,005	\$2,286,492	\$2,286,492	\$1,038,490	\$2,164,802	\$2,209,646	\$ (76,846)	-3.36%	\$ (76,846)	-3.36%

Account Detail Explanations - Administration Department

Salaries & Benefits	Account #	Comments/Explanation
Salaries (Full-Time)	5101	Includes contracted and estimated increases from MOUs and agreement with employees
Acting Pay	5104	Per MOU with Management & Confidential Employees
Merit Pay	5107	Based on longevity starting at 10 years of service @ \$250 plus \$50 increase for each additional year
Sick Leave Payoff	5108	Per MOU paid @ 85% of daytime pay rate max 120 hours paid (twice/year)
Vacation Leave Payoff	5109	Per MOU paid @ 100% of daytime pay rate max 100 hours paid (twice/year)
Other Pay	5112	Includes automobile allowance
Medical Insurance	5201	Per MOU and employment agreement - cafeteria plan limit
Dental Insurance	5202	Per MOU and employment agreement - cafeteria plan limit
Vision Care	5203	Per MOU and employment agreement - 100% employer paid
Life Insurance	5204	Per MOU \$100,000 coverage employee only
Medicare	5205	1.45% employer contribution rate
Workers' Compensation	5207	Based on prior year premium
PERS Contribution	5208	Rates reflect increases from 17.350% to 20.447% for Tier 1 employees plus 3.5% of employee contributions; increase from 7.861% to 8.628% for Tier 2 employees hired after October 25, 2011. Pension Reform Act (PEPRA) imposed Tier 3 rate of 7.397% for employees hired after 01/01/2013. All rates include UAL payments.
Retirees' Medical Insurance	5209	Covers retired employees
Deferred Comp Matching	5212	Per MOU and employment agreement
Supplies, Services & Equip	Account #	Comments/Explanation
Communications Contract Svcs	5301	Consultant for frequency issues; Monthly charge for Time Warner internet services
Computer Contract Svcs/CAD	5302	IT support from Hawthorne; CAD consultant
Accountant/Auditing Services	5304	Annual independent audit and GASB75 Valuation (as needed); GASB 68/71 calculation services added for 2018-19; As needed consulting services
Legal Services	5305	Authority's legal counsel; ongoing general consulting and labor negotiations consulting
Recruitment Costs	5306	See attached detail sheet
Software Maintenance Services	5307	See attached detail sheet
Banking Services (Fees)	5308	Union Bank services (not offset by earnings allowance)
Website Maintenance Service	5309	Hosting/licensing fees
Medical Director Services	5312	Administrative services for review and provision of input into the development of agencies' fire departments' policies and procedures that impact patient care. State mandated.
Membership Dues	5401	See attached detail sheet
Publications	5402	See attached detail sheet

Account Detail Explanations - Administration Department

Supplies, Services & Equip	Account #	Comments/Explanation
Conferences, Meetings & Travel	5403	See attached detail sheet
Employee Services/EC-BOD	5404	Includes Exec Comm/Board of Directors' meeting expenses/other employee services
Employee Awards	5405	Employee recognition
Tuition Reimbursement	5407	Reimbursement of college/university class tuition and eligible expenses
Office Supplies	5501	Pens, paper, envelopes, folders, printer cartridges, and other office supplies
Miscellaneous Supplies	5502	Cleaning and other supplies
Vending Machine Supplies	5504	None. Vending machine contractor took over in February 2017.
Voice Recording Tapes	5505	Voice recording tape/dvd supplies
Postage	5507	Postage/UPS/Express mail services
Reproduction	5509	Accounts Payable & Payroll checks; W-2's; 1099's; budget doc, etc.
Office Equipment Lease	5511	Copier and postage meter
General Liability Insurance	5513	See attached detail sheet, plus anticipated increases
Vehicle Operations	5517	Gasoline/maintenance cost
Telephone - Administration	5601	Telephone for Administration
Maintenance/HQ	5701	See attached detail sheet
Maintenance/Other	5702	Fuel tank cleaning, permit fees, and other maintenance costs for other sites
Electricity - HQ	5703	Electricity for HQ
Electricity - Grandview	5704	Electricity for Grandview site
Electricity - Punta	5705	Electricity for Punta Place site
Gas - HQ	5706	Gas for HQ
Water - HQ	5707	Water for HQ
Office Equipment	5810	Computers, printers, laptops, etc., each generally costing \$1,000 or more
Other Equipment	5820	Television, tools, etc., each costing \$5,000 or more
Furniture & Fixtures	5830	Chairs, work stations, etc., each costing \$5,000 or more

Account Detail Explanations - Administration Department

Recruitment	
10-50-111-5306	
Advertising - Daily Breeze and job websites	1,500
Job Fairs - Various agencies	5,000
Community events (when requested by Board of Directors/Executive Committee, etc.)	500
Background investigations (10 @ \$2,000 each full; 5 @ \$500 each partial)	22,500
Psychological exams (6 @ \$400 each)	2,400
Physical exams (8 @ \$360 each)	2,880
Polygraph exams (18 @ \$275 each)	4,950
Credit Report (18 @ \$40 each)	720
CritiCall Exams	4,000
CritiCall Personality Tests	2,000
Fingerprints/Livescan/DOJ/SS# check (18 @ \$120 each)	2,160
Marketing Material	5,000
Total	\$ 53,610
Software Maintenance Services	
10-50-111-5307	
EDEN annual maintenance cost (software support and licensing updates)	12,725
EDEN Operating Systems & Database Administration - online service to manage server & update software	5,785
Annual Barracuda Spam updates for Server	1,500
Schedule Express - staff scheduling software maintenance @ \$756/month	9,072
Powerphone annual maintenance (digital system)	700
Hiperwall second year maintenance and licensing fees	15,000
Email certificate renewal	200
ESC shop software annual maintenance cost	1,000
Extreme Routers Annual Maintenance	3,000
Jot Forms	1,200
Solar Winds Annual Maintenance	3,000
Other Software Maintenance	10,000
Fortiguard security software for network	4,000
Box Subscription - Distribution of 9-1-1 and radio recordings	1,080
LEFTA software licensing and maintenance	1,500
Total	\$ 69,762

Account Detail Explanations - Administration Department

Memberships	
10-50-111-5401	
CAL Chiefs (Fire Chiefs Communications Section) - Group membership annual dues	50
California Society of Municipal Finance Officers (CSMFO) - Finance Manager/Accountant annual dues	110
California Background Investigators Association (CBIA)	70
Government Finance Officers Association (GFOA) - Finance Manager annual dues	160
Total	\$ 390
Publications	
10-50-111-5402	
Labor Law Compliance Center - Labor Law posters	150
Government Finance Officers Association publications as needed	200
Total	\$ 350
Conferences, Meetings, & Travel	
10-50-111-5403	
LA County PSAP quarterly meetings - Operations Manager/Administration Supervisor	225
CSDA Board Secretary/Clerk Conference & Certificate Program	2,000
Labor Law Seminars and Conferences	4,680
California Society of Municipal Finance Officers (CSMFO) - annual conference	1,500
Leadership Retreat	5,000
CSMFO bi-monthly Chapter meetings - Finance Manager	275
Total	\$ 13,680
General Liability Insurance	
10-50-111-5513	
General/Professional Liability Package (includes employment practices liability and employee benefits liability)	91,960
Excess Liability	55,000
Cyber Liability	4,000
Automobile/Property Damage-Loss	34,100
Crime Coverage Policy	1,100
Automobile (comprehensive)	5,500
Total	191,660
Total Budget (+10%)	\$ 210,826

Account Detail Explanations - Administration Department

Maintenance/HQ	
10-50-111-5701	
Gardening Service (grounds)	3,000
Janitorial Service	31,050
Tree Trimming Services	6,500
Fuel Tank Cleaning and diesel refills	5,000
Generator Service (contract and repairs) - includes HQ, Punta, MBWT, Grandview, & 1500 Gal Diesel	12,000
Various permit fees - South Coast Air Quality Management District (AQMD) & LA County Fire Hazmat Program	2,500
Fire Alarm, Fire Alarm Inspection & Fire Extinguishers Service and Repairs	7,500
Elevator Maintenance Contract - \$7,600 for contract; \$2,000 for repairs	9,600
Water Treatment (for HVAC closed loop system)	1,200
HVAC Maintenance - Contract plus necessary repairs	33,350
DirecTV Services	2,500
Roll-up door Annual Maintenance - Tech Services Bay	2,500
Floor Mat Cleaning	2,500
Exterminator Service	600
Water Filtration Service	600
Uninterrupted Power Supply (UPS) Maintenance - includes Tower Radio Room	12,000
Building Exterior Annual Cleaning	5,000
Janitorial Supplies/Site Clean-up Supplies	8,000
Plumbing, Security Gate & Other repairs	7,500
Facility replacement light bulbs/hardware	1,500
Total	\$ 154,400

OPERATIONS DEPARTMENT

Operations Department

The Operations Department is the Communications Center which is staffed with seven (7) Communications Supervisors and 54 Communications Operators. Communications Operators must attend and graduate from an accredited 120-hour Basic Academy hosted by Golden West College, Rio Hondo College, or the Riverside County Sheriffs' Department. The Basic Academy is accredited by the California Commission on Peace Officer Standards and Training (POST).

A new part-time program was implemented in Fiscal Year 2012-2013 which authorizes 5 part-time Communications Operators working a maximum of 999 hours each per year. The program's goal is to reduce overtime through the use of these part-time employees.

The Communications Center personnel answer all 9-1-1 and 7-digit emergency police and fire calls for the Cities of Manhattan Beach, Gardena, and Hawthorne (Members), as well as the cities of Culver City, El Segundo and Hermosa Beach (under contract). These calls are processed utilizing a computer-aided dispatch (CAD) system, and then dispatched to the appropriate police or fire department field units. The Communications Center operates 24 hours a day, 7 days a week.

When working the Complaint Operator position, a Communications Operator is responsible for receiving and responding appropriately and quickly to all incoming calls for service. These calls for service may be received via police and fire emergency lines, 9-1-1 lines, SMS/Text-to-911, TTY/TDD (Telecommunication Device for the Deaf), police and fire department hotlines, as well as hotlines from Chevron, Northrop, or the Hawthorne Airport Tower. Upon receipt of the call, the operator must determine the validity, nature, and priority of the call. These calls are entered as incidents to be dispatched to police and fire personnel or may be transferred appropriately.

When functioning as a Police or Fire Dispatcher, the Communications Operator is responsible for prompt and effective transmissions of dispatches as well as the coordination and intercommunication of all field units. The job requires considerable exercise of initiative and independent judgment in determining priorities and coordinating a variety of simultaneous activities of a critical nature. The

operator processes requests for other city services and information from outside agencies as well as requests for information from law enforcement data bases.

Prior Year Accomplishments:

- Received 362,519 calls in CY2018
 - 911 Calls: 131,086 (102,739 from cell phones)
 - 7 Digit Calls: 231,434
- Averaged 41 seconds for Police dispatch (Priority E and 1 calls) and 24 seconds for Fire dispatch in CY2018.
- Answered 96.70% of overall calls and 95.83% at the busiest hour within 10 seconds, and 99.00% of overall calls within 15 seconds in CY2018.
- Responded to 315 Text-to-911 Sessions in CY2018.

Expenses by Account Title - Operations Department

10-60-211-SXXX Operations	EDEN	FY 16-17	FY 17-18	FY 18-19	FY 18-19	YTD	FY 18-19	FY 19-20	Vs. Adopted	Vs. Adopted	Vs. Amended	Vs. Amended
Account Descriptions	Account	Actual	Actual	Adopted	Amended	12/31/2018	YE Est	Proposed	Inc (Dec)	Inc (Dec)	Inc (Dec)	Inc (Dec)
Salaries (Full-Time)	5101	\$ 3,633,046	\$ 3,843,426	\$ 4,794,562	\$ 4,794,562	\$ 1,871,637	\$ 4,239,691	\$ 5,311,530	\$ 516,968	\$ 516,968	\$ 516,968	\$ 516,968
Salaries (Part-Time)	5102	63,362	95,155	74,203	74,203	41,756	90,472	-	(74,203)	(74,203)	(74,203)	(74,203)
Overtime	5103	775,513	1,143,975	350,000	350,000	465,309	1,227,216	385,000	35,000	35,000	35,000	35,000
Acting Pay	5104	917	284	4,815	4,815	461	7,688	10,000	5,185	5,185	5,185	5,185
Bilingual Pay	5105	9,156	9,100	8,667	8,667	3,500	8,610	8,600	(267)	(267)	(267)	(267)
Sick Leave Payoff	5108	89,816	92,696	107,419	107,419	96,478	96,478	106,313	(1,106)	(1,106)	(1,106)	(1,106)
Vacation Leave Payoff	5109	24,346	36,694	46,052	46,052	48,967	48,967	63,217	17,165	17,165	17,165	17,165
Training Pay	5110	7,584	7,464	5,613	5,613	6,774	13,548	15,000	9,387	9,387	9,387	9,387
Accrued Leave Expense	5113	52,018	35,790	-	-	-	-	-	-	-	-	-
Holiday Payoff	5114	61,546	68,025	74,917	74,917	102,461	153,692	100,000	25,083	25,083	25,083	25,083
Education Incentive	5115	80,738	90,403	93,000	93,000	44,642	89,283	132,406	39,406	39,406	39,406	39,406
Overtime - Ridealongs with Cities	5116	9,619	-	10,000	10,000	-	5,000	10,000	-	-	-	-
Medical Insurance	5201	470,940	479,885	561,918	561,918	279,411	605,391	637,435	75,517	75,517	75,517	75,517
Dental Insurance	5202	24,334	25,103	53,464	53,464	11,687	25,499	47,968	(5,496)	(5,496)	(5,496)	(5,496)
Vision Insurance	5203	12,015	11,449	17,804	17,804	6,119	12,238	18,699	895	895	895	895
Life Insurance	5204	6,301	5,680	7,870	7,870	3,250	6,610	8,455	585	585	585	585
Medicare	5205	69,462	79,000	83,217	83,217	39,389	82,075	84,939	1,722	1,722	1,722	1,722
Unemployment Insurance	5206	8,502	2,873	6,713	6,713	-	-	6,713	-	-	-	-
Workers' Compensation	5207	48,787	56,347	65,902	65,902	14,458	40,584	58,372	(7,530)	(7,530)	(7,530)	(7,530)
PERS Contribution	5208	574,328	631,635	798,175	798,175	327,372	819,027	922,296	124,121	124,121	124,121	124,121
Retirees' Medical Insurance	5209	55,109	56,240	57,091	57,091	23,996	55,396	62,800	5,709	5,709	5,709	5,709
OP&B Accrual Liability	5210	179,492	93,489	-	-	-	-	-	-	-	-	-
Social Security	5211	1,264	589	890	890	64	-	890	-	-	-	-
Subtotal Salaries & Benefits		\$ 6,258,193	\$ 6,865,303	\$ 7,222,292	\$ 7,222,292	\$ 3,387,731	\$ 7,627,464	\$ 7,990,484	\$ 768,142	\$ 768,142	\$ 768,142	\$ 768,142
Maintenance & Operations	5300	-	-	-	-	-	-	-	-	-	-	-
Memberships Dues	5401	-	-	750	750	29	750	2,830	2,080	2,080	2,080	2,080
Publications	5402	1,236	785	1,710	1,710	409	800	1,710	-	-	-	-
Conferences, Meetings & Travel	5403	10,516	13,306	33,262	33,262	5,032	33,262	24,155	(9,107)	(9,107)	(9,107)	(9,107)
Employee Services/EC-BOD	5404	4,122	1,843	2,500	2,500	-	1,000	2,500	-	-	-	-
Employee Awards	5405	-	-	500	500	-	-	500	-	-	-	-
POST Training	5406	1,996	-	2,000	2,000	-	2,000	23,815	21,815	21,815	21,815	21,815
Tuition Reimbursement	5407	19,390	10,014	18,000	18,000	5,440	12,343	18,000	-	-	-	-
Uniforms/Safety Equipment	5506	2,936	4,422	8,000	8,000	4,697	8,000	8,000	-	-	-	-
Reproduction	5509	353	353	500	500	-	350	500	-	-	-	-
Telephone - El Segundo	5603	2,322	2,403	3,000	3,000	973	3,000	3,000	-	-	-	-
Telephone - Gardena	5604	1,671	2,683	5,000	5,000	562	3,000	5,000	-	-	-	-
Telephone - Hawthorne	5606	4,946	4,419	6,000	6,000	2,145	5,000	6,000	-	-	-	-
Telephone - Hermosa Beach	5607	18,991	21,838	25,000	25,000	13,448	26,895	25,000	-	-	-	-
Telephone - Manhattan Beach	5608	5,019	4,528	8,000	8,000	2,443	5,000	8,000	-	-	-	-
Telephone - Punta Place	5611	3,739	3,765	5,500	5,500	1,935	4,000	5,500	-	-	-	-
Telephone - RCC	5612	9,649	10,630	12,000	12,000	4,551	11,000	12,000	-	-	-	-
Sprint Wireless Reimbursable	5613	78,661	77,632	77,289	77,289	30,741	77,289	77,289	-	-	-	-
Verizon Wireless Reimbursable	5614	7,904	15,024	15,229	15,229	9,761	15,229	15,229	-	-	-	-
Telephone-Culver City	5615	5,173	22,457	5,500	5,500	5,161	10,322	5,500	-	-	-	-
Other Equipment	5820	-	5,399	-	-	4,749	11,000	15,000	15,000	15,000	15,000	15,000
Subtotal Supplies/Services/Equip		\$ 178,622	\$ 201,499	\$ 229,740	\$ 229,740	\$ 92,235	\$ 230,240	\$ 259,528	\$ 29,788	\$ 29,788	\$ 29,788	\$ 29,788
Total Expenses - Operations		\$ 6,436,815	\$ 7,066,802	\$ 7,452,032	\$ 7,452,032	\$ 3,479,967	\$ 7,857,704	\$ 8,249,962	\$ 797,930	\$ 797,930	\$ 797,930	\$ 797,930
									12.97%	12.97%	12.97%	12.97%
									10.71%	10.71%	10.71%	10.71%

Account Detail Explanations - Operations Department

Salaries & Benefits		Account #	Comments/Explanation
Salaries (Full-Time)	5101	Includes contracted and estimated increases from MOUs	
Salaries (Part-Time)	5102	Part-time Communications Operators	
Overtime	5103	Covers overtime for staffing, training, and other needs as necessary	
Acting Pay	5104	Communications Operators acting as Communications Supervisors per MOU with the Teamsters	
Bilingual Pay	5105	Per MOU \$100/month for designated employees	
Sick Leave Payoff	5108	Per MOU - max Teamsters 120 hours/CWA 120 hours @ 85% of base rate	
Vacation Leave Payoff	5109	Per MOU - max 90 hours Teamsters @ 85%; CWA @ 90% of base rate	
Training Pay	5110	Per MOU - Incentive pay when Communications Operators train new employees	
Holiday Payoff	5114	Payoff for unused holiday time at year-end	
Education Incentive	5115	Per MOU - Incentive pay when employees obtain certificates and/or degrees	
Overtime - Ridealongs with Cities	5116	Overtime for operators and supervisors to go on ride-alongs with member cities.	
Medical Insurance	5201	Per MOUs - cafeteria plan limit	
Dental Insurance	5202	Per MOUs - cafeteria plan limit	
Vision Insurance	5203	Per MOUs - 100% employer paid	
Life Insurance	5204	Per MOU \$100,000 coverage employee only	
Medicare	5205	1.45% employer rate	
State Unemployment	5206	Based on estimated reimbursements to EDD for actual claims	
Workers' Compensation	5207	Based on prior year premium	
PERS Contribution	5208	Rates reflect increases from 17.350% to 20.447% for Tier 1 employees plus 3.5% of employee contributions; increase from 7.861% to 8.628% for Tier 2 employees hired after October 25, 2011. Pension Reform Act (PEPRA) imposed Tier 3 rate of 7.397% for employees hired after 01/01/2013. All rates include UAL payments.	
Retirees' Medical Insurance	5209	Covers retired employees	
Supplies & Services		Account #	Comments/Explanation
Membership Dues	5401	See attached detail	
Publications	5402	See attached detail	
Conferences, Meetings & Travel	5403	See attached detail	
Employee Services/EC-BOD	5404	Employee Assistance Program; miscellaneous employee operations expenses	
Employee Awards	5405	Employee recognition	
POST Training	5406	Mandated training; some reimbursed by State. See attached detail.	
Tuition Reimbursement	5407	Reimbursement of college/university class tuition and eligible expenses	
Uniforms/Safety Equipment	5506	Uniform purchases for new hires and replacements for existing employees	

Account Detail Explanations - Operations Department

Reproduction	5509	Training manuals
Telephone - El Segundo	5603	Data and hotline phone circuits
Supplies & Services	Account #	Comments/Explanation
Telephone - Gardena	5604	Data and hotline phone circuits
Telephone - Hawthorne	5606	Data and hotline phone circuits
Telephone - Hermosa Beach	5607	Data and hotline phone circuits
Telephone - Manhattan Beach	5608	Data and hotline phone circuits
Telephone - Punta Place	5611	Data and hotline phone circuits
Telephone - RCC	5612	Data and hotline phone circuits
Sprint Wireless Reimbursable	5613	Data charges that will be reimbursed to the Authority on the 4th qtr Assessment each year.
Verizon Wireless Reimbursable	5614	Data charges that will be reimbursed to the Authority on the 4th qtr Assessment each year.

Account Detail Explanations - Operations Department

Membership Dues	
10-60-211-5401	
Association of Police Communications Officials (APCO) - Group Membership	1,080
National Emergency Number Association (NENA) - Group Membership	700
CWA Association Memberships	1,050
Total	2,830
Publications	
10-60-211-5402	
Haines Directory Software (telephone criss-cross directory) for Dispatch Center	800
ACTIVE 9-1-1 Yearly Subscription	850
California Penal Code - annual new book - for Dispatch Center	60
Total	1,710
Conferences, Meetings & Travel	
10-60-211-5403	
Emergency Medical Dispatch (EMD) 24-hour course - Operators - 12/year @ \$399 each	4,788
EMD Recertification - Operators - 15/year @ \$129 each	1,935
Association of Police Communications Officials (APCO) Conference	6,510
Cal Nena Conference (Operations Manager/Supervisor - reimbursed by State)	3,000
Civilian Management Seminars PMW Associates - 2 managers/supervisors @ \$561 registration each for 3 days	2,402
Mandatory Supervisor Harrasment Training 75 @ \$42.00 each	3,150
International Wireless Communications Expo (IWCE) Conference	2,370
Total	24,155
POST Training	
10-60-211-5406	
Public Safety Training Consultants (PSTC) Seminars - Operators - 50/year @ \$150 each; 1-3 days each	12,900
Golden West College - 120 hours POST (reimbursed) training - 10 operators @ \$347.50 each (new hires)	10,915
Total	23,815



TECHNICAL SERVICES DIVISION

Technical Services Division

The Technical Services Division is staffed with a Public Safety Communications Specialist II and four (4) Public Safety Communications Specialist I positions. The division provides technical services for vehicles and equipment used by the Member Cities and client cities Police, Fire, and Public Works personnel. The division also provides the same services to outside agencies including the City of Palos Verdes Estates, El Camino College Campus Police Department, and Los Angeles Interagency Metropolitan Police Apprehension Crime Taskforce (LA IMPACT).

Services provided include: installation of radios, emergency lighting, sirens, mobile computer systems, prisoner cages, prisoner restraint systems, prisoner seats, trunk boxes, slide out equipment trays, support wiring, and electrical equipment on patrol vehicles; repairs and maintenance of above equipment; repairs of mobile radios, portable radios, mobile computers, sirens, light bars, and mobile video equipment.

The division is responsible managing contracts for the maintenance and upgrade of the Authority's remote receivers and transmitters at the following sites: The RCC Tower in Hawthorne; Punta Place in Palos Verdes Estates; South Bay Hospital in Redondo Beach; Grandview in Manhattan Beach; Water Tower in Manhattan Beach; Pacific Corporate Towers in El Segundo; Water Tower in El Segundo; Pier in Hermosa Beach; and Gardena Police Department.

The technologies that the division maintains under contract include: a microwave "ring" (1+1) network; IP voted conventional analog radio communications; networking equipment at all transmit and receive sites (firewalls, switches, routers, site monitoring equipment); Orion Solarwinds Network monitoring 24/7; generator and backup systems.

Technical Services also coordinates the maintenance requirements for the Authority facility and capital improvement projects; is responsible for upkeep of the Authority's FCC licenses and processing applications for new channels; and prepares/plans for future frequency needs of the Authority, Member Agencies and client cities.

Prior Year Accomplishments:

- Completed 176 installations and 332 repairs of various telecommunications equipment used by Police, Fire and Public Works from members and client agencies in CY2018.
- Installed over 300 new mobile radios in public safety vehicles to prepare the Authority's agencies for migration to the INSB radio network.

Expenses by Account Title - Technical Services Division

10-70-311-SXXX Technical Svcs	EDEN	FY 16-17	FY 17-18	FY 18-19	FY 18-19	YTD	FY 18-19	FY 19-20	Vs. Adopted	Vs. Adopted	Vs. Amended	Vs. Amended
Account Description	ACCOUNT	Actual	Actual	Adopted	Adopted	12/31/2018	YE Est	Proposed	Inc (Dec)	Inc (Dec)	Inc (Dec)	Inc (Dec)
Salaries (Full-Time)	5101	\$ 526,346	\$ 495,661	\$ 712,258	\$ 573,105	\$ 194,886	441,933	\$ 485,506	\$ (226,752)	-	\$ (87,598)	-15.28%
Salaries (Part-Time)	5102	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Overtime	5103	8,378	904	10,000	10,000	766	5,000	5,000	(5,000)	(5,000)	(5,000)	-50.00%
Acting Pay	5104	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Billing Back Pay	5105	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Call Back Pay	5106	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Merit Pay	5107	2,650	1,289	1,400	1,400	1,312	1,400	1,500	100	100	100	7.14%
Sick Leave Payoff	5108	8,274	15,028	15,635	15,635	16,387	16,387	17,780	2,145	2,145	2,145	13.72%
Vacation Leave Payoff	5109	16,732	5,437	13,382	13,382	11,880	11,880	14,386	1,004	1,004	1,004	7.50%
Accrued Leave Expense	5113	(14,773)	5,932	-	-	-	-	-	0.00%	-	-	0.00%
Holiday Payoff	5114	9,212	10,277	12,580	12,580	-	-	-	(12,580)	(12,580)	(12,580)	-100.00%
Education Incentive Pay	5115	2,468	3,446	3,733	3,733	-	-	-	(3,733)	(3,733)	(3,733)	-100.00%
Medical Insurance	5201	65,382	59,234	69,141	69,141	29,425	58,851	47,863	(21,278)	(21,278)	(21,278)	-30.77%
Dental Insurance	5202	2,969	2,632	4,569	4,569	1,025	2,050	2,940	(1,629)	(1,629)	(1,629)	-35.64%
Vision Insurance	5203	1,833	1,330	1,305	1,305	538	1,076	1,406	101	101	101	7.74%
Life Insurance	5204	838	741	950	950	326	652	693	(257)	(257)	(257)	-27.05%
Medicare	5205	7,734	8,006	11,027	11,027	3,418	7,406	7,267	(3,760)	(3,760)	(3,760)	-34.10%
Unemployment Insurance	5206	-	29	-	-	-	-	-	0.00%	-	-	0.00%
Workers' Compensation	5207	86,381	99,767	94,760	94,760	29,012	58,023	83,933	(10,827)	(10,827)	(10,827)	-11.43%
PERS Contribution	5208	76,687	77,688	82,649	82,649	31,497	70,656	82,721	72	72	72	0.09%
Retirees' Medical Insurance	5209	25,187	30,798	31,214	31,214	14,504	29,007	32,775	1,561	1,561	1,561	5.00%
OP&B Accrued Liability	5210	31,809	5,500	-	-	-	-	-	0.00%	-	-	0.00%
Social Security	5211	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Deferred Comp Matching Benefi	5212	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Subtotal Salaries & Benefits		\$ 858,106	\$ 823,697	\$1,064,603	\$ 925,450	\$ 334,975	\$ 704,322	\$ 783,770	\$ (280,833)	\$ (280,833)	\$ (141,679)	-15.31%
Comp Contract Services/CAD	5302	288,324	330,000	\$ 145,000	\$ 145,000	\$ 100,000	\$ 145,000	\$ 145,000	0.00%	0.00%	0.00%	0.00%
GST Software Reimbursable	5311	50,832	47,574	50,000	50,000	44,791	50,000	50,000	-	-	-	0.00%
Conferences, Meetings & Travel	5403	65	-	2,650	2,650	1,147	2,650	2,650	0.00%	0.00%	0.00%	0.00%
General Technical Supplies	5503	775	(10,660)	7,500	7,500	(83)	5,000	7,500	-	-	-	0.00%
Uniforms/Safety Equipment	5506	1,424	1,664	2,000	2,000	7,205	10,000	3,500	1,500	1,500	1,500	75.00%
Shipping Costs	5508	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Parts - Billing	5514	309,717	527,416	642,397	721,985	271,078	542,156	600,000	(42,397)	(42,397)	(121,985)	-16.90%
Parts - Telecommunications	5515	14,949	6,491	15,357	15,357	150	15,357	-	(15,357)	(15,357)	(15,357)	-100.00%
Install Wire, Loom & Hardware	5516	12,827	35,533	25,132	25,132	19,179	25,132	40,000	14,868	14,868	14,868	59.16%
Vehicle Operations	5517	2,849	3,967	4,500	4,500	1,577	4,500	4,500	-	-	-	0.00%
Equipment Repair	5520	77	-	10,000	10,000	232	5,000	5,000	(5,000)	(5,000)	(5,000)	-50.00%
Outside Tech Svc-Towers/Equip	5521	142,658	237,587	331,000	470,153	178,545	470,153	325,000	(6,000)	(6,000)	(145,153)	-30.87%
Vehicle Antennas - Reimb	5522	-	-	-	-	-	-	-	0.00%	-	-	0.00%
GETAC Project	5524	87,368	-	-	-	-	-	-	0.00%	-	-	0.00%
Culver City Infrastr Transition	5525	281,546	23,321	-	-	-	-	-	0.00%	-	-	0.00%
Depreciation Expenses	5710	620,590	533,902	-	-	-	-	-	0.00%	-	-	0.00%
Office Equipment	5810	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Other Equipment	5820	4,095	-	-	6,544,687	6,544,687	6,544,687	-	0.00%	(6,544,687)	(6,544,687)	-100.00%
Subtotal Supplies/Svcs/Equip		\$1,818,096	\$1,736,794	\$1,235,536	\$7,998,964	\$7,168,508	\$7,819,635	\$1,183,150	\$ (52,386)	\$ (52,386)	\$ (6,815,814)	-85.21%
Total Expenses		\$2,676,203	\$2,560,491	\$2,300,139	\$8,924,414	\$7,503,483	\$8,523,957	\$1,966,920	\$ (333,219)	\$ (333,219)	\$ (6,957,493)	-77.96%

Account Detail Explanations - Technical Services Division

Salaries & Benefits		Account #	Comments/Explanation
Salaries (Full-Time)		5101	Includes contracted and estimated increases from MOUs
Overtime		5103	As needed; reimbursed by Member Agencies requesting OT when appropriate
Acting Pay		5104	Per MOU
Call Back Pay		5106	If called back to work after hours
Merit Pay		5107	Based on longevity starting @ 7 years of service \$250; \$50 each additional year
Sick Leave Payoff		5108	Max 120 hrs @ 85% of base rate
Vacation Leave Payoff		5109	Max 90 hrs @ 85% of base rate
Accrued Leave		5113	Account used to adjust compensated absences at year-end/non-cash so no budget impact
Medical Insurance		5201	Per MOUs - cafeteria plan limit
Dental Insurance		5202	Per MOUs - cafeteria plan limit
Vision Insurance		5203	Per MOUs - 100% employer paid
Life Insurance		5204	Per MOU \$100,000 coverage employee only
Medicare		5205	1.45% employer contribution rate
State Unemployment		5206	Based on estimated reimbursements to Employment Development Department for actual claims
Workers' Compensation		5207	Based on increase in claims costs filed since last year
PERS Contribution		5208	Rates reflect increases from 17.350% to 20.447% for Tier 1 employees plus 3.5% of employee contributions; increase from 7.861% to 8.628% for Tier 2 employees hired after October 25, 2011. Pension Reform Act (PEPRA) imposed Tier 3 rate of 7.397% for employees hired after 01/01/2013. All rates include UAL payments.
Retirees' Medical Insurance		5209	Covers retired employees
Deferred Comp Matching Benefit		5212	Per MOU
Supplies & Services		Account #	Comments/Explanation
Comp Contract Services/CAD		5302	IT support from Hawthorne; CAD consultant
Conferences, Meetings & Travel		5403	See attached detail
General Technical Supplies		5503	Chemical cleaners, switches, cables, jumpers, etc.
Uniforms/Safety Equipment		5506	Uniform purchases for new hires and replacements for existing employees
Equipment Rent		5510	Boom lift/test equipment, as needed
Parts - Billing		5514	Reimbursable expense for parts billed to members/customers - revenue offset
Parts - Telecommunications		5515	Combined all parts accounts
Install Wire, Loom & Hardware		5516	Miscellaneous parts used for installations
Vehicle Operations		5517	Fuel/other maintenance for Authority's van/truck
Equipment Repair		5520	Various factory equipment repairs including MDC hardware

Account Detail Explanations - Technical Services Division

Supplies & Services	Account #	Comments/Explanation	
Outside Tech Svcs-Towers/Equipment	5521	CommLine contract for servicing radios, microwave and tower equipment	
Office Equipment	5810	Computers, printers, laptops, etc., each generally costing \$1,000 or more	
Other Equipment	5820	Television, tools, etc., each costing \$5,000 or more	
Conferences, Meetings & Travel			
10-70-311-5403			
Technical Services Software/Support training			2,500
COPS West Expo			150
Total			2,650

APPENDIX

Acronyms

APCO – Association of Police Communications Officials
 AQMD – Air Quality Management District
 CAD – Computer Aided Dispatch
 CAHN – California Association of Hostage Negotiators
 RMS – Records Management System
 CalPERS – California Public Employees Retirement System
 CLETS - California Law Enforcement Telecommunications System
 CPI – Consumer Price Index
 CSMFO – California Society of Municipal Finance Officers
 CWA – Communications Workers of America
 DOJ – Department of Justice
 DUI – Driving Under the Influence
 EDD – Employment Development Department
 EMD – Emergency Medical Dispatch
 FCC – Federal Communications Commission
 FY – Fiscal Year

GASB – Governmental Accounting Standards Board
 GFOA – Government Finance Officers Association
 HQ – Headquarters
 IFR – Injury Frequency Radio
 IP – Internet Protocol
 IWCE – International Wireless Communications Expo
 LAIF – Local Agency Investment Fund
 LASO – Los Angeles Sheriff's Office
 MB – Manhattan Beach
 MBWT – Manhattan Beach Water Tower
 MDC - Mobile Data Computer
 MHz – Megahertz
 MOU – Memorandum of Understanding
 NENA – National Emergency Number Association
 OPEB – Other Post-Employment Benefits
 OT – Overtime
 PERS – Public Employees Retirement System

POST – Police Officer Standards and Training

PSAP – Public Safety Answering Point

PSTC – Public Safety Training Center

TMS – Training Management System

UAAL - Unfunded Actuarial Accrued Liability

UHF – Ultra High Frequency

VOIP - Voice over Internet Protocol

VHF - Very High Frequency

Glossary

ACCRUAL BASIS: Revenues are recognized when both measurable and available; expenditures are recorded when services have been substantially performed or goods have been received and the liabilities incurred.

ADOPTED BUDGET: The official budget as approved by the Board of Directors at the start of each fiscal year.

AMENDED BUDGET: The adopted budget as amended by the Board of Directors or the Executive Committee through the course of a fiscal year.

APPROPRIATIONS: A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and to the time when it may be expended.

AGENCY: A state or local unit of government created to perform a single activity or a limited group of functions and authorized by the state legislature to issue bonded debt.

ASSESSMENTS: The annual prorated and predetermined charges to the Member Cities (Gardena, Hawthorne, and Manhattan Beach) based on ownership share; for the Client Cities of El Segundo and Hermosa Beach (under contract), the assessment is annually adjusted based on the Consumer Price Index (CPI) for the preceding year.

AUTHORITY: The South Bay Regional Public Communications Authority, a governmental agency that provides a consolidated regional public communications system.

BOND: A security whereby an issuer borrows money from an investor and agrees and promises, by written contract, to pay a fixed principal sum on a specified date (maturity date) and at a specified rate of interest.

BOND PREMIUM: The amount at which a bond or note is bought or sold above its par value or face value without including accrued interest.

BUDGET: A plan of financial operation comprised of estimated expenditures for a given period (usually a single fiscal year) and the proposed means of financing the expenditures (through revenues).

BUDGET MESSAGE: A written discussion of the budget presented by the Executive Director to the Board of Directors and/or the Executive Committee.

CAPITAL OUTLAY BUDGET: A budget which focuses on capital projects (e.g., transmission/receiver or radio sites); includes fixed assets with a value per item of \$1,000 or more and with a minimum life expectancy of two years.

CONTRACTED SERVICES: Services rendered in support of the Authority's operations and activities by external parties. These may be based upon either formal contracts or ad hoc charges.

DEPARTMENT: A major organizational group of the Authority with overall management responsibility for an operation or a group of related operations within a functional area.

ENCUMBRANCE: The commitment of appropriated funds to purchase goods, which have not yet been received, or services which have yet to be rendered

ENTERPRISE FUND: The fund used to account for any activity for which a fee is charged to external users of goods and services.

EXPENDITURES: Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

EXPENSES: Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

FISCAL AGENT: Also known as the Paying Agent, the bank, designated by the issuer, to pay interest and principal to the bondholder.

FISCAL YEAR: A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position, the results of its operations, and adopts a budget for the coming year. The Authority's fiscal year is from July 1 to June 30.

FIXED ASSETS: Equipment costing \$1,000 or more, including tax, with a useful life longer than one year, and not qualifying as a capital improvement project. Includes automotive equipment, office equipment, office furniture, acquisitions, landscaping improvements, etc.

FUND: An independent fiscal and accounting entity with a self-balancing set of accounts, recording resources, related liabilities, obligations, reserves, and equities segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

FUND BALANCE: The equity (assets minus liabilities) of governmental fund and fiduciary fund types. However, for budgeting purposes, a working capital definition of current assets minus current liabilities is used for the computation.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP): Uniform minimum standards of and guidelines for financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard by which to measure financial presentations.

INVESTMENT GRADE: Bond issues by the three major bond rating agencies, Moody's, Standard & Poor's, and Fitch, rated BBB, Baa or

better. Many fiduciaries, trustees, and some mutual fund managers can only invest in securities with an investment grade rating.

ISSUER: A state or local unit of government that borrows money through the sale of bonds and/or notes.

JOINT POWERS AUTHORITY (JPA): The formation of two or more public entities with common powers to consolidate their forces to acquire or construct a joint-use facility. Their bonding authority and taxing ability are the same as their powers as separate units.

LETTER OF CREDIT: A form of supplement or, in some cases, direct security for a municipal bond under which a commercial bank or private corporation guarantees payment on the bond under certain specified conditions.

OBJECTIVE: A simply stated, readily measurable statement of aim or expected accomplishment within the fiscal year. A good statement of objective should imply a specific standard of performance for a given program.

OBJECT CODE: The classification of expenditures in terms of what is bought and paid for grouped into major object codes by subject.

OPERATING BUDGET: A budget which focuses on everyday operating activities and programs. Usually includes personnel, maintenance and operations, and capital equipment.

PERSONNEL EXPENSES: Compensation paid to or on behalf of Authority employees for salaries and wages, overtime and benefits.

PREMIUM: The amount, if any, by which the price exceeds the principal amount (par value) of a bond. Its current yield will be less than its coupon rate.

PROPOSED BUDGET: The budget as formulated and proposed by the Executive Director. It is submitted to the Executive Committee and the Board of Directors for review and approval.

REFUNDING BOND: The issuance of a new bond for the purpose of retiring an already outstanding bond issue.

RETAINED EARNINGS: An equity account reflecting the accumulated earnings of Proprietary Fund types. For budgeting purposes, the working capital definition of fund balance is used.

REVENUE: Moneys that the City receives as income such as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues, and interest income.

REVENUE BOND: A municipal bond whose debt service is payable solely from the revenues received from operating the facilities acquired or constructed with the proceeds of the bonds.

TRUSTEE: A bank designated as the custodian of funds and official representative of bondholders. Appointed to ensure compliance with trust indenture.

USER CHARGES: Payments made by users or customers of publicly-provided services that benefit specific individuals. These services exhibit “public good” characteristics. Examples of user charges are fees paid for recreational activities, building fees, police fees, etc. For the Authority, the user charges are in the form of assessments to the members; billings to customers for equipment installation, repairs, and maintenance.



BUDGET POLICY

RESOLUTION NO. 321**RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE SOUTH
BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
ESTABLISHING A BUDGETARY POLICY**

WHEREAS, Article IV (E & F) of the Bylaws of the South Bay Regional Public Communications Authority (Authority) authorizes the Board of Directors to establish an annual budget for the Authority and to exercise any other power to implement the annual budget; and

WHEREAS, Article IV (D) of the Bylaws of the Authority has appointed the Executive Committee to be responsible for the day-to-day management and control of the operations of the Authority; and

WHEREAS, the Authority recognizes the need to establish a budgetary policy to assure efficient and effective management of the funds entrusted to the Authority by its Members; and

WHEREAS, the Executive Director of the Authority shall be authorized to commit and expend the budgeted funds to carry out the mission of the Authority; and

WHEREAS, the Executive Committee, on August 21, 2007, established the Authority's budgetary policy by repealing Section 1.0 and 4.0 of Resolution No. 69 and Sections 1 and 2 of Resolution 194 and adopting Resolution No. 256.

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the Authority hereby adopts the following budgetary policy:

SECTION 1: DEFINITIONS/SCOPE OF THE BUDGET

- **Fiscal Period:** The year beginning July 1 and ending June 30
- **Budgeted Funds:** Fund 10/SBRPCA Enterprise Fund and Fund 20/Grant Fund
- **Budget Components:** Operating Budget; Capital Improvement Projects
- **Budget Categories:** Salaries & Benefits; Supplies & Services; Capital Outlay
- **Object Codes:** Line accounts such as Salaries; Overtime; Office Supplies; Legal Services; etc.
- **Departments:** Administration, Operations, Technical Services

SECTION 2: POLICY

- The Executive Director shall prepare a preliminary operating and capital outlay budget and present it to the Executive Committee at the Committee's regularly scheduled meeting in February of each year.
- The preliminary budget shall include an estimated amount that each Member City will be charged to support the budget appropriation during the coming fiscal year.
- The preliminary budget will also include a 10% Operational and Capital Reserve for operating and/or capital expense contingencies. The initial starting point for these reserves will be the combined Operating Reserve and Equipment Replacement Fund amounts detailed in the adopted Fiscal Year 2018/2019 budget.
- In circumstances where reserves have been appropriated by the Board of Directors and/or the Executive Committee, the budget will include a plan to replenish the reserves to this prescribed level within three (3) years.
- After the Executive Committee has reviewed and approved the preliminary budget, this recommended budget shall be submitted to the Board of Directors at the Board's regularly scheduled meeting in March of each year.
- The Board of Directors shall adopt the budget in March of each year according to the Authority's Bylaws.

SECTION 3: LEGAL LEVEL OF BUDGETARY CONTROL

- The legal level of budgetary control for management purposes is set by the Board of Directors and/or the Executive Committee at the fund level.

SECTION 4: BUDGET AMENDMENTS

- The Executive Director may execute operating budget transfers between object codes within the budget categories and between departments provided that such transfers do not result in an increase to the overall budget.
- Changes to the capital improvement projects budget will require pre-approval by the Board of Directors and/or the Executive Committee.
- Budget amendments that are between budget categories or increase the total amount of the budget will require pre-approval by the Board of Directors and/or the Executive Committee.
- Appropriations from the Reserve will require pre-approval by the Board of Directors and/or the Executive Committee.

- Unencumbered appropriations lapse at year-end. Any carryover appropriations will require approval by the Board of Directors and/or the Executive Committee.

SECTION 5 - FINANCIAL REPORTING

- The Executive Director shall present a quarterly budget performance report to the Executive Committee.
- The Executive Director shall present a mid-year budget report to the Board of Directors at the Board's meeting in January of each year.
- The Executive Director shall present a fiscal year-end audited financial statements to the Executive Committee at the Committee's regularly scheduled meeting in February of each year or sooner.

SECTION 6 – EXCESS FUNDS

- Based on the fiscal year-end audited financial statements, the unreserved Fund 10 Enterprise Fund balance shall be eligible to be remitted to each member in proportion to each member's ownership share in the Authority, in accordance with its Bylaws.
- The actual amount to be remitted shall be determined by the Board of Directors and/or the Executive Committee.

BE IT FURTHER RESOLVED, that Sections 1 through 4 of Resolution No. 256 adopted on August 21, 2007 are hereby repealed.

The secretary shall certify to the adoption of this Resolution by the Executive Committee of the South Bay Regional Public Communications Authority.

Passed, approved, and adopted in a meeting held on the 18th day of December, 2018 by the following vote:

Ayes: Medrano, Moe, Shadbehr.

Noes: None.

Absent: None.

Abstain: None.



Edward Medrano, Chair
Executive Committee



Erick B. Lee, Secretary
Executive Committee

FISCAL YEAR 2019-2020
BUDGET RESOLUTION



RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS
AUTHORITY ADOPTING THE BUDGET FOR FISCAL YEAR
2019-2020**

WHEREAS, the South Bay Regional Public Communications Authority has been established for the purpose of implementing, operating, and maintaining a consolidated regional public safety services communications system for the mutual benefit of its membership;

WHEREAS, funds are required of the Member Agencies to support such operations;

WHEREAS, in a public session, on March 19, 2019, the Board of Directors examined and adopted the budget for Fiscal Year 2019-2020 as outlined below;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of said Authority has adopted a budget in the amount of \$12,551,528 for the period of July 1, 2019 through June 30, 2020 in accordance with the following allocations:

Administration Department	\$2,209,646
Operations Department	8,249,962
Technical Services Division	1,966,920
Capital Outlay	125,000
Total Budget	\$12,551,528

BE IT FURTHER RESOLVED that the Finance & Performance Audit Manager of the Authority is authorized to issue assessments to the Member Cities in accordance with the terms, conditions, and formulas contained in Article X of the Authority Bylaws, and as shown on page 25 of the budget document.

WE HEREBY CERTIFY that the foregoing is a true copy of the resolution adopted by the Board of Directors of the South Bay Regional Public Communications Authority in a meeting thereof held on the 19th day of March 2019, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Rodney Tanaka, Mayor Pro Tem
Chairman, Board of Directors

Erick B. Lee, Executive Director
Secretary, Board of Directors



J-1

February 19, 2018

**MINUTES OF A REGULAR JOINT MEETING
OF THE EXECUTIVE COMMITTEE
AND THE USER COMMITTEE**

A. CALL TO ORDER

The Executive Committee and the User Committee convened in a regular joint session at 2:01 PM on Tuesday, February 19, 201, in the second-floor conference room of the South Bay Regional Public Communications Authority, 4440 West Broadway, Hawthorne, CA.

ROLL CALL

Present: City Manager Ed Medrano, City of Gardena
City Manager Bruce Moe, City of Manhattan Beach
Interim City Manager Arnie Shadbeh, City of Hawthorne
Chief Tom Kang, Gardena Police Department
Chief Michael Ishii, Hawthorne Police Department

Absent: Chief Derrick Abell, Manhattan Beach Police Department

Also Present: Executive Director Erick Lee
Operations Manager Shannon Kauffman
Administrative Services Manager John Krok
Lieutenant Leon Lopez, Culver City Police Department
Laura Kalty, Liebert Cassidy Whitmore
Jennifer Petrusis, Richards Watson & Gershon

B. PUBLIC DISCUSSION

None.

C. CONSENT CALENDAR

City Manager Moe moved to approve the Consent Calendar, Item Numbers 1-3. The motion was seconded by Interim City Manager Shadbeh and passed by unanimous voice vote.

1. Minutes of the Regular Meeting – January 15, 2019
2. Check Register for January 2019
3. Appropriation of \$49,471.63 from the Enterprise Fund Unreserved Balance to the Manhattan Beach Equipment Replacement Account; and
Authorization of these Funds to be used to Offset Equipment Purchased for City of Manhattan Beach Vehicle Installation and Repairs

D. ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

E. **GENERAL BUSINESS**

1. Fiscal Year 2017-2018 Annual Financial Report

Executive Director Lee presented the Annual Financial Report for Fiscal Year 2017-2018. City Manager Medrano stated no objections and the report was filed.

2. Agreement with Matrix Consulting Group for Consulting Services Related to a Comprehensive Cost of Service and Allocation Study; and

Approve a Purchase Order in the Amount of \$36,500 for these Services

MOTION: City Manager Moe made the motion to approve this item. The motion was seconded by Interim City Manager Shadbehr and was passed by unanimous voice vote.

3. Preliminary Fiscal Year 2019-2020 Budget

Executive Director Lee presented the Preliminary Budget Report for Fiscal Year 2019-2020.

4. Agreement with Richards, Watson & Gershon for General Counsel Legal Services

MOTION: City Manager Moe made the motion to approve this item. The motion was seconded by Interim City Manager Shadbehr and was passed by unanimous voice vote.

F. **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Lee reported on the status on the INSB Network Project, UASI grant reimbursement, Manhattan Beach's Community Police Academy, and Communications Operator recruitment.

G. **EXECUTIVE COMMITTEE AND USER COMMITTEE COMMENTS**

The Executive Committee entered into closed session at 2:36 PM.

H. **CLOSED SESSION AGENDA**

At 2:36PM, the Executive Committee entered into a closed session to discuss the following items:

Conference with Labor Negotiator

Pursuant to Government Code Section 54957.6

Discussion with Liebert Cassidy Whitmore Re: Management & Confidential

Conference with Labor Negotiator

Pursuant to Government Code Section 54957.6

Discussion with Liebert Cassidy Whitmore Re: Teamsters Local 911

Conference with Labor Negotiator

Pursuant to Government Code Section 54957.6

Discussion with Liebert Cassidy Whitmore Re: Communications Workers of America

Conference with Labor Negotiator

Pursuant to Government Code Section 54957.6

Discussion with Negotiator Edward Medrano

Unrepresented Employee: Executive Director

Public Employee Appointment

Pursuant to Government Code Section 54957

Title: General Counsel

J. **ADJOURNMENT**

The meeting was adjourned at 3:21 PM.

J-2



Check Register FY 2018-19

February, 2019

<u>Accounts Payable Check Issued Date</u>	<u>Total Check Amount</u>	<u>Notes</u>
February 7, 2019	\$167,067.59	
February 15, 2019	\$181,458.82	
Accounts Payable Total	\$348,526.41	
<u>Payroll Checks issued Date</u>		
February 1, 2019	\$223,691.18	
February 15, 2019	\$177,392.80	
Payroll Total	\$401,083.98	

apChkLst

02/07/2019 11:35:17AM

Final Check List
South Bay Regional PCA

Page: 1

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
1377	2/1/2019	00219	INTERNAL REVENUE SERVICE	2/1/2019	FEDERAL WITHHOLDING TAX: P/	53,620.88	53,620.88
1378	2/1/2019	00058	CALPERS	2/1/2019	PERS RETIREMENT: PAYMENT	33,112.35	33,112.35
1379	2/1/2019	00223	EMPLOYMENT DEVEL DEPT	2/1/2019	STATE DISABILITY INSURANCE:	19,461.60	19,461.60
1380	2/1/2019	00222	STATE DISBURSEMENT UNIT	2/1/2019	SUPPORT: PAYMENT	184.62	184.62
54049	2/1/2019	00002	AFLAC	2/1/2019	AFLAC INSURANCE: PAYMENT	3,709.47	3,709.47
54050	2/1/2019	00217	CALIFORNIA TEAMSTERS UNION	2/1/2019	UNION DUES TEAMSTERS: PAYM	2,092.50	2,092.50
54051	2/1/2019	00017	CHEM PRO LABORATORY, INC.	1/22/2019	WATER TREATMENT SVCS/JAN 2	86.50	86.50
54052	2/1/2019	00015	CHEVRON AND TEXACO	1/21/2019	FLEET #937463/12/22/18-01/21/19	174.40	174.40
54053	2/1/2019	00218	CWA LOCAL 9400	2/1/2019	UNION DUES CWA: PAYMENT	249.52	249.52
54054	2/1/2019	00433	EL SEGUNDO, CITY OF	1/31/2019	PER AGREEMENT 4065C SECTIC	8,156.00	8,156.00
54055	2/1/2019	00786	EMPLOYERS ASSURANCE CO	1/21/2019	WORKERS COMP PREM/FEB 20	9,948.30	9,948.30
54056	2/1/2019	00221	ICMA RETIREMENT TRUST	2/1/2019	DEFERRED COMPENSATION - 30	12,620.72	12,620.72
54057	2/1/2019	00799	LA UNIFORMS & TAILORING	1/12/2019	UNIFORMS	234.77	
				1/9/2019	UNIFORMS	218.40	453.17
54058	2/1/2019	00760	LAWLES ENTERPRISES, INC.	2/1/2019	BACKGROUND CHECKS	2,000.00	2,000.00
54059	2/1/2019	00802	M JACK BROOKS, JD	1/31/2019	FINANCIAL SERVICES 01/01/19-0	18,200.00	18,200.00
54060	2/1/2019	00411	PITNEY BOWES	2/1/2019	POSTAGE METER REFILL JAN 20	108.99	108.99
54061	2/1/2019	00069	SOUTHERN CALIFORNIA EDISON	1/18/2019	ELEC SERV PUNTA/12/18/18-01/1	528.54	
				1/3/2019	3014537955	153.73	682.27
54062	2/1/2019	00460	SPECTRUM BUSINESS	1/24/2019	BUSINESS INTERNET/02/04/19-0	1,900.00	1,900.00
54063	2/1/2019	00302	SPRINT	1/27/2019	WIRELESS MODEMS 12/24/18-01	85.98	85.98
54064	2/1/2019	00171	VERIZON WIRELESS	1/18/2019	CELL PH CHGS/12/19/18-01/18/19	220.32	220.32
Sub total for UNION BANK:						167,067.59	

Page: 1

20 checks in this report.

Grand Total All Checks:

167,067.59

apChkLst

02/21/2019 3:44:01PM

Final Check List
South Bay Regional PCA

Page: 1

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
1381	2/15/2019	00219	INTERNAL REVENUE SERVICE	2/15/2019	FEDERAL WITHHOLDING TAX: P/	38,696.13	38,696.13
1382	2/15/2019	00223	EMPLOYMENT DEVEL DEPT	2/15/2019	STATE DISABILITY INSURANCE:	15,707.56	15,707.56
1383	2/15/2019	00058	CALPERS	2/15/2019	PERS RETIREMENT: PAYMENT	34,862.59	34,862.59
1384	2/15/2019	00222	STATE DISBURSEMENT UNIT	2/15/2019	SUPPORT: PAYMENT	184.62	184.62
54065	2/15/2019	00004	AGEE, BONNIE	2/15/2019	RETIREE MEDICAL PREMIUM M/	672.97	672.97
54066	2/15/2019	00217	CALIFORNIA TEAMSTERS UNION	2/15/2019	UNION DUES TEAMSTERS: PAYM	2,096.50	2,096.50
54067	2/15/2019	00058	CALPERS	2/15/2019	ANTHEM TRADITIONAL HMO: PA	24,462.53	24,462.53
				2/15/2019	ANTHEM TRADITIONAL HMO: PA	23,993.75	48,456.28
54068	2/15/2019	00078	COX, CHRISTOPHER	2/15/2019	RETIREE MEDICAL PREMIUM M/	675.22	675.22
54069	2/15/2019	00218	CWA LOCAL 9400	2/15/2019	UNION DUES CWA: PAYMENT	249.52	249.52
54070	2/15/2019	00621	FIRST BANKCARD	2/21/2019	JANUARY PCARD 2019	6,418.04	
				2/15/2019	JANUARY CREDIT CARD	-4,537.53	1,880.51
54071	2/15/2019	00696	GUARDIAN	2/15/2019	DENTAL HMO PLAN: PAYMENT	5,987.44	5,987.44
54072	2/15/2019	00221	ICMA RETIREMENT TRUST	2/15/2019	DEFERRED COMPENSATION - 3(11,841.50	11,841.50
54073	2/15/2019	00671	MARC R. COHEN, MD	2/15/2019	12/30/18	4,583.33	
				2/15/2019	MEDICAL DIR SERV/JANUARY 20	4,583.33	9,166.66
54074	2/15/2019	00116	MEADORS, LATANYA	2/15/2019	RETIREE MEDICAL PREMIUM M/	486.57	486.57
54075	2/15/2019	00060	RIVERA, JOSE	2/15/2019	RETIREE MEDICAL PREMIUM M/	819.50	819.50
54076	2/15/2019	00273	SHAW, LILLIAN	2/15/2019	RETIREE MEDICAL PREMIUM M/	611.75	611.75
54077	2/15/2019	00079	SHEAREN, KENNETH	2/15/2019	RETIREE MEDICAL PREMIUM M/	488.13	488.13
54078	2/15/2019	00069	SOUTHERN CALIFORNIA EDISON	2/15/2019	ELEC SERV HQ	5,989.17	
			3-003-4358-37	2/15/2019	ELEC SERV PUNTA	585.56	
			3003-4358-37	2/15/2019	ELEC SERV PUNTA	528.54	
			3-035-415-32	2/15/2019	ELEC SERV MBWT	274.96	
			3-014-5379-55	2/15/2019	ELEC SERV GRANDVIEW	125.90	7,504.13
54079	2/15/2019	00126	STEVENS, DEBORAH	2/15/2019	RETIREE MEDICAL PREMIUM M/	461.74	461.74
54080	2/15/2019	00034	STEVENS, GARY	2/15/2019	RETIREE MEDICAL PREMIUM M/	609.50	609.50
Sub total for UNION BANK:						181,458.82	181,458.82

Page: 1

20 checks in this report.

Grand Total All Checks:

181,458.82

J-3



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: March 19, 2019

ITEM NUMBER: J-3

TO: Executive Committee

FROM: Erick B. Lee, Executive Director

SUBJECT: AMENDMENT NO. 2 TO THE AGREEMENT BETWEEN THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY AND M JACK BROOKS, JD FOR CONSULTING SERVICES; AND

APPROVAL OF A CORRESPONDING CHANGE PURCHASE ORDER IN THE AMOUNT OF \$80,000 FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$180,000 FOR THESE SERVICES; AND

APPROVE AN ADDITIONAL OPERATING BUDGET TRANSFER IN THE AMOUNT OF \$80,000 FROM THE SALARIES & BENEFITS CATEGORY TO THE SUPPLIES & SERVICES CATEGORY OF THE ADOPTED FISCAL YEAR 2018/2019 BUDGET TO CONTINUE FUNDING THESE SERVICES.

ATTACHMENTS: 1. Amendment No. 2 to the Agreement between the South Bay Regional Public Communications Authority and M Jack Brooks, JD for Consulting Services

RECOMMENDATION

Staff recommends that the Executive Committee approve and authorize the Executive Director to execute Amendment No. 2 to the agreement with M Jack Brooks, JD for consulting services, approve a corresponding change purchase order in the amount of \$80,000 for a total not-to-exceed amount of \$180,000 for these services, and approve an additional operating budget transfer in the amount of \$80,000 from the Salaries & Benefits Category to the Supplies & Services Category of the adopted fiscal year 2018/2019 budget for these services.

DISCUSSION

On August 21, 2018, the Executive Committee authorized the Executive Director to execute and agreement with a consulting firm for finance and accounting services with an associated \$50,000 purchase order limit.

On August 29, 2018, the Authority entered into an agreement with M Jack Brooks, JD for consulting services related to management support for the Finance Department's operations.

On December 18, 2018, the Executive Committee authorized a change purchase order of \$50,000, increasing the total purchase authority to \$100,000.

On January 28, 2019, the Executive Director approved an amendment to this agreement to provide for additional accounting services related to payroll, purchasing, accounts payable, and accounts receivable. The maximum consideration under the amended agreement totaled \$115,000.

As of February 28, 2019, the Executive Committee has authorized up to \$100,000 for the vendor's purchase order and \$71,800 has been expended. In order to ensure the vendor can continue to provide the services through the remainder of the fiscal year, another amendment to the agreement increasing the consideration to \$180,000, a change purchase order in the amount of \$80,000 increasing the total purchase authority to \$180,000, and corresponding budget transfer are necessary.

FISCAL IMPACT

None. Funding for these services will continue to come from the salary savings associated with vacant positions.

J-3

Attachment 1

**AMENDMENT #2 TO THE AGREEMENT BETWEEN THE SOUTH BAY
REGIONAL PUBLIC COMMUNICATIONS AUTHORITY AND M JACK
BROOKS, JD FOR CONSULTING SERVICES**

This Amendment No. 2 is to certain Agreement for Consulting Services between the South Bay Regional Public Communications Authority (herein after "Authority") and M Jack Brooks, JD (herein after "Consultant") dated August 29, 2018 ("Agreement") and as amended by Amendment No. 1 on January 28, 2019.

Recitals.

- A. AUTHORITY and CONSULTANT entered into an agreement for consulting services.
- B. AUTHORITY and CONSULTANT amended that agreement on January 28, 2019.
- C. AUTHORITY and CONSULTANT desire to amend the Agreement again to increase the total consideration of CONSULTANT's engagement.

NOW, THEREFORE, the parties agree as follows:

Section 1. Section 7 of the Agreement is hereby amended to read:

Compensation for the Services shall be billed as set forth in Exhibit A and Exhibit B under the headings "Compensation," attached hereto. The Compensation is inclusive of all costs that may be incurred by Consultant in performance of the Services, including but not limited to such items as travel, copies, delivery charges, phone charges, and facsimile charges.

The total consideration allowable under this Agreement shall not exceed \$180,000.

Section 4. Except as amended by Amendment No. 1 and by this Amendment No. 2, the remaining provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on behalf of the parties.

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

By _____
ERICK B. LEE
Executive Director

Date _____

M JACK BROOKS, JD

By M Jack Brooks
M JACK BROOKS,
CEO/Owner

Date 3-11-19

J-4



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: March 19, 2019

ITEM NUMBER: J-4

TO: Executive Committee

FROM: Erick B. Lee, Executive Director

SUBJECT: SIDE LETTER AGREEMENT AMENDING THE JULY 1, 2016 TO JUNE 30, 2019 MEMORANDUM OF UNDERSTANDING BETWEEN MANAGEMENT AND CONFIDENTIAL EMPLOYEES AND THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

ATTACHMENTS: 1. Side Letter Agreement

RECOMMENDATION

Staff recommends that the Executive Committee approve and authorize the Executive Director to execute a side letter agreement amending the July 1, 2016 to June 30, 2019 Memorandum of Understanding ("MOU") between Management and Confidential Employees and the South Bay Regional Public Communications Authority.

DISCUSSION

The Management and Confidential Employees bargaining group is comprised of the Authority's management employees and other staff responsible for administering financial and other confidential matters. The Authority entered into the current MOU with this group on October 18, 2016. The agreement has a term of three (3) years from July 1, 2016 to June 30, 2019.

The Authority and the Management and Confidential Employees have agreed to make changes to the MOU in regards to fringe benefits provided to employees. Specifically, the side letter addresses a formatting issue with the schedule of allowances for retiree medical benefits that clarifies the administration of these benefits. It also clarifies that these amounts are to be used for employee-only medical premiums, and any excess amount will not be provided to the employee.

FISCAL IMPACT

None.

J-4

Attachment 1

**SIDE LETTER AGREEMENT AMENDING
THE JULY 1, 2016 TO JUNE 30, 2019
MEMORANDUM OF UNDERSTANDING BETWEEN
MANAGEMENT AND CONFIDENTIAL EMPLOYEES
AND THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
(AUTHORITY)**

Management and Confidential Employees and the South Bay Regional Public Communications Authority (Authority), having previously negotiated and executed a Memorandum of Understanding for the period July 1, 2016 to June 30, 2019 ("MOU"), do hereby agree and adopt this side letter agreement ("Side Letter Agreement") amending the MOU related to MOU ARTICLE 8 – FRINGE BENEFITS and in the following specific particularities only.

MOU ARTICLE 8 - FRINGE BENEFITS

Amendment of Article 8 of the MOU shall be amended and restated as follows:

Section 8.8 – Retirees' Medical. The Authority shall continue to contribute the minimum amount for medical insurance premiums as required under Section 22892(b) of the PEMHCA for employees who retire from the Authority. In addition, each employee with a minimum of 10 years of service with the Authority who retires from the Authority shall receive the following additional amounts, from date of retirement until age 65:

- (a) \$30 for each year of service with the Authority; or,
- (b) Effective July 1, 2018, \$40 for each year of service with the Authority; or,
- (c) Employees who retire before July 1, 2019, shall receive nine hundred and sixty dollars (\$960.00) per month, as long as the Authority remains in PEMHCA. If the Authority elects not to remain in PEMHCA, employees who retire from the Authority before July 1, 2019, shall receive the retiree medical benefits specified in the preceding paragraph above herein (paragraph (b)), depending on their years of service.

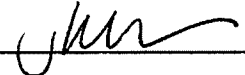
These additional amounts shall be used for employee-only medical premiums, and any excess amount will not be provided to the employee.

The Authority currently contracts with the California Public Employees' Retirement System (CalPERS) for employee group insurance health benefits. Should the Authority terminate its contract with CalPERS, all employees hired prior to 1986 who are ineligible to participate in Medicare, and retire from a classification covered by this Memorandum of Understanding, are receiving retirement benefits from CalPERS, and have a minimum of twenty (20) years of full-time employment, shall be entitled to enroll in an Authority-selected health benefit plan. The benefits provided in the health plan selected by the Authority shall equal or exceed the benefits the employee would have received had he/she been eligible to participate in Medicare. The Authority agrees to pay the cost of coverage for the plan in which the employee is enrolled. If the employee resides outside the State of California at the time of eligibility, the Authority agrees to pay the employee the cash equivalent of the cost of coverage for the plan in which the employee would have been enrolled had he/she lived in California. This benefit commences

upon the employee reaching the age of sixty-five (65), at which time he/she would have otherwise been eligible to participate in Medicare. The benefit shall cease if and when the employee becomes eligible to participate in Medicare or equivalent Government health benefit program.

This **Side Letter Agreement** contains the entire agreement between the parties related to the amendment and restatement of MOU ARTICLE 8. The terms of this **Side Letter Agreement** have been reached by the parties after negotiations and fulfillment of all legally required meet and confer obligations. Except as specifically provided herein, no other term or condition of the **MOU** is modified or amended by this **Side Letter Agreement**.

MANAGEMENT AND CONFIDENTIAL
EMPLOYEES

By: 

Shannon Kauffman

Date: 3.12.19

By: 

John Krok

Date: 3.12.19

SOUTH BAY REGIONAL PUBLIC
COMMUNICATIONS AUTHORITY

By: _____

Erick Lee

Date: _____

J-5



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: March 19, 2019

ITEM NUMBER: J-5

TO: Executive Committee

FROM: Erick B. Lee, Executive Director

SUBJECT: SIDE LETTER AGREEMENT AMENDING THE JULY 1, 2017 TO JUNE 30, 2020 MEMORANDUM OF UNDERSTANDING BETWEEN THE COMMUNICATIONS WORKERS OF AMERICA AND THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY

ATTACHMENTS: 1. Side Letter Agreement

RECOMMENDATION

Staff recommends that the Executive Committee approve and authorize the Executive Director to execute a side letter agreement amending the July 1, 2017 to June 30, 2020 Memorandum of Understanding ("MOU") between the Communications Workers of America and the South Bay Regional Public Communications Authority.

DISCUSSION

The Communications Workers of America ("CWA") bargaining group represents all Communications Supervisors within the Authority. The Authority entered into the current MOU with CWA on May 30, 2018. The agreement has a term of three (3) years from July 1, 2017 to June 30, 2020.

The Authority and CWA have agreed to make changes to the MOU in regards to fringe benefits provided to employees. Specifically, the side letter would provide employees with up to \$150 in cash back as taxable income in cases where the Authority's contributions to the IRS Section 125 Cafeteria Plan exceeds the actual cost of medical and dental insurance and up to \$300 to employees who voluntarily elect not to participate in medical insurance coverage. Additionally, the side letter addresses a formatting issue with the schedule of allowances for retiree medical benefits that clarifies the administration of these benefits.

FISCAL IMPACT

The projected cost increase for this Memorandum of Understanding over the three (3) year period is \$12,150 which is equivalent to 0.44% of the total compensation associated with the CWA bargaining group.

J-5

Attachment 1

**SIDE LETTER AGREEMENT AMENDING
THE JULY 1, 2017 TO JUNE 30, 2020
MEMORANDUM OF UNDERSTANDING BETWEEN
THE COMMUNICATIONS WORKERS OF AMERICA (CWA)
AND THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
(AUTHORITY)**

The Communications Workers of America (CWA) and the South Bay Regional Public Communications Authority (Authority), having previously negotiated and executed a Memorandum of Understanding for the period July 1, 2017 to June 30, 2020 ("MOU"), do hereby agree and adopt this side letter agreement ("Side Letter Agreement") amending the **MOU** related to **MOU ARTICLE 11 – FRINGE BENEFITS** and in the following specific particularities only.

MOU ARTICLE 11 - FRINGE BENEFITS

Amendment of Article 11 of the **MOU** shall be amended and restated as follows:

Section 11.3 – IRS Section 125 Cafeteria Plan. Effective April 1, 2018, should the Authority's contribution exceed the actual cost of the medical and dental insurance premiums, employee may receive up to \$150 in cash back as taxable income. Effective April 1, 2018, should the employee voluntarily elect not to participate pursuant to Section 11.7, below, employee may receive up to \$300 in cash back as taxable income.

Section 11.8 – Retirees' Medical. The Authority shall continue to contribute the minimum amount for medical insurance premiums as required under Section 22892(b) of the PEMHCA for employees who retire from the Authority. In addition, each employee who retires from the Authority shall receive the following, from date of retirement until age 65:

- (a) Minimum fifteen (15) years of service with Authority \$250.00 per month
- (b) Minimum twenty (20) years of service with Authority \$450.00 per month
- (c) Employees who retire from the Authority before July 1, 2014, shall receive up to seven hundred fifty dollars (\$750) per month for employee-only medical premiums, as long as the Authority remains in PEMHCA.

The amount received will be based on the employee's medical premiums. Any excess amount will not be provided to the employee. If the Authority elects not to remain in PEMHCA, employees who retire from the Authority before July 1, 2014, shall receive the retiree medical benefits specified in Section 11.8(a) or (b), above herein, depending upon their years of service.

The Authority currently contracts with the California Public Employees' Retirement System (CalPERS) for employee group insurance health benefits. Should the Authority terminate its

contract with CalPERS, all employees hired prior to 1986 who are ineligible to participate in Medicare, and retire from a classification covered by this Memorandum of Understanding, are receiving retirement benefits from CalPERS, and have a minimum of twenty (20) years of full-time employment, shall be entitled to enroll in an Authority-selected health benefit plan. The benefits provided in the health plan selected by the Authority shall equal or exceed the benefits the employee would have received had he/she been eligible to participate in Medicare. The Authority agrees to pay the cost of coverage for the plan in which the employee is enrolled. If the employee resides outside the State of California at the time of eligibility, the Authority agrees to pay the employee the cash equivalent of the cost of coverage for the plan in which the employee would have been enrolled had he/she lived in California. This benefit commences upon the employee reaching the age of sixty-five (65), at which time he/she would have otherwise been eligible to participate in Medicare. The benefit shall cease if and when the employee becomes eligible to participate in Medicare or equivalent Government health benefit program.

This **Side Letter Agreement** contains the entire agreement between the parties related to the amendment and restatement of MOU ARTICLE 11. The terms of this **Side Letter Agreement** have been reached by the parties after negotiations and fulfillment of all legally required meet and confer obligations. Except as specifically provided herein, no other term or condition of the **MOU** is modified or amended by this **Side Letter Agreement**.

COMMUNICATIONS WORKERS OF
AMERICA

By: _____

Lena Marie Ramos

Date: _____

By: _____

Megan Wiles

Date: _____

SOUTH BAY REGIONAL PUBLIC
COMMUNICATIONS AUTHORITY

By: _____

Erick Lee

Date: _____

By: _____

Shannon Kauffman

Date: _____

L-1



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: March 19, 2019

ITEM: L-1

TO: Executive Committee

FROM: Erick B. Lee, Executive Director

SUBJECT: SINGLE AUDIT AND INDEPENDENT AUDITORS' REPORTS
FOR THE YEAR ENDED JUNE 30, 2018

ATTACHMENTS: 1. Single Audit and Independent Auditor's Reports for the Year
Ended June 30, 2018

RECOMMENDATION

Staff recommends that the Executive Committee receive and file the attached Single Audit and Independent Auditor's Reports for the Year Ended June 30, 2018.

BACKGROUND

On November 17, 2015, the Executive Committee adopted Resolution No. 305 accepting grant funding in the amount of \$5,000,000 from the Los Angeles/Long Beach UASI program to fund a project to establish a communications system that would integrate with the Interagency Communications Interoperability System (ICI System) network and provide South Bay public safety agencies with wide area and interoperable communications capabilities throughout the Los Angeles County region. The grant is administered locally by the City of Los Angeles, and the Authority is a subrecipient of its grant. This grant project eventually came to be known locally as the Interoperability Network of the South Bay (INSB) project which the Authority is actively working with the INSB Joint Powers Authority to implement. This network is anticipated to go-live in the next few months.

DISCUSSION

Under the terms of its subaward agreement with the City of Los Angeles, the Authority is a subject to the provisions set forth in 2 CFR Part 200 Subpart F ("Audit Requirements"). The agreement mandates the Authority to comply with all provisions applicable to a non-Federal entity and an "auditee" (as defined in 2 CFR §200.6) as set forth in such Audit

Requirements, including the requirement to conduct a single audit when expenditures exceed \$750,000 in a fiscal year.

The Pun Group LLP, the Authority's independent auditing firm, has completed the audit of the Authority's fiscal activities related to its UASI 2016 grant for the fiscal year ended June 30, 2018. Accordingly, they have issued the Authority's Single Audit and Independent Auditors' Reports for the period.

The Authority had \$3,397,527 in UASI 2016 grant expenditures during Fiscal Year 2017-2018. In the auditors' opinion, the Authority complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on its federal program expenditures for the year ended June 30, 2018. Additionally, the auditors did not identify any deficiencies in internal control over compliance that it considers a material weakness. In the auditors' opinion, the Authority's Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the Authority's financial statements for the year ended June 30, 2018 as a whole.

FISCAL IMPACT

None.

L-1 Attachment

South Bay Regional Public Communications Authority

Hawthorne, California

Single Audit and Independent Auditors' Reports

For the Year Ended June 30, 2018



South Bay Regional Public Communications Authority**Table of Contents**

Page**Independent Auditors' Reports:**

**Report on Internal Control over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards* 1**

**Report on Compliance for Each Major Federal Program;
Report on Internal Control over Compliance; and Report on the Schedule
of Expenditures of Federal Awards Required by the Uniform Guidance 3**

Schedule of Expenditures of Federal Awards..... 5

Notes to the Schedule of Expenditures of Federal Awards 6

Schedule of Findings and Questioned Costs..... 7

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Independent Auditors' Report

To the Board of Directors
of the South Bay Regional Public Communications Authority
Hawthorne, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the balance sheet as of June 30, 2018, and the related statement of revenues, expenses and changes in net position, and cash flows, for the year then ended, and the related notes to the financial statements, which collectively comprises the South Bay Regional Public Communications Authority, California's (the "Authority") basic financial statements, and have issued our report thereon dated February 12, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Authority's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

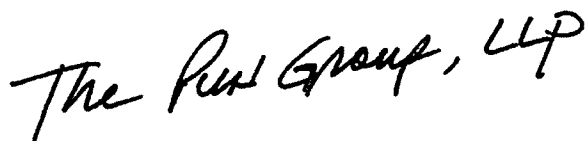
To the Board of Directors
of the South Bay Regional Public Communications Authority
Hawthorne, California
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "The PwC Group, LLP". The signature is written in a cursive, flowing style.

Santa Ana, California
February 12, 2019



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditors' Report

To the Board of Directors
of the South Bay Regional Public Communications Authority
Hawthorne, California

Report on Compliance for Each Major Federal Program

We have audited the South Bay Regional Public Communications Authority, California's (the "Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2018. The Authority's major federal programs are identified in the summary of the auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

To the Board of Directors
 of the South Bay Regional Public Communications Authority
 Hawthorne, California
 Page 2

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Authority as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated February 12, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The PwC Group, LLP

Santa Ana, California
 March 12, 2019, except for the Schedule of Expenditures of Federal Awards, which is as of February 12, 2019

South Bay Regional Public Communications Authority
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Expenditures	Expenditures to Subrecipients
U.S. Department of Homeland Security				
<i>Pass-through the City of Los Angeles:</i>				
Homeland Security Grant Program	97.067	EMW-2016-SS-00102	\$ 3,397,527	\$ -
Total Homeland Security Grant Program			<u>3,397,527</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>3,397,527</u>	<u>-</u>
Total Expenditures of Federal Awards			<u><u>\$ 3,397,527</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards.

South Bay Regional Public Communications Authority
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Note 1 – Reporting Entity

The financial reporting entity, as defined by the Governmental Accounting Standards Board (“GASB”) Codification, consists of the primary government, which is the South Bay Regional Public Communications Authority, California (the “Authority”), organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the Authority’s financial statements to be misleading or incomplete.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

Funds received under the various grant programs have been recorded within the grant fund of the Authority. The Authority’s financial statements are reported using the “economic resources” measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when all eligibility requirements are met. The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the “Uniform Guidance”). Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in, the preparation of Authority’s basic financial statements.

Schedule of Expenditures of Federal Awards

The accompanying Schedule presents the activity of all federal financial assistance programs of the Authority. Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through the City of Los Angeles, are included in the Schedule. The Schedule was prepared from only the accounts of various grant programs and, therefore, does not present the financial position or results of operations of the Authority.

Catalog of Federal Domestic Assistance (CFDA) Numbers

The CFDA numbers included in the accompanying Schedule were determined based on the program name, review of grant contract information, and the Office of Management and Budget’s Catalog of Federal Domestic Assistance.

Indirect Cost Rate

The Authority did not elect to use the 10% de minimis cost rate.

South Bay Regional Public Communications Authority
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

Section I – Summary of Auditors' Results

Financial Statements

Types of report the auditors issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?

No

- Significant deficiency(ies) identified?

None Reported

Noncompliance material to financial statements noted?

No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?

No

- Significant deficiency(ies) identified?

None Reported

Type of auditors' report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

No

Identification of major federal programs:

CFDA Numbers	Name of Federal Program or Cluster	Federal Expenditures
97.067	Homeland Security Grant Program	\$ 3,397,527
	Total Expenditures of All Major Federal Programs	\$ 3,397,527
	Total Expenditures of Federal Awards	\$ 3,397,527
	Percent of Total Expenditures of Federal Awards	100%

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as a low-risk auditee in accordance with 2 CFR 200.520?

No

South Bay Regional Public Communications Authority
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2018

Section II – Financial Statement Findings

A. Current Year Findings – Financial Statement

No current year findings were noted.

B. Prior Year Findings – Financial Statement

No prior year findings were noted.

Section III – Federal Award Findings and Questioned Costs

A. Current Year Findings and Questioned Costs – Major Federal Award Program Audit

No current year findings were noted.

B. Prior Year Findings and Questioned Costs – Major Federal Award Program Audit

No prior year findings were noted.