

**SPECIAL MEETING OF THE BOARD OF DIRECTORS, THE EXECUTIVE COMMITTEE
AND THE USER COMMITTEE
TUESDAY, SEPTEMBER 8, 2020, 2:00 PM
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY
CONDUCTED VIA TELECONFERENCE**

PLEASE NOTE: PURSUANT TO GOVERNOR NEWSOM'S EXECUTIVE ORDER NOS. N-25-20 AND N-29-20, MEMBERS OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, USER COMMITTEE, AND STAFF WILL PARTICIPATE IN THIS MEETING VIA A TELECONFERENCE. IN THE INTEREST OF MAINTAINING APPROPRIATE SOCIAL DISTANCING, THE AUTHORITY ENCOURAGES THE PUBLIC TO PARTICIPATE AND TO PROVIDE COMMENTS ON AGENDA ITEMS OR OTHER SUBJECT MATTER WITHIN THE JURISDICTION OF THE BOARD OF DIRECTORS, EXECUTIVE COMMITTEE, AND/OR USER COMMITTEE BY JOINING:

Link: <https://global.gotomeeting.com/join/798403693>

United States: +1 (408) 650-3123

Access Code: 798-403-693

A. CALL TO ORDER

B. ROLL CALL BY ACTING EXECUTIVE DIRECTOR

1. Board of Directors
2. Executive Committee
3. User Committee

C. PUBLIC DISCUSSION

In the interest of maintaining appropriate social distancing, members of the Board of Directors, Executive Committee, User Committee, and staff will participate in this meeting via teleconference. The Authority encourages the public to participate by using one of the following options for public comments:

- Email your public comment to cchoi@rcc911.org by 7:30 AM, the day of the meeting to have your comment available to Executive Committee and the public.
- Call (310) 973-1802 ext. 100 and leave a message by 7:30 AM, the day of the meeting.

D. EXECUTIVE COMMITTEE CONSENT CALENDAR

1. Minutes from August 18, 2020, Regular Meeting
APPROVE
2. Check Register for August 2020
RECEIVE AND FILE
3. Fiscal Year 2020/21 Q4 Budget Performance Report
APPROVE

E. EXECUTIVE COMMITTEE GENERAL BUSINESS

1. New Agreement for Emergency Police Dispatch Services with the City of Hermosa Beach Based on Cost Allocation Policy and Shared Police Dispatch Services with the City of Manhattan Beach
APPROVE

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act ("ADA"), please contact schedule@rcc911.org prior to the meeting for assistance.

F. ELECTION OF BOARD OF DIRECTORS CHAIRPERSON AND VICE-CHAIR FOR FISCAL YEAR 2020/21

G. BOARD OF DIRECTORS GENERAL BUSINESS

1. Minutes from April 14, 2020, Special Meeting
APPROVE
2. Revised Technical Services Division Workload Support Charges
APPROVE
3. Fiscal Year 2019/20 Budget Surplus
APPROVE
4. Fiscal Year 2020/21 Proposed Budget Amendment and Revised Assessments for Member Cities Pending Approval of Hermosa Beach Channel Sharing
APPROVE
5. Fiscal Year 2020/21 Proposed Budget Amendment and Revised Assessments for Member Cities without Hermosa Beach Channel Sharing
APPROVE
6. Establishment of a Section 115 Trust with CERBT
APPROVE

H. USER COMMITTEE GENERAL BUSINESS

1. Minutes from August 18, 2020, Regular Meeting
APPROVE

I. ACTING EXECUTIVE DIRECTOR'S REPORT

J. BOARD OF DIRECTORS, EXECUTIVE, AND USER COMMITTEES' COMMENTS

K. EXECUTIVE COMMITTEE CLOSED SESSION AGENDA

PUBLIC EMPLOYMENT
Pursuant to Government Code Section 54957(b)(1)
Title: Executive Director Recruitment

L. ADJOURNMENT

Posting Date/Time:

September 3, 2020 2:30PM

Signature:



John Krok, Acting Executive Director

D-1

**REGULAR MEETING OF
THE EXECUTIVE COMMITTEE
AND THE USER COMMITTEE**

AUGUST 18, 2020

A. CALL TO ORDER

The Executive and User Committees convened in a regular joint session at 2:02PM on August 18, 2020 by teleconference.

B. ROLL CALL BY ACTING EXECUTIVE DIRECTOR

Present: City Manager Bruce Moe, City of Manhattan Beach
City Manager Clint Osorio, City of Gardena
City Manager Erick Lee, City of Hawthorne
Chief Mike Ishii, Hawthorne Police Department
Chief Mike Saffell, Gardena Police Department
Chief Derrick Abell, Manhattan Beach Police Department
Chief Wolfgang Knabe, Manhattan Beach Fire Department

Also Present: Acting Executive Director John Krok
Operations Manager Shannon Kauffman
Finance & Performance Audit Manager Vanessa Alfaro
Jennifer Petrusis, Richards Watson Gershon
Chief Chris Donovan, El Segundo Fire Department
Captain Gary Tomatani, Hawthorne Police Department
Captain Eric Lane, Hawthorne Police Department

C. PUBLIC DISCUSSION

None.

D. EXECUTIVE COMMITTEE CONSENT CALENDAR

MOTION: City Manager Moe moved to approve Consent Calendar, Items 1-4. The motion was seconded by City Manager Osorio and passed unanimous voice vote.

1. Minutes from July 21, 2020, Regular Meeting
APPROVE
2. Check Register June 2020
RECEIVE AND FILE
3. Check Register and Budget Transfers from July 2020
RECEIVE AND FILE
4. Quarterly Cash and Investment Report
RECEIVE AND FILE

E. ITEMS TO REMOVE FROM CONSENT CALENDAR

5. Agreement with El Camino College District Police Department to Provide Professional Emergency Vehicle Build and Repair Services
APPROVE

City Manager Lee wanted to clarify that outside agreements for vehicle builds will be accounted for in the Technical Services Division Workload Support billing.

MOTION: City Manager Lee moved to approve motion as is, requesting staff clarify when the Technical Division Workload Support Charges as presented to the board. The motion was seconded

by City Manager Moe and passed by unanimous voice vote.

F. EXECUTIVE COMMITTEE GENERAL BUSINESS

1. Fiscal Year 2020/21 Revised Budget Surplus and Fiscal Year 2020/21 Revised Assessment Schedule
APPROVE

Acting Executive Director Krok reported funds of 1.3 million to offset assessments to fiscal year 2020/21. The recommendation is use 1.3 million offset current fiscal year.

MOTION: City Manager Moe moved to approve using surplus to current fiscal year. The motion was seconded by City Manager Osorio and passed by unanimous voice vote.

G. USER COMMITTEE GENERAL BUSINESS

1. Minutes from July 21, 2020, Regular Meeting
APPROVE

MOTION: Chief Abell moved to approve the minutes from July 21, 2020. The motion passed by unanimous voice vote.

H. ACTING EXECUTIVE DIRECTOR'S REPORT

Acting Executive Director provided updates on recruitment and an organizational update.

I. EXECUTIVE AND USER COMMITTEES' COMMENTS

City Manager Lee requested update on Palos Verdes Estates Feasibility Study.

J. EXECUTIVE COMMITTEE CLOSED SESSION AGENDA

At 2:16PM, the Executive Committee entered into closed session to discuss the following item.

1. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6
Agency Designated Representative: Acting Executive Director
Employee Organization: Teamsters Local 911

The meeting returned to open session at 2:29PM with no action taken in closed session.

K. ADJOURNMENT

The meeting adjourned at 2:29PM.

D-2



Check Register FY 2020-21

August 2020

<u>Accounts Payable Check Issued Date</u>	<u>Total Check Amount</u>	<u>Notes</u>
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August 7, 2020	\$104,091.19	
August 14, 2020	\$165,418.07	
August 21, 2020	\$75,045.46	
August 28, 2020	\$104,851.13	

Accounts Payable Total	\$449,405.85	
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Payroll Checks Issued Date

August 14, 2020	\$163,179.43	
August 28, 2020	\$162,650.58	

Payroll Total	\$325,830.01	
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Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
55201	8/7/2020	00939	911 VEHICLE 10965	4/1/2020	COMMAND CABINETS FOR C	45,067.14	45,067.14
55202	8/7/2020	00880	JUAN CHAVEZ LANDSCAPINGINV0544	6/30/2020	HQ FACILITY LANDSCAPE SE	450.00	450.00
55203	8/7/2020	00087	LIEBERT CASSIDY & WHITMO1502387	6/30/2020	BLANKET PURCHASE ORDEF	380.00	
			1502388	6/30/2020	BLANKET PURCHASE ORDEF	111.50	491.50
55204	8/7/2020	00818	RICHARDS,WATSON & GERSI227751	7/24/2020	GENERAL COUNSEL AND LE	3,246.54	3,246.54
55205	8/7/2020	00157	SECURE IDLE INC 11231	4/28/2020	PARTS - REIMBURSABLE	412.29	412.29
55206	8/7/2020	00038	TORRANCE ELECTRONICS 05044	6/5/2020	PARTS - REIMBURSABLE	277.53	277.53
55207	8/7/2020	00518	WRAP BULLYS 12775	4/3/2020	FULL VEHICLE WRAP	3,200.00	
			12777	4/6/2020	FULL VEHICLE WRAP	3,200.00	6,400.00
Sub total for UNION BANK:							56,345.00

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
1763	8/7/2020	00012	CALIFORNIA WATER SERVICE5550731926	7/31/2020	FIRE PROTECTION SERVICE	81.08	81.08
55208	8/7/2020	00017	CHEM PRO LABORATORY, IN664767	7/23/2020	WATER TREATMENT SERVIC	86.50	86.50
55209	8/7/2020	00225	COMMLINE INC 0235556-IN	7/30/2020	OUTSIDE TECH SERVICES	15,000.00	15,000.00
55210	8/7/2020	00416	DESCO 0000369797	8/1/2020	ANNUAL ELECTRONIC SERVI	1,300.00	1,300.00
55211	8/7/2020	00008	FEDERAL SIGNAL CORP 7531990	7/17/2020	FEDERAL SIGNAL CORP BILL	4,655.00	
			7543359	7/31/2020	FEDERAL SIGNAL CORP BILL	146.11	4,801.11
55212	8/7/2020	00070	GAS COMPANY, THE 059 194 8982 2	8/3/2020	GAS SERVICE HQ/ 6/30/20-7/3	638.51	638.51
55213	8/7/2020	00027	HAVIS INC. SIN104981	7/22/2020	HAVIS INC. BILLABLE PARTS	2,745.91	
			SIN105467	7/28/2020	HAVIS INC. BILLABLE PARTS	883.61	3,629.52
55214	8/7/2020	00880	JUAN CHAVEZ LANDSCAPINGINV0545	8/4/2020	HQ MAINTENANCE - LANDSC	450.00	450.00
55215	8/7/2020	00227	LA COUNTY FIRE DEPT IN0326988	7/29/2020	HAZMAT PERMIT/ FY 20-21	947.00	947.00
55216	8/7/2020	00799	LA UNIFORMS & TAILORING 5814	7/10/2020	UNIFORMS FOR COMMUNIC/	208.10	
			5812	7/10/2020	UNIFORMS FOR COMMUNIC/	201.48	
			5819	7/10/2020	UNIFORMS FOR COMMUNIC/	201.48	
			5800	7/7/2020	UNIFORMS FOR COMMUNIC/	189.41	
			5848	7/14/2020	UNIFORMS FOR COMMUNIC/	188.31	
			5791	7/6/2020	UNIFORMS FOR COMMUNIC/	185.00	
			5898	7/21/2020	UNIFORMS FOR COMMUNIC/	185.00	
			5908	7/21/2020	UNIFORMS FOR COMMUNIC/	185.00	
			5946	7/24/2020	UNIFORMS FOR COMMUNIC/	185.00	
			5995	7/31/2020	UNIFORMS FOR COMMUNIC/	185.00	
			5764	6/30/2020	UNIFORMS FOR COMMUNIC/	178.38	
			5836	7/13/2020	UNIFORMS FOR COMMUNIC/	178.38	
			5838	7/13/2020	UNIFORMS FOR COMMUNIC/	178.38	
			5909	7/22/2020	UNIFORMS FOR COMMUNIC/	178.38	
			5759	6/30/2020	UNIFORMS FOR COMMUNIC/	171.77	
			5771	7/2/2020	UNIFORMS FOR COMMUNIC/	171.77	
			5795	7/6/2020	UNIFORMS FOR COMMUNIC/	171.77	3,142.61
55217	8/7/2020	00760	LAWLES ENTERPRISES, INC. 11361	8/3/2020	BACKGROUND INVESTIGATI	600.00	600.00
55218	8/7/2020	00442	LAWSON PRODUCTS, INC. 9307719251	7/14/2020	LAWSON PRODUCS INC BILL	605.72	605.72
55219	8/7/2020	00671	MARC R. COHEN, MD MBFD 1	7/31/2020	MEDICAL DIRECTOR SERVIC	2,541.67	2,541.67
55220	8/7/2020	00145	SETINA MFG CO INC 208646	7/23/2020	SETINA MANUFACTURING CO	1,117.65	
			208921	7/29/2020	SETINA MANUFACTURING CO	141.73	1,259.38

Bank : union UNION BANK			(Continued)				
Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
55221	8/7/2020	00824	SMART JANITORIAL, COMPLE12848	8/1/2020	HQ MAINTENANCE	3,585.00	
			12849	8/1/2020	HQ MAINTENANCE	1,890.00	5,475.00
55222	8/7/2020	00036	TALLEY INCORPORATED	7/21/2020	TALLEY INC BILLABLE PARTS	276.05	276.05
55223	8/7/2020	00171	VERIZON WIRELESS	9859375455	7/23/2020	GPD DAC CHARGES/ 6/24/20-	2,737.17
			9859300605	7/23/2020	MODEM SVC. MBPD/ 6/24/20-	1,047.39	
			9858966743	7/18/2020	CELL PH. CHGS: 6/19/20-7/18,	325.36	4,109.92
55224	8/7/2020	00150	WATTCO	55497	7/16/2020	WATTCO BILLABLE PARTS	558.80
55225	8/7/2020	00481	WAYTEK, INC.	3012909	7/23/2020	WAYTEK INC BILLABLE PART	1,107.40
55226	8/7/2020	00063	WHELEN ENGINEERING CO.,	752499	7/21/2020	WHELEN ENGINEERING CO I	582.25
			754046	7/23/2020	WHELEN ENGINEERING CO I	482.23	
			754072	7/23/2020	WHELEN ENGINEERING CO I	71.44	1,135.92
Sub total for UNION BANK:							47,746.19

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
20160	8/3/2020	00696	GUARDIAN	533654-08	7/22/2020	GUARDIAN - DENTAL,VISION,	6,146.51	6,146.51
20161	8/12/2020	00058	CALPERS	1000000161128	7/14/2020	HEALTH PREMIUMS - AUGUS	57,974.25	57,974.25
20162	8/14/2020	00219	INTERNAL REVENUE SERVICE	Ben30598	8/14/2020	FEDERAL WITHHOLDING TAX	32,535.87	32,535.87
20163	8/14/2020	00223	EMPLOYMENT DEVEL DEPT	Ben30602	8/14/2020	STATE DISABILITY INSURANC	12,655.36	12,655.36
20164	8/14/2020	00222	STATE DISBURSEMENT UNIT	Ben30606	8/14/2020	SUPPORT: PAYMENT	184.62	184.62
20165	8/14/2020	00058	CALPERS	Ben30600	8/14/2020	PERS RETIREMENT: PAYMEN	38,829.10	38,829.10
20166	8/14/2020	00221	ICMA RETIREMENT TRUST	Ben30604	8/14/2020	DEFERRED COMPENSATION	14,824.39	14,824.39
55227	8/14/2020	00217	CALIFORNIA TEAMSTERS UN	Ben30594	8/14/2020	UNION DUES TEAMSTERS: P	2,010.00	2,010.00
55228	8/14/2020	00218	CWA LOCAL 9400	Ben30596	8/14/2020	UNION DUES CWA: PAYMENT	257.97	257.97
Sub total for UNION BANK:							165,418.07	

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
1764	8/21/2020	00651	FRONTIER	209-188-0077-04	8/1/2020	PHONE SERVICE 8/1/20 - 8/31	347.68
1765	8/21/2020	00069	SOUTHERN CALIFORNIA EDI	2-23-553-5986	8/15/2020	ELEC SERV / 7/6/20 - 8/11/20	12,503.39
				2-19-337-1549	8/8/2020	ELEC SERV GRANDVIEW/ 7/2	216.37
1766	8/21/2020	00621	FIRST BANKCARD				12,719.76
		00294	NATIONAL EMBLEM, INC	286964	7/27/2020	OPERATORS UNIFORM PATC	831.60
		00485	MONOPRICE, INC.	20425026	7/2/2020	GENERAL TECHNICAL SUPPI	541.50
		00119	MOUSER ELECTRONICS, INC	57376449	7/2/2020	GENERAL TECHNICAL SUPPI	289.83
		00917	NEWEGG INC	481166054	7/22/2020	COVID-19: OFFICE EQUIPMEI	260.30
		00610	DIRECTV	37659407347	7/5/2020	CABLE SERVICE	224.71
		00466	AMAZON MARKETPLACE	111-8110507-45	7/23/2020	COVID-19: OFFICE EQUIPMEI	220.40
		00466	AMAZON MARKETPLACE	112-6418356-29	6/29/2020	OFFICE SUPPLIES	212.33
		00466	AMAZON MARKETPLACE	113-2703193-24	6/30/2020	JANITORIAL SUPPLIES	137.10
		00466	AMAZON MARKETPLACE	D01-7783875-65	7/18/2020	MEMBERSHIP FOR AMAZON	131.20
		00523	CALIFORNIA CHAMBER OF C	11454886	7/1/2020	TRAINING	116.95
		00466	AMAZON MARKETPLACE	113-1976500-08	7/13/2020	JANITORIAL SUPPLIES	111.65
		00761	BOX	INV08101541	7/26/2020	SOFTWARE SERVICES	90.00
		00466	AMAZON MARKETPLACE	111-5027634-92	7/2/2020	JANITORIAL SUPPLIES	88.19
		00466	AMAZON MARKETPLACE	113-9777126-91	7/23/2020	JANITORIAL SUPPLIES	86.19
		00466	AMAZON MARKETPLACE	113-6995608-42	7/24/2020	JANITORIAL SUPPLIES	77.16
		00466	AMAZON MARKETPLACE	113-7728254-61	7/14/2020	COVID-19: DISINFECTING PR	70.12
		00466	AMAZON MARKETPLACE	114-7786930-56	7/1/2020	COVID-19: VENDOR MASKS	66.12
		00466	AMAZON MARKETPLACE	112-0212955-31	7/26/2020	GENERAL TECHNICAL SUPPI	66.12
		00467	LOWES BUSINESS	69926787	7/16/2020	GENERAL TECHNICAL SUPPI	63.47
		00795	MEDIA TEMPLE	324775-24	7/23/2020	MONTHLY WEBSITE HOSTING	55.00
		00466	AMAZON MARKETPLACE	113-2392133-31	7/14/2020	JANITORIAL SUPPLIES	48.21
		00466	AMAZON MARKETPLACE	113-6478339-16	7/2/2020	UNIFORMS	45.14
		00466	AMAZON MARKETPLACE	111-9269048-97	7/5/2020	UNIFORMS	45.14
		00466	AMAZON MARKETPLACE	111-6071462-46	7/6/2020	UNIFORMS	45.14
		00466	AMAZON MARKETPLACE	111-1781086-18	7/12/2020	JANITORIAL SUPPLIES	38.74
		00466	AMAZON MARKETPLACE	114-0106594-39	7/3/2020	JANITORIAL SUPPLIES	36.92
		00466	AMAZON MARKETPLACE	113-3420103-56	7/15/2020	OFFICE SUPPLIES	30.14
		00466	AMAZON MARKETPLACE	111-6473976-84	7/12/2020	COVID-19: SUPPLIES	29.70
		00833	PRO-TUFF DECALS	ORD20007659	6/30/2020	NEW OPERATOR LOCKER TA	23.94
		00466	AMAZON MARKETPLACE	113-3994653-83	7/5/2020	JANITORIAL SUPPLIES	21.26

Bank : union UNION BANK		(Continued)						
Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
		00826	LA TIMES	071520	7/15/2020	LA TIMES MONTHLY SUBSCR	15.96	
		00466	AMAZON MARKETPLACE	113-7835321-92	7/15/2020	OFFICE SUPPLIES	15.70	
		00466	AMAZON MARKETPLACE	113-1166529-02	7/19/2020	OFFICE SUPPLIES	14.28	
		00466	AMAZON MARKETPLACE	113-1166529-02	7/16/2020	OFFICE SUPPLIES	8.49	
		00466	AMAZON MARKETPLACE	111-4221104-84	7/14/2020	OFFICE SUPPLIES	7.24	
		00466	AMAZON MARKETPLACE	111-3345281-77	6/4/2020	COVI-19: JANITORIAL SUPPL	-5.34	4,160.60
55229	8/21/2020	00810	& ASSOCIATES, MAX PARKER	8832	8/18/2020	WEBSITE DESIGN & DEVELO	250.00	250.00
55230	8/21/2020	00867	& INVESTIGATION SERVICES,	2020-08-007	8/7/2020	PRE-EMPLOYMENT POLYGR	100.00	100.00
55231	8/21/2020	00297	AT&T, ATT CALNET	000015176351	8/13/2020	PHONE SERV 7/13/20-8/12/20	2,378.70	
				000015131399	8/3/2020	PHONE SERVICE 7/03/20-8/02	541.46	
				000015183551	8/13/2020	PHONE SERVICE 7/13/20-8/12	193.68	
				000015180487	8/13/2020	PHONE SERV 7/13/20-8/12/20	107.02	3,220.86
55232	8/21/2020	00064	AT&T, ATT PAYMENT CENTER	960 461-1623 55	8/1/2020	PHONE SERVICE 07/01/2020-	3,682.68	3,682.68
55233	8/21/2020	00528	CONTINENTAL COMPUTERS/	185812	7/14/2020	SQL SERVER & LICENSE FOF	1,829.05	1,829.05
55234	8/21/2020	00078	COX, CHRISTOPHER	082120	8/21/2020	RETIREE MED PREM/SEPT 20	740.78	740.78
55235	8/21/2020	00879	CROWN CASTLE	649315	8/1/2020	REDUNDANT INTERNET SER	1,100.00	1,100.00
55236	8/21/2020	00651	FRONTIER	Y002Z665-S-202	8/5/2020	PHONE SERV 8/05/20-9/04/20	51.80	51.80
55237	8/21/2020	00181	GARDENA, CITY OF	006036	6/30/2020	911 PHONE LINE SERVICE CH	13,113.65	13,113.65
55238	8/21/2020	00027	HAVIS INC.	SIN106890	8/11/2020	HAVIS INC. BILLABLE PARTS	1,788.64	1,788.64
55239	8/21/2020	00799	LA UNIFORMS & TAILORING	5839	7/13/2020	UNIFORMS FOR COMMUNIC/	207.05	
				5926	7/23/2020	UNIFORMS FOR COMMUNIC/	182.79	
				5769	7/1/2020	UNIFORMS FOR COMMUNIC/	180.59	
				5892	7/20/2020	UNIFORMS FOR COMMUNIC/	178.38	
				5923	7/23/2020	UNIFORMS FOR COMMUNIC/	178.38	
				5972	7/29/2020	UNIFORMS FOR COMMUNIC/	178.38	
				6006	8/1/2020	UNIFORMS FOR COMMUNIC/	178.38	
				5944	7/24/2020	UNIFORMS FOR COMMUNIC/	171.77	
				5973	7/29/2020	UNIFORMS FOR COMMUNIC/	171.77	1,627.49
55240	8/21/2020	00442	LAWSON PRODUCTS, INC.	9307729124	7/17/2020	LAWSON PRODUCS INC BILL	125.69	125.69
55241	8/21/2020	00116	MEADORS, LATANYA	082120	8/21/2020	RETIREE MED PREM/SEPT 20	476.43	476.43
55242	8/21/2020	00331	MITSUBISHI ELECTRIC INC	379985	8/1/2020	HQ MAINTENANCE - ELEVATC	677.04	677.04
55243	8/21/2020	00577	NEW LOOK AUTO DETAIL	2251	7/3/2020	VEHICLE MAINTENANCE	105.00	
				2258	5/29/2020	VEHICLE MAINTENANCE	105.00	
				2270	7/28/2020	VEHICLE MAINTENANCE	105.00	315.00
55244	8/21/2020	00060	RIVERA, JOSE	082120	8/21/2020	RETIREE MED PREM/SEPT 20	520.89	520.89

Bank : union UNION BANK			(Continued)					
Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
55245	8/21/2020	00145	SETINA MFG CO INC	209460	8/6/2020	SETINA MANUFACTURING CO	8,745.31	
				209263	8/4/2020	SETINA MANUFACTURING CO	2,786.70	
				209262	8/4/2020	SETINA MANUFACTURING CO	2,554.60	14,086.61
55246	8/21/2020	00273	SHAW, LILLIAN	082120	8/21/2020	RETIREE MED PREM/SEPT 20	438.83	438.83
55247	8/21/2020	00803	SPARKLETTS	18193479 08072	8/7/2020	WATER FILTERATION SYSTEI	40.00	40.00
55248	8/21/2020	00460	SPECTRUM BUSINESS	1133787080420	8/4/2020	COMMUNICATION CONTRAC	1,900.00	1,900.00
55249	8/21/2020	00302	SPRINT	155018370-106	7/29/2020	DAC CHARGES/6-26 TO 7-25-	3,527.93	
				107177860-111	7/27/2020	WIRELESS MODEMS/6-24 TO	85.98	3,613.91
55250	8/21/2020	00126	STEVENS, DEBORAH	082120	8/21/2020	RETIREE MED PREM/SEPT 20	608.75	608.75
55251	8/21/2020	00034	STEVENS, GARY	082120	8/21/2020	RETIREE MED PREM/SEPT 20	606.50	606.50
55252	8/21/2020	00036	TALLEY INCORPORATED	10366984	7/28/2020	TALLEY INC BILLABLE PARTS	474.52	
				10366767	7/24/2020	TALLEY INC BILLABLE PARTS	180.16	654.68
55253	8/21/2020	00046	UNITED PARCEL SERVICE	00005337W1320	8/8/2020	POSTAGE AND SHIPPING EXI	32.10	
				00005337W1330	8/15/2020	POSTAGE AND SHIPPING EXI	18.21	50.31
55254	8/21/2020	00300	UNITED POWER GENERATION	5121	7/8/2020	SERVICES AND INSPECTION	3,637.00	3,637.00
55255	8/21/2020	00171	VERIZON WIRELESS	9859316001	7/23/2020	DAC CHARGES HPD/ 6/24/20-	385.41	
				9859300606	7/23/2020	MODEM SVC. MBPD/ 6/24/20-	38.03	423.44
55256	8/21/2020	00063	WHELEN ENGINEERING CO.,	763212	8/11/2020	WHELEN ENGINEERING CO E	395.58	
				763219	8/11/2020	WHELEN ENGINEERING CO E	288.70	
				763701	8/12/2020	WHELEN ENGINEERING CO E	261.29	
				759133	8/4/2020	WHELEN ENGINEERING CO E	131.64	1,077.21
55257	8/21/2020	00735	XEROX FINANCIAL SERVICES	2226452	8/10/2020	MONTHLY LEASE - BLACK & N	1,060.18	1,060.18
Sub total for UNION BANK:								75,045.46

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
20167	8/28/2020	00219	INTERNAL REVENUE SERVICE	Ben30711	8/28/2020	FEDERAL WITHHOLDING TAX	32,437.74	32,437.74
20168	8/28/2020	00223	EMPLOYMENT DEVEL DEPT	Ben30715	8/28/2020	STATE DISABILITY INSURANC	12,591.70	12,591.70
20169	8/28/2020	00222	STATE DISBURSEMENT UNIT	Ben30719	8/28/2020	SUPPORT: PAYMENT	184.62	184.62
20170	8/28/2020	00058	CALPERS	Ben30713	8/28/2020	PERS RETIREMENT: PAYMEN	38,931.36	38,931.36
20171	8/28/2020	00221	ICMA RETIREMENT TRUST	Ben30717	8/28/2020	DEFERRED COMPENSATION	14,826.28	14,826.28
55258	8/28/2020	00002	AFLAC	Ben30705	8/28/2020	AFLAC INSURANCE: PAYMEN	3,611.46	3,611.46
55259	8/28/2020	00217	CALIFORNIA TEAMSTERS UN	Ben30707	8/28/2020	UNION DUES TEAMSTERS: P	2,010.00	2,010.00
55260	8/28/2020	00218	CWA LOCAL 9400	Ben30709	8/28/2020	UNION DUES CWA: PAYMENT	257.97	257.97
Sub total for UNION BANK:							104,851.13	

D-3



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: September 8, 2020

ITEM NUMBER: D-3

TO: Executive Committee

FROM: Vanessa Alfaro, Finance & Performance Audit Manager
John Krok, Acting Executive Director *GTK*

SUBJECT: FISCAL YEAR 2019-2020 Q4 BUDGET PERFORMANCE REPORT

ATTACHMENTS:

1. Revenue Status Report - Preliminary
2. Expenditure Status Report - Preliminary

RECOMMENDATION

Staff recommends the Executive Committee receive and file the Fiscal Year 2019-20 Budget Performance Report for the period July 1, 2019 through June 30, 2020.

DISCUSSION

Staff has analyzed the Authority's financial activities through June 30, 2020. The Authority received 100% of its assessment revenues from its member cities and 100% of its assessment revenues from its contract cities (Attachment #1). These amounts conform to the terms of the Authority's Bylaws and its agreements with the contract cities.

Additionally, revenues include a \$25,000 fee assessed to Palos Verdes Estates for Phase Two of the Palos Verdes Estates Feasibility Study and a \$38,966 premium refund for Workers' Compensation insurance for the previous fiscal year.

As it relates to expenditures (Attachment #2), a total of \$12,069,688 has been expended from the Enterprise Fund, which represents 93.6% of the budget for the fiscal year.

Notable amounts include the CalPERS unfunded actuarial liability (UAL) lump sum payment of \$421,122 for fiscal year 2019-20 paid in the first quarter. While previously paid on a monthly basis, the lump sum payment generated interest savings of approximately \$15,000 for the Authority. Additionally, the Authority's liability and workers' compensation insurance premiums for the entire fiscal year were also paid in the first quarter totaling approximately \$300,000.

Moreover, expenses for salary and benefits accounted for 95.6% of their budgeted amounts, across all departments. Due to unfilled vacancies in the Operations department, the Authority realized salary savings in excess of \$400,000.

The Authority will work with its auditors in the upcoming months to complete the fiscal year-end closing process and develop the audited financial statements. This work is likely to result in final fiscal year-end adjustments.

Below is a summary of expenses by category and department for all funds:

Department	Adjusted Appropriation	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Percent Used
SALARY & BENEFITS					
Administration	\$ 1,112,580	\$ 1,136,072	\$ -	\$ (23,492)	102.1%
Operations	7,925,433	7,518,745	-	406,688	94.9%
Technical Services	783,770	733,174	-	50,596	93.5%
Salary & Benefits Total	\$ 9,821,783	\$ 9,387,991	\$ -	\$ 433,792	95.6%
SUPPLIES, SERVICES & EQUIPMENT					
Administration	\$ 1,313,289	\$ 1,068,506	\$ -	\$ 244,783	81.4%
Operations	240,028	203,016	-	37,012	84.6%
Technical Services	1,401,410	1,290,777	-	110,634	92.1%
Total	\$ 2,954,727	\$ 2,562,299	\$ -	\$ 392,428	86.7%
Other-MB Appropriation	-	-	-	\$ -	0.0%
Adjusted Total	\$ 2,954,727	\$ 2,562,299	\$ -	\$ 392,428	86.7%
CAPITAL IMPROV. PROJECTS					
	\$ 122,500	\$ 119,398	\$ -	\$ 3,102	97.5%
ENTERPRISE FUND TOTAL					
	\$ 12,899,010	\$ 12,069,688	\$ -	\$ 829,322	93.6%
ENTERPRISE FUND ADJ. TOTAL	\$ 12,899,010	\$ 12,069,688	\$ -	\$ 829,322	93.6%

FISCAL IMPACT

None.

D-3

Attachment 1

Revenue Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
10-50 Administration					
10-50-111 Administration					
10-50-111-4110 Gardena	2,391,301.00	2,391,301.00	2,391,301.00	0.00	100.00
10-50-111-4120 Hawthorne	3,359,598.00	3,359,598.00	3,359,598.00	0.00	100.00
10-50-111-4130 Manhattan Beach	1,703,280.00	1,703,280.00	1,703,280.00	0.00	100.00
10-50-111-4140 Hermosa Beach	975,208.00	975,208.40	975,208.40	-0.40	100.00
10-50-111-4145 El Segundo	1,372,870.00	1,372,870.49	1,372,870.49	-0.49	100.00
10-50-111-4146 Culver City Assessment	2,587,601.00	2,587,600.68	2,587,600.68	0.32	100.00
10-50-111-4150 El Camino Community College	790.00	652.90	652.90	137.10	82.65
10-50-111-4153 Medical Director Service/Manhattan Beach	27,000.00	30,250.00	30,250.00	-3,250.00	112.04
10-50-111-4154 Medical Director Services/El Segundo	27,000.00	27,708.33	27,708.33	-708.33	102.62
10-50-111-4210 Investment Earnings (LAIF)	50,000.00	72,498.05	72,498.05	-22,498.05	145.00
10-50-111-4220 POST Reimbursements	600.00	3,494.76	3,494.76	-2,894.76	582.46
10-50-111-4240 911 Reimbursements	0.00	3,000.00	3,000.00	-3,000.00	0.00
10-50-111-4255 Unrealized Gain/Loss on Investments	0.00	-5,481.80	-5,481.80	5,481.80	0.00
10-50-111-4430 Other Miscellaneous Revenue	2,500.00	68,954.72	68,954.72	-66,454.72	2758.19
Total Administration	12,497,748.00	12,590,935.53	12,590,935.53	-93,187.53	100.75
10-60 Operations					
10-60-211 Communications Center					
10-60-211-4215 DUI Reimbursement-Overtime	2,000.00	543.72	543.72	1,456.28	27.19
10-60-211-4435 Reimbursements Sprint Wireless	77,289.00	53,602.40	53,602.40	23,686.60	69.35

Revenue Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
10-60-211-4440 Reimbursements/Verizon Wireless	15,229.00	42,805.32	42,805.32	-27,576.32	281.08
10-60-211-4460 Pink Patch Project	0.00	250.00	250.00	-250.00	0.00
Total Operations	94,518.00	97,201.44	97,201.44	-2,683.44	102.84
10-70 Technical Services					
10-70-311 Technical Services					
10-70-311-4310 Labor-Installation-Member	0.00	125.00	125.00	-125.00	0.00
10-70-311-4340 Labor-Repairs-Non Member	0.00	435.68	435.68	-435.68	0.00
10-70-311-4360 Reimbursements for Billable Parts	600,000.00	687,720.38	687,720.38	-87,720.38	114.62
10-70-311-4370 Reimbursements for GST Software	50,000.00	52,692.00	52,692.00	-2,692.00	105.38
Total Technical Services	650,000.00	740,973.06	740,973.06	-90,973.06	114.00
Total SBRPCA Enterprise Fund	13,242,266.00	13,429,110.03	13,429,110.03	-186,844.03	101.41

Revenue Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

20 Grant Fund

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
20-80 Capital Infrastructure Projects					
20-80-433 Consulting/Vector Resources					
Total Grant Fund	0.00	0.00	0.00	0.00	0.00
 Grand Total	 13,242,266.00	 13,429,110.03	 13,429,110.03	 -186,844.03	 101.41

D-3

Attachment 2

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
50 Administration						
50-100 Administration						
50-100-5000 Expenditures						
50-111-5101 Salaries (Full-Time)	754,504.00	792,872.26	792,872.26	0.00	-38,368.26	105.09
50-111-5104 Acting Pay	0.00	1,341.05	1,341.05	0.00	-1,341.05	0.00
50-111-5107 Merit Pay	2,150.00	2,150.00	2,150.00	0.00	0.00	100.00
50-111-5108 Sick Leave Payoff	21,501.00	30,492.26	30,492.26	0.00	-8,991.26	141.82
50-111-5109 Vacation Leave Payoff	35,095.00	60,533.54	60,533.54	0.00	-25,438.54	172.48
50-111-5112 Other Pay	7,200.00	6,300.00	6,300.00	0.00	900.00	87.50
50-111-5201 Medical Insurance	93,161.00	57,807.93	57,807.93	0.00	35,353.07	62.05
50-111-5202 Dental Insurance	6,968.00	7,156.53	7,156.53	0.00	-188.53	102.71
50-111-5203 Vision Insurance	2,256.00	1,800.98	1,800.98	0.00	455.02	79.83
50-111-5204 Life Insurance	832.00	748.00	748.00	0.00	84.00	89.90
50-111-5205 Medicare	13,727.00	13,092.87	13,092.87	0.00	634.13	95.38
50-111-5207 Workers' Compensation	12,533.00	9,750.04	9,750.04	0.00	2,782.96	77.79
50-111-5208 PERS Contributions	119,629.00	79,562.90	79,562.90	0.00	40,066.10	66.51
50-111-5209 Retirees' Medical Insurance	15,524.00	4,986.00	4,986.00	0.00	10,538.00	32.12
50-111-5212 Deferred Comp Matching Benefit	27,500.00	33,908.26	33,908.26	0.00	-6,408.26	123.30
50-111-5219 PERS Contributions-UAL	0.00	33,569.32	33,569.32	0.00	-33,569.32	0.00
50-111-5301 Communications Contract Services	49,000.00	35,580.23	35,580.23	0.00	13,419.77	72.61
50-111-5302 Computer Contract Services/CAD-Tiburon	55,000.00	55,000.00	55,000.00	0.00	0.00	100.00
50-111-5304 Accounting/Auditing Services	20,000.00	20,850.00	20,850.00	0.00	-850.00	104.25
50-111-5305 Legal Services	207,121.20	170,977.81	170,977.81	0.00	36,143.39	82.55
50-111-5306 Recruitment Costs	78,610.00	69,085.69	69,085.69	0.00	9,524.31	87.88
50-111-5307 Software Maintenance Services	69,762.00	56,678.57	56,678.57	0.00	13,083.43	81.25
50-111-5308 Banking Services (Fees)	6,000.00	5,335.54	5,335.54	0.00	664.46	88.93
50-111-5309 Online/Website Maintenance Services	5,000.00	2,075.48	2,075.48	0.00	2,924.52	41.51
50-111-5312 Medical Director Services/Paramedics	54,000.00	57,958.30	57,958.30	0.00	-3,958.30	107.33
50-111-5313 Temporary Staffing Services	55,100.00	54,048.75	54,048.75	0.00	1,051.25	98.09
50-111-5401 Memberships & Dues	390.00	779.20	779.20	0.00	-389.20	199.79

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
50-111-5402 Publications	350.00	783.78	783.78	0.00	-433.78	223.94
50-111-5403 Conferences, Meetings & Travel	13,680.00	10,058.19	10,058.19	0.00	3,621.81	73.52
50-111-5404 Employee Services/EC-BOD	21,500.00	2,976.84	2,976.84	0.00	18,523.16	13.85
50-111-5407 Tuition Reimbursement	2,000.00	0.00	0.00	0.00	2,000.00	0.00
50-111-5501 Office Supplies	41,300.00	15,323.93	15,323.93	0.00	25,976.07	37.10
50-111-5502 Miscellaneous Supplies	44,100.00	19,327.86	19,327.86	0.00	24,772.14	43.83
50-111-5504 Vending Machine Supplies	0.00	239.84	239.84	0.00	-239.84	0.00
50-111-5507 Postage & Shipping	1,600.00	610.27	610.27	0.00	989.73	38.14
50-111-5509 Reproduction	1,500.00	25.00	25.00	0.00	1,475.00	1.67
50-111-5511 Office Equipment Lease	15,750.00	14,606.00	14,606.00	0.00	1,144.00	92.74
50-111-5513 General Liability Insurance Premium	180,826.00	159,707.12	159,707.12	0.00	21,118.88	88.32
50-111-5517 Vehicle Operations	2,000.00	50.00	50.00	0.00	1,950.00	2.50
50-111-5601 Telephone - Administration	16,200.00	13,450.48	13,450.48	0.00	2,749.52	83.03
50-111-5701 Maintenance - HQ	234,400.00	164,381.26	164,381.26	0.00	70,018.74	70.13
50-111-5703 Electricity - HQ	106,700.00	109,007.60	109,007.60	0.00	-2,307.60	102.16
50-111-5704 Electricity - Grandview	2,200.00	1,651.88	1,651.88	0.00	548.12	75.09
50-111-5705 Electricity - Punta Place	6,600.00	8,525.72	8,525.72	0.00	-1,925.72	129.18
50-111-5706 Gas - HQ	11,000.00	9,458.78	9,458.78	0.00	1,541.22	85.99
50-111-5707 Water - HQ	3,850.00	3,722.41	3,722.41	0.00	127.59	96.69
50-111-5715 Electricity-MB Water Tower	2,750.00	5,625.46	5,625.46	0.00	-2,875.46	204.56
50-111-5810 Office Equipment	0.00	132.28	132.28	0.00	-132.28	0.00
50-111-5820 Other Equipment	5,000.00	471.95	471.95	0.00	4,528.05	9.44
Total Administration	2,425,869.20	2,204,578.16	2,204,578.16	0.00	221,291.04	90.88
60 Operations						
60-200 Operations						
60-200-5000 Expenditures						
60-211-5101 Salaries (Full-Time)	5,311,530.00	4,399,304.07	4,399,304.07	0.00	912,225.93	82.83
60-211-5102 Salaries (Part-Time)	0.00	112,833.39	112,833.39	0.00	-112,833.39	0.00
60-211-5103 Overtime	385,000.00	926,435.95	926,435.95	0.00	-541,435.95	240.63
60-211-5104 Acting Pay	10,000.00	12,514.19	12,514.19	0.00	-2,514.19	125.14
60-211-5105 Bilingual Pay	8,400.00	6,629.00	6,629.00	0.00	1,771.00	78.92

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
60-211-5107 Merit Pay	0.00	63,000.00	63,000.00	0.00	-63,000.00	0.00
60-211-5108 Sick Leave Payoff	81,313.00	80,848.02	80,848.02	0.00	464.98	99.43
60-211-5109 Vacation Leave Payoff	54,217.00	59,556.64	59,556.64	0.00	-5,339.64	109.85
60-211-5110 Training Pay	15,000.00	14,285.39	14,285.39	0.00	714.61	95.24
60-211-5114 Holiday Payoff	100,000.00	132,889.72	132,889.72	0.00	-32,889.72	132.89
60-211-5115 Education Incentive Pay	101,406.00	104,682.23	104,682.23	0.00	-3,276.23	103.23
60-211-5116 Overtime - Ridealongs with Member Cities	10,000.00	0.00	0.00	0.00	10,000.00	0.00
60-211-5201 Medical Insurance	637,435.00	482,792.48	482,792.48	0.00	154,642.52	75.74
60-211-5202 Dental Insurance	47,968.00	35,968.74	35,968.74	0.00	11,999.26	74.98
60-211-5203 Vision Insurance	18,699.00	14,475.23	14,475.23	0.00	4,223.77	77.41
60-211-5204 Life Insurance	8,455.00	6,842.00	6,842.00	0.00	1,613.00	80.92
60-211-5205 Medicare	84,939.00	85,206.09	85,206.09	0.00	-267.09	100.31
60-211-5206 Unemployment Insurance	6,713.00	12,766.00	12,766.00	0.00	-6,053.00	190.17
60-211-5207 Workers' Compensation	58,372.00	45,409.69	45,409.69	0.00	12,962.31	77.79
60-211-5208 PERS Contributions	922,296.00	529,525.28	529,525.28	0.00	392,770.72	57.41
60-211-5209 Retirees' Medical Insurance	62,800.00	37,546.33	37,546.33	0.00	25,253.67	59.79
60-211-5211 Social Security	890.00	0.00	0.00	0.00	890.00	0.00
60-211-5219 PERS Contributions-UAL	0.00	355,234.46	355,234.46	0.00	-355,234.46	0.00
60-211-5401 Memberships & Dues	2,830.00	700.00	700.00	0.00	2,130.00	24.73
60-211-5402 Publications	1,710.00	0.00	0.00	0.00	1,710.00	0.00
60-211-5403 Conferences, Meetings & Travel	24,155.00	11,077.26	11,077.26	0.00	13,077.74	45.86
60-211-5404 Employee Services/EC-BOD	2,500.00	1,488.26	1,488.26	0.00	1,011.74	59.53
60-211-5405 Employee Awards	500.00	0.00	0.00	0.00	500.00	0.00
60-211-5406 POST Training	23,815.00	1,743.92	1,743.92	0.00	22,071.08	7.32
60-211-5407 Tuition Reimbursement	18,000.00	251.00	251.00	0.00	17,749.00	1.39
60-211-5506 Uniforms/Safety Equipment	3,500.00	3,426.76	3,426.76	0.00	73.24	97.91
60-211-5509 Reproduction	500.00	0.00	0.00	0.00	500.00	0.00
60-211-5603 Telephone - El Segundo	3,000.00	2,471.93	2,471.93	0.00	528.07	82.40
60-211-5604 Telephone - Gardena	5,000.00	2,534.98	2,534.98	0.00	2,465.02	50.70
60-211-5606 Telephone - Hawthorne	6,000.00	7,646.52	7,646.52	0.00	-1,646.52	127.44
60-211-5607 Telephone - Hermosa Beach	25,000.00	33,158.02	33,158.02	0.00	-8,158.02	132.63
60-211-5608 Telephone - Manhattan Beach	8,000.00	4,743.60	4,743.60	0.00	3,256.40	59.30
60-211-5611 Telephone - Punta Place	5,500.00	3,502.21	3,502.21	0.00	1,997.79	63.68
60-211-5612 Telephone - RCC	12,000.00	10,651.50	10,651.50	0.00	1,348.50	88.76

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
60-211-5613 Sprint Wireless Reimbursable	77,289.00	51,566.93	51,566.93	0.00	25,722.07	66.72
60-211-5614 Verizon Wireless Reimbursable	15,229.00	47,263.82	47,263.82	0.00	-32,034.82	310.35
60-211-5615 Telephone - Culver City	5,500.00	14,480.48	14,480.48	0.00	-8,980.48	263.28
60-211-5810 Office Equipment	0.00	5,513.26	5,513.26	0.00	-5,513.26	0.00
60-211-5830 Furniture & Fixtures	0.00	796.01	796.01	0.00	-796.01	0.00
Total Operations	8,165,461.00	7,721,761.36	7,721,761.36	0.00	443,699.64	94.57
70 Technical Services						
70-300 Technical Services						
70-300-5000 Expenditures						
70-311-5101 Salaries (Full-Time)	485,506.00	467,929.90	467,929.90	0.00	17,576.10	96.38
70-311-5103 Overtime	5,000.00	3,705.53	3,705.53	0.00	1,294.47	74.11
70-311-5107 Merit Pay	1,500.00	8,844.50	8,844.50	0.00	-7,344.50	589.63
70-311-5108 Sick Leave Payoff	17,780.00	13,035.55	13,035.55	0.00	4,744.45	73.32
70-311-5109 Vacation Leave Payoff	14,386.00	10,086.24	10,086.24	0.00	4,299.76	70.11
70-311-5201 Medical Insurance	47,863.00	46,726.24	46,726.24	0.00	1,136.76	97.62
70-311-5202 Dental Insurance	2,940.00	2,800.44	2,800.44	0.00	139.56	95.25
70-311-5203 Vision Insurance	1,406.00	1,339.08	1,339.08	0.00	66.92	95.24
70-311-5204 Life Insurance	693.00	660.00	660.00	0.00	33.00	95.24
70-311-5205 Medicare	7,267.00	7,395.11	7,395.11	0.00	-128.11	101.76
70-311-5207 Workers' Compensation	83,933.00	65,294.27	65,294.27	0.00	18,638.73	77.79
70-311-5208 PERS Contributions	82,721.00	53,426.29	53,426.29	0.00	29,294.71	64.59
70-311-5209 Retirees' Medical Insurance	32,775.00	19,612.97	19,612.97	0.00	13,162.03	59.84
70-311-5219 PERS Contributions-UAL	0.00	32,318.22	32,318.22	0.00	-32,318.22	0.00
70-311-5302 Computer Contract Services/CAD-Tiburon	145,000.00	145,000.00	145,000.00	0.00	0.00	100.00
70-311-5311 GST Software Reimbursable	52,692.00	52,692.00	52,692.00	0.00	0.00	100.00
70-311-5403 Conferences, Meetings & Travel	2,650.00	0.00	0.00	0.00	2,650.00	0.00
70-311-5503 General Technical Supplies	7,500.00	4,743.50	4,743.50	0.00	2,756.50	63.25
70-311-5506 Uniforms/Safety Equipment	3,500.00	1,046.86	1,046.86	0.00	2,453.14	29.91
70-311-5508 Postage	1,200.00	168.91	168.91	0.00	1,031.09	14.08
70-311-5514 Parts - Billing	717,308.00	750,656.61	750,656.61	0.00	-33,348.61	104.65
70-311-5516 Install Wire, Loom & Hardware	38,800.00	0.00	0.00	0.00	38,800.00	0.00

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
70-311-5517 Vehicle Operations	4,500.00	3,309.98	3,309.98	0.00	1,190.02	73.56
70-311-5520 Equipment Repair	5,000.00	0.00	0.00	0.00	5,000.00	0.00
70-311-5521 Outside Technical Serv-Towers & Equip	415,000.00	324,760.75	324,760.75	0.00	90,239.25	78.26
70-311-5810 Office Equipment	8,260.25	8,260.25	8,260.25	0.00	0.00	100.00
70-311-5820 Other Equipment	0.00	137.75	137.75	0.00	-137.75	0.00
Total Technical Services	2,185,180.25	2,023,950.95	2,023,950.95	0.00	161,229.30	92.62
80 Capital Infrastructure Projects						
80-400 CIP						
80-400-5000 Expenditures						
80-454-5901 CIP Expenditures-IT Infrastructure/Equip	122,500.00	119,397.72	119,397.72	0.00	3,102.28	97.47
Total Expenditures	122,500.00	119,397.72	119,397.72	0.00	3,102.28	97.47
Total CIP	122,500.00	119,397.72	119,397.72	0.00	3,102.28	97.47
Total Capital Infrastructure Projects	122,500.00	119,397.72	119,397.72	0.00	3,102.28	97.47
Total SBRPCA Enterprise Fund	12,899,010.45	12,069,688.19	12,069,688.19	0.00	829,322.26	93.57

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

20 Grant Fund

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
80 Capital Infrastructure Projects						
80-400 CIP						
80-400-5000 Expenditures						
Total Grant Fund	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total	12,899,010.45	12,069,688.19	12,069,688.19	0.00	829,322.26	93.57

E-1



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: September 08, 2020

ITEM NUMBER: E-1

TO: Executive Committee

FROM: John Krok, Acting Executive Director *JK*
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: New Agreement for Emergency Police Dispatch Services with the City of Hermosa Beach Based on Cost Allocation Policy and Shared Police Dispatch Services with the City of Manhattan Beach

ATTACHMENTS: The City of Hermosa Beach Agreement for Emergency Police Dispatch Services

RECOMMENDATION

Staff recommends the Executive Committee approve a new contract with the City of Hermosa Beach for Emergency Police Dispatch Services based on the Cost Allocation Policy and shared police dispatch services between the cities of Manhattan Beach and Hermosa Beach.

BACKGROUND

During the May 2020 Executive Committee meeting, the City of Manhattan Beach requested staff analyze the effects of combining dispatching services for the cities of Manhattan Beach and Hermosa Beach. Hermosa Beach's current assessment is not calculated using the Authority's Cost Allocation Policy.

In June 2020, staff presented the results of that analysis and provided assessment projections utilizing the Cost Allocation Policy and the FY2020/21 Adopted Budget. If the Authority renegotiated its contract with the City of Hermosa Beach, and the proposed budget amendment is approved, the cities of Manhattan Beach and Hermosa Beach experience a significant decrease in assessments as a result of combining police dispatch services, with no increase to Member or Contract Cities.

Staff was directed to pursue a new contract with the City of Hermosa Beach based on the Cost Allocation Policy and shared police dispatch services between the cities of Manhattan Beach and Hermosa Beach.

DISCUSSION

The new agreement with the City of Hermosa Beach, if approved, is effective retroactively to July 1, 2020, and expires on June 30, 2030. The Authority shall establish a shared

dispatch console providing Hermosa Beach with emergency police dispatch services on a 24-hour, 7 days a week basis.

Shared police dispatch services between the City of Manhattan Beach and the City of Hermosa Beach eliminates the need for five (5) Communications Operators, a reduction of approximately \$483,000 in salaries and benefits for FY2020/21.

The table below provides revised assessment projections for combined police dispatch services between the two cities pending approval of revised budget figures for FY2020/21:

	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Account Number & Title	Proposed	Projected	Projected	Projected	Projected
Enterprise Fund (Fund 10)					
10-50-111-4110 Gardena	\$ 2,083,118	\$ 2,261,890	\$ 2,380,605	\$ 2,380,217	\$ 2,419,708
10-50-111-4120 Hawthorne	2,552,293	2,760,222	2,901,468	2,899,849	2,947,952
10-50-111-4130 Manhattan Beach	1,387,975	1,573,052	1,755,327	1,858,470	1,889,181
Member City Subtotal	\$ 6,023,386	\$ 6,595,164	\$ 7,037,400	\$ 7,138,536	\$ 7,256,841
10-50-111-4140 Hermosa Beach	742,528	805,769	861,736	876,148	890,684
10-50-111-4145 El Segundo	1,493,738	1,699,634	1,869,811	2,044,684	2,235,448
10-50-111-4146 Culver City	2,665,229	2,765,708	3,076,215	3,127,647	3,179,493
Contract City Subtotal	\$ 4,901,495	\$ 5,271,111	\$ 5,807,762	\$ 6,048,479	\$ 6,305,625
Subtotal Assessments	\$ 10,924,881	\$ 11,866,275	\$ 12,845,162	\$ 13,187,015	\$ 13,562,466

The table below provides the difference in assessment projections from those provided in the FY2020/21 Adopted Budget:

	FY 2020/21 Increase/ (Decrease)	FY 2021/22 Increase/ (Decrease)	FY 2022/23 Increase/ (Decrease)	FY 2023/24 Increase/ (Decrease)	FY 2024/25 Increase/ (Decrease)
Account Number & Title					
Enterprise Fund (Fund 10)					
10-50-111-4110 Gardena	\$ (91,875)	\$ (39,059)	\$ (38,681)	\$ (42,111)	\$ (46,565)
10-50-111-4120 Hawthorne	(112,304)	(53,461)	(53,239)	(57,402)	(62,934)
10-50-111-4130 Manhattan Beach	(330,735)	(355,810)	(394,787)	(421,229)	(431,691)
Member City Subtotal	\$ (534,914)	\$ (448,330)	\$ (486,707)	\$ (520,742)	\$ (541,190)
10-50-111-4140 Hermosa Beach	\$ (389,534)	\$ (495,695)	\$ (613,833)	\$ (717,466)	\$ (829,463)
10-50-111-4145 El Segundo	-	-	-	-	22,335
10-50-111-4146 Culver City	-	-	30,654	26,813	22,496
Contract City Subtotal	\$ (389,534)	\$ (495,695)	\$ (583,179)	\$ (690,653)	\$ (784,632)
Subtotal Assessments	\$ (924,448)	\$ (944,025)	\$ (1,069,886)	\$ (1,211,395)	\$ (1,325,822)

The decreases experienced by the cities of Gardena and Hawthorne are as a result of a proposed budget reduction for FY2020/21 pending approval by the Board of Directors.

FISCAL IMPACT

Based on projections using the Cost Allocation Policy to derive assessments and combined police dispatching for the cities of Manhattan Beach and Hermosa Beach, the Authority's fund balance would experience a decrease of approximately \$1 million in FY2024/25 compared to projections based on the current contract with the City of Hermosa Beach.

E-1

Attachment 1

**AGREEMENT FOR EMERGENCY
POLICE DISPATCH SERVICES**

THIS AGREEMENT FOR EMERGENCY POLICE DISPATCH SERVICES ("Agreement") is entered into as of the date set forth below by and between the City of Hermosa Beach, a general law city ("City") and the South Bay Regional Public Communications Authority, a joint powers authority ("Authority").

RECITALS

- A. City desires that the Authority provide dispatch services to its police department.
- B. Authority represents that it possesses the requisite expertise, equipment, personnel and qualifications to provide such services to City.
- C. By this Agreement, the parties desire to set forth the terms and conditions under which the services are to be provided to City.
- D. Authority and City acknowledge that by executing this Agreement they are terminating the agreement between them commencing July 1, 2018 and expiring June 30, 2028 ("Initial Agreement") eight years early, on June 30, 2020 at 11:59 pm.

NOW, THEREFORE, in consideration of the foregoing, and the promises and covenants hereinafter set forth, the parties agree as follows:

- 1. Term of Agreement. The term of this Agreement shall be for a period of ten (10) years commencing from July 1, 2020, and expiring on June 30, 2030. Thereafter, the parties may mutually agree to renew this Agreement for additional designated periods by amendment to the Agreement.
- 2. Frequency Sharing.
 - a. Authority Channels. Subject to and in conformance with Section 90.421 and 90.421(a) of the rules and regulations of the Federal Communications Commission (FCC) and any such successor rules and regulations, and for as long as this Agreement is in effect, Authority shall permit the City to use in the City's mobile and portable transmitter units all radio frequency assignments that are licensed to Authority and its members and not licensed to City (the "Authority Channels") for the City's use in connection with emergency police and fire communications services provided by Authority.
 - b. City Channels. City will continue to maintain in its own name FCC authorizations covering the use of its frequency assignments (the "City Channels") in the mobile, portable transmitter units, and/or City Site Transmitters licensed by the FCC for use by City of Hermosa Beach emergency police communications. The City hereby designates, pursuant to and in conformance with Section 90.463(a) of the FCC's rules and any successor regulations, the Authority as its agent to control the City Site Transmitters.

- c. Rights to City Channels Upon Termination. City and Authority agree that, upon termination of this Agreement: (i) any and all rights to the City Channels vest exclusively in City; (ii) Authority expressly waives any claims or rights to the City Channels; (iii) Authority must promptly modify any FCC authorizations it holds and cause its members to modify any FCC authorizations they hold to delete authority permitting the use of the City Channels by Authority or its members; (iv) at the City's request, Authority must promptly modify any equipment it operates and cause its members to modify any equipment they operate to remove the ability of that equipment to use the City Channels; and (v) Authority shall promptly modify its dispatch console and related equipment so that it is no longer capable of controlling the City Site Transmitters.
 - d. Rights to Authority Channels Upon Termination. City and Authority further agree that, upon termination of this Agreement: (i) any and all rights to the Authority Channels shall vest exclusively in Authority; (ii) City expressly waives any claims or rights to the Authority Channels; (iii) City must promptly modify any FCC authorizations it holds to delete authority permitting use of the Authority Channels by City; and (iv) at the Authority's request, the City must promptly modify any equipment it operates to remove the ability of that equipment to use the Authority Channels.
- 3. Dispatch Services.
 - a. Authority shall provide City with emergency police dispatch services on 24 hours, 7 days per week basis utilizing Authority's dispatch and control station transmitter facilities located in the City of Hawthorne. Authority shall establish a shared dispatch console with the City of Manhattan Beach for providing dispatch services to the City's Police Department. The City's parking and animal control will also be assigned to the City's shared main dispatch frequency.
 - b. The Authority shall, to the extent permitted by the FCC rules, provide access to and share its radio telecommunications infrastructure and facilities with City in connection with emergency police dispatch services provided by Authority to City.
- 4. Equipment Installation, Maintenance & Repair Services of Mobile and Portable Equipment. Equipment installation, maintenance, and repair services apply to current and future emergency lighting, sirens, mobile data computers ("MDCs"), mobile and portable radio equipment, and audio/video equipment (collectively "Emergency Equipment") used in vehicles of City Police Department. Authority shall install and maintain Emergency Equipment. City shall bear the cost of purchasing new or replacement lights, sirens and Authority-installed Emergency Equipment, including mobile and portable radios. When possible, the repairs required of the mobile and portable radios and MDCs will be done by Authority staff. However, repairs exceeding the capabilities of Authority staff will be sent to an outside vendor for an estimate of charges and after obtaining City's approval of such estimate, the Authority may authorize the repair of such equipment, the costs of which shall be billed by Authority back to City. As a result of Police Task

Force action, the Authority's Technical Services Division maintains specific types of mobile radios, portable radios and MDCs. For standardization purposes, City will be provided specifications for Authority-recognized equipment. If City requests in writing that Authority purchase equipment, material, apparatus, and parts specifically and solely intended for installation and/or maintenance of City's equipment under this Section, City will be billed separately by Authority for the cost of such purchases.

5. Fiscal Year. The fiscal years referred to in this Agreement shall refer to an annual period beginning on July 1 and ending the following calendar year on June 30.

6. Consideration for Services. In consideration for all services provided by Authority to City in this Agreement, City shall pay to Authority the fees described in this Section:

- a. An annual assessment fee as determined by the Cost Allocation Policy adopted by resolution of the Authority's Board of Directors. For reference purposes, the current Cost Allocation Policy in effect at the time of the execution of this Agreement is incorporated into this Agreement as Exhibit A. Authority will notify City of any amendments to this policy adopted by the Board of Directors within 30 days of such adoption.

The annual assessment fee shall be increased or decreased each year this Agreement is in effect based on the Cost Allocation Policy adopted by resolution of the Authority's Board of Directors. Authority shall notify City by April 1 of each year this Agreement is in effect of the annual assessment fee for the ensuing fiscal year.

- b. A workload support fee for Technical Services Division equipment installation, maintenance, and repair services as determined by the Cost Allocation Policy adopted by resolution of the Authority's Board of Directors.

In accordance with the policy, the billing of workload support fees will occur on a quarterly basis.

- c. The annual assessment fee for services to be paid to Authority by City shall be paid in four equal installments and on a quarterly basis, due by July 15th, October 15th, January 15th, and April 15th of each fiscal year.
- d. At City's election, Authority shall furnish City quarterly invoices, at least thirty (30) days before the due date of installment payments. A five percent (5%) penalty shall attach to service payments received by Authority's Treasurer 15 to 29 days late, and a ten percent (10%) penalty shall attach to service payments received by Authority's Treasurer that are 30 or more days late.

7. Maintenance of Radio Equipment at City Sites. The Authority is not responsible for maintenance of the equipment located at the City Sites.

8. Nature of Agreement. This Agreement shall not convey to City any duties, obligations, responsibilities, or privileges of membership in Authority; City is contracting for service only. Authority and City agree that this Agreement shall not confer on City any rights to the assets of Authority.

9. Dispute Resolution. City and Authority shall attempt to settle any claim, dispute, or controversy arising from this Agreement through consultation and negotiation in good faith and in a spirit of mutual cooperation. If those attempts fail, the dispute shall be mediated by a mediator chosen jointly by City and Authority within thirty (30) days after notice by one of the parties demanding non-binding mediation. Neither party may unreasonably withhold consent to the selection for a mediator, and City and Authority shall share the cost of the mediation equally. The parties may agree to engage in some other form of non-binding alternative dispute resolution ("ADR") procedure in lieu of mediation. Any dispute that cannot be resolved between the parties through negotiation or mediation within two months after the day of the initial demand for non-binding mediation may then be submitted to a court of competent jurisdiction in the County of Los Angeles, California. If a lawsuit is necessary to resolve any dispute arising out of any of the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees and costs of suit as adjudicated and determined by the Court.
10. Indemnification.
- a. City agrees to indemnify, hold harmless and defend Authority and all its successors and assignees, and its officers, directors, agents and employees, and all of the officers, officials, and employees of each of the cities that are members of the Authority at the time the Agreement is in effect from any and all claims, demands, losses, damages, actions, causes of action, suits, expenses and or liability whatsoever, including attorney's fees and costs of suit, arising from or occasioned by any act, omission or negligence of the City of Hermosa Beach or its agents, officers, servants or employees, in the performance of this Agreement.
 - b. Authority agrees to indemnify, hold harmless and defend City and all its successors and assignees, and its officers, directors' agents and employees from any and all claims, demands, loss, damages, actions, causes of action, suits, expenses and or liability whatsoever, including attorney's fees and costs of suit, arising from or occasioned by any act, omission or negligence of Authority or its agents, officers, servants or employees, in the performance of this Agreement.
11. Insurance. The Authority shall submit to the City duly executed certificates of insurance for the following:
- a. An occurrence based Commercial General Liability ("CGL") policy, at least as board as Form No. RSG 51039 0814, in the minimum amount of Five Million Dollars (\$5,000,000) each occurrence, with not less than Five Million Dollars (\$5,000,000) in annual aggregate coverage. Excess insurance may be used to satisfy this requirement. The CGL Policy shall satisfy the following requirements:
 - i. The policy shall provide coverage for personal injury, bodily injury, death, accident and property damage and advertising injury, as those terms are understood in the context of a CGP policy;

- ii. The policy shall provide \$1,000,000 combined single limit coverage for owned, hired and non-owned automobile liability;
 - iii. The policy shall include coverage for liability undertaken by contract covering, to the maximum extent permitted by law, Authority's obligation to indemnify the Indemnitees as required by Paragraph 10 of this Agreement.
 - b. Professional/Negligent Acts. Errors and Omissions Insurance in the minimum amount of One Million Dollars (\$1,000,000) per claim.
 - c. Workers' Compensation Limits as required by the Labor Code of the State of California with Employers' Liability limits of One Million Dollars (\$1,000,000) per accident.
12. Governing Law. The rights and obligations of the parties hereunder shall be governed by, construed and enforced in accordance with the laws of the State of California. Venue for any action rising from this Agreement shall be the Los Angeles Superior Court or appropriate federal district court for the Central District of California.
13. Entire Agreement. This Agreement contains the full and entire agreement between and among the parties with respect to the entire subject matter hereof and supersedes any and all previous or contemporaneous agreements and discussions, whether written or oral. Any and all prior or contemporaneous discussions, negotiations, writings, commitments and/or undertakings are merged herein, and no representations by any party not embodied herein shall be valid or binding. The Initial Agreement is hereby terminated and of no force and effect.
14. Amendments to Agreement. This Agreement may be amended only by a subsequent agreement in writing signed by all parties to this Agreement.
15. Severability. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other of the provisions of this Agreement.
16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original; however, all such counterparts shall constitute but one and the same instrument with the effective date hereof being the date set forth below herein.
17. Authority to Execute. Each person signing this Agreement warrants and represents that, to the extent he or she is executing this Agreement for and on behalf of an entity, he or she has been fully empowered and properly authorized to execute this Agreement for and behalf of said entity, and instructed by those having the requisite authority to cause said entity to make and enter into this Agreement.
18. Notices. Notices shall be given pursuant to this Agreement by personal service on the party to be notified, or by written notice upon such party sent by Registered Mail of the United States Postal Service addressed as follows:

CITY: Attention: City Clerk

City of Hermosa Beach
315 Valley Drive
Hermosa Beach, CA 90254

AUTHORITY: Attention: Executive Director
South Bay Regional Public Communications Authority
4440 West Broadway
Hawthorne, CA 90250

The notices shall be deemed to have been given as of the date of personal service, or three days after deposit of the same in the custody of the United States Postal Service. City agrees to provide any required notice to Authority to or addressed to any new headquarters/facility that Authority may move to, upon City being advised of Authority's new address. Authority agrees to provide any required notice to City at or addressed to any new headquarters/facility that City may move to, upon Authority being advised of City's new address.

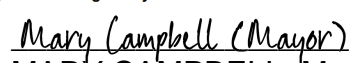
19. Default. In the event of default by either party hereto, upon written notice by the non-defaulting party, the defaulting party shall have thirty (30) days to cure any default hereunder unless such relates to the provision of emergency services, in which event the defaulting party shall be required to cure a default as soon as is practicable. Failure to cure a default as required by this section shall constitute a material breach of this Agreement and grounds for immediate termination for cause.
20. Joint Drafting. Should a dispute arise respecting this Agreement, the Agreement shall be interpreted as though it were jointly drafted by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement entered into
this 25 day of August, 2020.

CITY OF HERMOSA BEACH

SOUTH BAY REGIONAL PUBLIC
COMMUNICATIONS AUTHORITY

DocuSigned by:


MARY CAMPBELL, Mayor

ERICK B. LEE, Chairperson
Executive Committee

DocuSigned by:


SARA LOWENTHAL, City Manager

JOHN KROK, Acting Executive Director

APPROVED AS TO FORM:

DocuSigned by:

MICHAEL JENKINS, City Attorney

APPROVED AS TO FORM:

DocuSigned by:

JENNIFER PETRUSIS, General Counsel

EXHIBIT “A”

Cost Allocation Policy

Section 1. Background. This Cost Allocation Policy is based on the Matrix Consulting Group’s *Report on the Cost of Services and Cost Allocation Study – August 2019* that was accepted by the Executive Committee on August 20, 2019.

Section 2. Updating of Policy. In accordance with the consultant’s recommendations, the assessment methodologies and corresponding cost allocation model that serve as the foundation of this Cost Allocation Policy should be updated every 5-7 years or when a new agency begins to receive, or an existing agency ceases to receive, services from the Authority.

Section 3. Total Fiscal Year Costs. As established by the Authority’s Budgetary Policy, staff shall develop a preliminary fiscal year operating and capital outlay budget for presentation to the Executive Committee in February of each year. This budget will include the total costs to operate the Authority for the fiscal year (“Total Fiscal Year Costs”). Based on this preliminary budget, staff shall separate the Total Fiscal Year Costs into the following three categories:

1. Administrative costs
2. Operations Department costs
3. Technical Services Division costs

Each agency shall be assessed its proportionate share of Operations Department and Technical Services Division costs, including commensurate allocations of indirect Administrative costs, as part of the fiscal year budget adopted by the Board of Directors in March of each year.

Section 4. Administrative Costs. The portion of the Total Fiscal Year Costs relating to the Authority’s Administration shall be determined to be its Administrative costs. Such costs shall include:

1. Personnel Costs: Administration Department salaries and benefits
2. Operating Costs: Administration Department supplies, equipment, and services
3. Fixed Assets: Annual depreciation costs associated with building and equipment
4. Capital Outlay: Any capital improvement program expenses
5. Reallocation of Technical Services Costs: Any Authority-wide costs budgeted in the Technical Services Division
6. Revenue Offsets: Reimbursement and investment earnings revenues

Section 4.A. Administrative Functions. Administrative costs shall be allocated to the following four functional areas:

Function	Allocation of Administrative Costs
Authority-wide support	14%
Financial support	10%
Personnel and support services support	54%
Operations support	22%
Total	100%

Section 4.B. Allocation of Administrative Costs. Administrative costs from the four functional areas shall be allocated between the Operations Department and the Technical Services Division in accordance with the following schedule:

Function	Operations Department	Technical Services Division	Total
Authority-wide support	81%	19%	100%
Financial support	50%	50%	100%
Personnel and support services support	92%	8%	100%
Operations support	100%	0%	100%

Section 5. Operations Department Costs. The portion of the Total Fiscal Year Costs relating to dispatching services shall be determined to be the Operations Department costs. Such costs shall include:

1. Personnel Costs: Operations Department salaries and benefits
2. Operating Costs: Operations Department supplies, equipment, and services
3. Revenue Offsets: Reimbursement revenues
4. Incoming Indirect Support: Administrative costs and support received from the Technical Services Division

Section 5.A. Operations Department Functions. As part of the annual budget development process, the Executive Director shall develop a staffing allocation plan that allocates Communications Operator staffing between the Operations Department's three functional areas of Call-Taking, Police Dispatch and Fire Dispatch. All Operations Department costs shall be allocated according to this staffing allocation plan.

Beginning in Fiscal Year 2020-2021 and until a modified staffing allocation plan is recommended by the Executive Director and approved by the Executive Committee, the staffing allocation plan and corollary allocation of Operations Department costs between the three functional areas is as follows:

Function	Position Allocations	Allocation of Operations Department Costs
Call-Taking	3.5	32%
Police Dispatch	6.0	55%
Fire Dispatch	1.5	13%
Total	11.0	100%

Section 5.B. Allocation of Operations Department Costs. The allocation of Operations Department costs between its three functional areas shall be in accordance with the following schedules:

Call-Taking	Percent of Call-Taking Allocation	Percent of Total Operations Department Costs
9-1-1 Calls	60%	19%
Non-Emergency Calls	40%	13%
Total	100%	32%

Call-Taking charges will be derived by each agency's corresponding percentage of 9-1-1 calls and non-emergency calls. In developing the Call-Taking allocations, a rolling three-year average of calls for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Police Dispatch	Percent of Police Dispatch Allocation	Percent of Total Operations Department Costs
Assigned Staff	70%	39%
CAD Incident Volume	30%	16%
Total	100%	55%

For Police Dispatch, Assigned Staff costs for each agency will be determined by the assessment year's staffing allocation plan. CAD Incident Volume charges will be derived by each agency's corresponding percentage of all police calls for service. In developing the CAD Incident Volume allocation, a rolling three-year average of calls for service for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Fire Dispatch	Percent of Fire Dispatch Allocation	Percent of Total Operations Department Costs
Assigned Staff	70%	9%
CAD Incident Volume	30%	4%
Total	100%	13%

For Fire Dispatch, Assigned Staff costs for each agency will be determined by the assessment year's staffing allocation plan. CAD Incident Volume charges will be derived by each agency's corresponding percentage of all fire calls for service. In developing the CAD Incident Volume allocation, a rolling three-year average of calls for service for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Section 6. Technical Services Division Costs. The portion of the Total Fiscal Year Costs relating to vehicle upfitting services shall be determined to be the Technical Services Division costs. Such costs shall include:

1. Personnel Costs: Technical Services Division salaries and benefits
2. Operating Costs: Technical Services Division supplies, equipment, and services
3. Excluded Costs: Certain line items relating to Authority-wide functions and support

4. Revenue Offsets: Reimbursement revenues
5. Incoming Indirect Support: Administrative costs

Section 6.A. Technical Services Division Functions. The Technical Services Division costs shall be allocated to the following two functional areas:

Function	Allocation of Technical Services Division Costs
Dedicated Support	50%
Workload Support	50%
Total	100%

Section 6.B. Allocation of Technical Services Division Costs. The Technical Services Division's functional costs will be allocated in accordance with the following schedules:

Dedicated Support	Percent of Dedicated Support Allocation	Percent of Total Technical Services Division Costs
Number of Police & Fire Vehicles	100%	50%
Total	100%	50%

Dedicated Support charges will be derived by each agency's corresponding percentage of police and fire vehicles that are anticipated to be active in inventory (either in-service or pending commissioning/decommissioning) during the assessment year. All such vehicles shall be listed on each agency's "Active Vehicle Inventory List" and certified annually by its Chief of Police or Fire Chief. Accounting of and billing for Dedicated Support will occur as part of the annual assessment process.

Workload Support	Percent of Workload Support Allocation	Percent of Total Technical Services Division Costs
Number of Work Orders	100%	50%
Total	100%	50%

For Fiscal Year 2020-2021, Workload Support charges will be derived by each agency's corresponding percentage of vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.

Beginning in Fiscal Year 2021-2022, the Authority anticipates changing the calculation of Workload Support charges from a three-year average of work orders to the actual percentage of labor hours associated with vehicle installation and repair work orders. The Executive Director shall present recommendations on implementing this anticipated change to the Executive Committee by September 30, 2020.

Section 7. Cost Adjustment Surcharge for Contract Agencies. In addition to the assessments for Operations Department and Technical Services Division costs, each contract agency shall be required to pay any cost adjustment surcharge as established by a resolution of the Executive Committee. This cost adjustment surcharge can be assessed in order to fund future costs related to unfunded liabilities associated with the California Public Employees' Retirement System ("CalPERS"), Other Post-Employment

Benefits ("OPEB") and/or long-term capital improvement needs, which are not currently accounted for in annual budgets. The aforementioned resolution shall specify the source(s) of costs for the surcharge, provide for surcharge funds to accumulate in a separate restricted fund, and designate parameters and conditions under which surcharge funds may be expended.

Section 8. Policy Exceptions. This policy shall be not be applicable to any contract agency that has entered into an agreement with the Authority which authorizes a specific assessment amount that is less than this policy would otherwise require.

G-1

**MINUTES OF SPECIAL JOINT MEETING OF
THE BOARD OF DIRECTORS,
THE EXECUTIVE COMMITTEE AND USER COMMITTEE**

APRIL 14, 2020

A. CALL TO ORDER

The Board of Directors, Executive Committee and User Committee convened in a special joint session at 2:08PM on April 14, 2020 by teleconference.

B. ROLL CALL BY EXECUTIVE DIRECTOR

Present: Councilmember Haidar Awad, City of Hawthorne
Councilmember Rodney Tanaka, City of Gardena
Councilmember Hildy Stern, City of Manhattan Beach
City Manager Bruce Moe, City of Manhattan Beach
City Manager Clint Osorio, City of Gardena
Chief Mike Ishii, Hawthorne Police Department (Alternate for Mr. Shadbehr)
Chief Derrick Abell, Manhattan Beach Police Department
Chief Daryn Drum, Manhattan Beach Fire Department
Chief Mike Saffell, Gardena Police Department

Also Present: Executive Director Erick B. Lee
Operations Manager Shannon Kauffman
Administrative Services Manager John Krok
Finance and Performance Audit Manager Vanessa Alfaro
Executive Assistant Clara Choi
Jennifer Petrusis, Richards Watson Gershon
Diana Chuang Richards Watson Gershon
Carl Jacobson

C. PUBLIC DISCUSSION

None.

D. BOARD OF DIRECTORS GENERAL BUSINESS

1. Minutes from March 17, 2020, Special Meeting
MOTION: Councilmember Tanaka moved to approve the Minutes. The motion was seconded by Councilmember Awad and passed by unanimous roll call vote.
2. Minutes from March 17, 2020, Regular Meeting
MOTION: Councilmember Awad moved to approve the Minutes. The motion was seconded by Councilmember Stern and passed by unanimous roll call vote.
3. Resolution Proclaiming the Existence of a Local Emergency
MOTION: Councilmember Stern moved to adopt the Resolution. The motion was seconded by Councilmember Tanaka and passed by unanimous roll call vote.
4. Continuity of Operations Discussion; and Appropriation of \$200,000 to Fund Emergency Purchases Needed to Address the COVID-19 Pandemic
MOTION: Councilmember Awad moved to approve the Appropriation. The motion was seconded by Councilmember Stern and passed by unanimous roll call vote.

5. Designation of Applicant's Agent Resolution for Non-State Agencies
MOTION: Councilmember Awad moved to adopt the Resolution. The motion was seconded by Councilmember Tanaka and passed by unanimous roll call vote.
6. Appropriation of the Fiscal year 2019-2020 Operational and Capital Reserve in the Amount of \$1,255,153 for Contingency Expenses
MOTION: Councilmember Awad moved to approve the Appropriation. The motion was seconded by Councilmember Tanaka and passed by unanimous roll call vote.
7. Emergency Telecommuting Policy; and Wireless Phone Reimbursement During State of Emergency Policy
MOTION: Councilmember Awad moved to approve the Policies. The motion was seconded by Councilmember Stern and passed by unanimous roll call vote.
8. Proposed Second Amended and Restated Joint Powers Agreement; and Resolution Approving Amended By-Laws of the Authority
MOTION: Councilmember Tanaka moved to direct staff to coordinate consideration of the agreement by the member cities and adopt the Resolution. The motion was seconded by Councilmember Awad and passed by unanimous roll call vote.
9. Resolution Adopting an Amended Statement of Investment Policy; and Direction as to Investment of Surplus Funds
MOTION: Councilmember Awad moved to adopt the Resolution and approve the investment program as recommended by staff. The motion was seconded by Councilmember Tanaka and passed by unanimous roll call vote.
10. Appropriation of \$120,000 to Fund Additional Technical Services Division Purchases to upfit Public Safety Vehicles
MOTION: Councilmember Awad moved to approve the Appropriation. The motion was seconded by Councilmember Stern and passed by unanimous roll call vote.

E. EXECUTIVE COMMITTEE CONSENT CALENDAR

MOTION: Chief Ishii moved to approve the Consent Calendar, Item Numbers 1-9. The motion was seconded by City Manager Moe and passed by unanimous roll call vote.

1. Minutes from March 17, 2020, Special Meeting
APPROVE
2. Minutes from March 17, 2020, Regular Meeting
APPROVE
3. Check Register for March 2020
RECEIVE AND FILE
4. Agreement with Xcel Mechanical Systems Incorporated for the Service and Repair of Heating, Ventilation, and Air Conditioning Equipment at the Headquarters Facility; and Approve a Corresponding Purchase Order in an Amount Not to Exceed \$50,000 for These Services
APPROVE
5. Updated Publicly Available Pay Schedule
APPROVE

6. Fiscal Year 2019-2020 Q3 Budget Performance Report
RECEIVE AND FILE
7. Approve a Blanket Purchase Order to Commline, Inc. for Equipment and Supplies in a Total Amount Not to Exceed \$120,000
APPROVE
8. Approval of Executive Director to Work Remotely as Necessary and Appropriate Under the Emergency Telecommuting Policy
APPROVE
9. Update on Computer Aided Dispatch System Project with Mark43
RECEIVE AND FILE

F. ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

G. EXECUTIVE COMMITTEE GENERAL BUSINESS

1. Ratification of an Agreement Executed by the Executive Director as an Emergency Purchase with AMBK Incorporated DBA Bio SoCal for On-Call and as Needed Biohazard Cleaning, Remediation and Disinfection Services in an Amount Not to Exceed \$100,000; and Approve a Purchase Order to AMBK Incorporated DBA Bio SoCal in an Amount Not to Exceed \$100,000 for Such Services
MOTION: Chief Ishii moved to approve Ratification. The motion was seconded by City Manager Osorio and passed by unanimous roll call vote.

H. USER COMMITTEE GENERAL BUSINESS

MOTION: Chief Drum moved to approve both minutes. The motion was seconded by Chief Abell and passed by unanimous roll call vote.

1. Minutes from March 17, 2020, Special Meeting
APPROVE
2. Minutes from March 17, 2020, Regular Meeting
APPROVE

I. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lee provided updates on Communications Operator recruitment, the Manhattan Beach Water Tower rehabilitation project, the Phase Two Feasibility Study for Palos Verdes Estates, and National Public Safety Telecommunicators Week.

J. BOARD OF DIRECTORS, EXECUTIVE, AND USER COMMITTEES' COMMENTS

No comments.

K. BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE CLOSED SESSION AGENDA

At 2:44PM, the Board of Directors and Executive Committee entered into closed session to discuss the following items.

1. THREAT TO PUBLIC SERVICES OR FACILITIES
Pursuant to Government Code Section 54957(a)

The Board of Directors and Executive Committee will conduct a closed session with General Counsel on a matter posing a threat to the public's right of access to public services or public facilities related to COVID-19.

The meeting returned to open session at 3:08PM with no action taken during closed session.

L. ADJOURNMENT

The meeting adjourned at 3:12PM.

G-2



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: September 8, 2020

ITEM NUMBER: G-2

TO: Board of Directors

FROM: John Krok, Acting Executive Director *JK*
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: Revised Technical Services Division Workload Support Charges

ATTACHMENTS:

1. Amended Cost Allocation Policy
2. Tracked Changes Amended Cost Allocation Policy
3. Original Cost Allocation Policy

RECOMMENDATION

Staff recommends the Board of Directors adopt an amended Cost Allocation Policy reflecting a new methodology calculating Workload Support Charges to percentage of labor hours beginning in the FY2020/21.

BACKGROUND

In September 2019, the Board of Directors adopted a resolution amending the Bylaws to modify the method of assessment and approved a Cost Allocation Policy.

Based on the policy, Technical Services Division ("TSD") costs are divided into two major categories: Dedicated Support and Workload Support. Dedicated Support charges are derived by each agency's corresponding percentage of police and fire vehicles that are anticipated to be active in inventory (either in-service or pending commissioning/decommissioning) during the assessment year. Accounting and billing for Dedicated Support occurs as part of the annual assessment process.

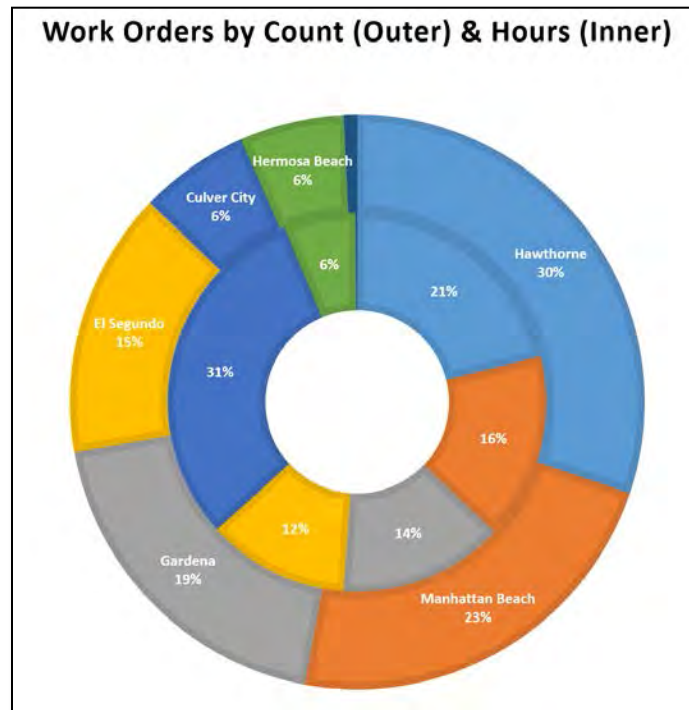
Workload Support Charges are currently derived by each agency's corresponding percentage of vehicle installation and repair work orders. Accounting and billing for Workload Support charges will occur on a quarterly basis. For FY2020/21, the first quarter billing will be made available in early October 2020.

DISCUSSION

As adopted, the Cost Allocation Policy calls for a possible change in the calculation of Workload Support charges from a three-year average of work orders to the actual

percentage of labor hours associated with vehicle installation and repair work orders beginning in FY 2021/22.

Staff began tracking work orders and corresponding labor hours in July 2019 and we have now acquired twelve months of data. The chart below displays percentages based on the number of work orders (outer circle) and labor hours (inner circle) associated with those work orders for the last twelve months. As a result we determined that the total amount of labor hours are a better indicator of TSD usage than the total amount of work orders. For example, the City of Hawthorne had 30% of the total number of work orders, however, the percentage drops to 21% if you look at the total number of labor hours associated with those work orders. Contrastingly, Culver City had 6% of the total number of work orders which resulted in 31% of total labor hours. A closer look at the data reveals that Culver City's higher number is due to the total number of labor hours required to fulfill the work orders which were full and partial vehicle installations.



The Authority believes that a switch to percentage of labor hours beginning in FY2020/21 will better reflect a city's use of TSD resources and thus, divide costs among users more accurately.

FISCAL IMPACT

Any labor hours performed for outside agencies will not be charged to the Member or Contract Cities and will generate revenue based on Resolution No. 325 (Schedule of Fees and Charges) that was adopted July 21, 2020.

G-2

Attachment 1

EXHIBIT “A”

Cost Allocation Policy

Section 1. Background. This Cost Allocation Policy is based on the Matrix Consulting Group’s *Report on the Cost of Services and Cost Allocation Study – August 2019* that was accepted by the Executive Committee on August 20, 2019.

Section 2. Updating of Policy. In accordance with the consultant’s recommendations, the assessment methodologies and corresponding cost allocation model that serve as the foundation of this Cost Allocation Policy should be updated every 5-7 years or when a new agency begins to receive, or an existing agency ceases to receive, services from the Authority.

Section 3. Total Fiscal Year Costs. As established by the Authority’s Budgetary Policy, staff shall develop a preliminary fiscal year operating and capital outlay budget for presentation to the Executive Committee in February of each year. This budget will include the total costs to operate the Authority for the fiscal year (“Total Fiscal Year Costs”). Based on this preliminary budget, staff shall separate the Total Fiscal Year Costs into the following three categories:

1. Administrative costs
2. Operations Department costs
3. Technical Services Division costs

Each agency shall be assessed its proportionate share of Operations Department and Technical Services Division costs, including commensurate allocations of indirect Administrative costs, as part of the fiscal year budget adopted by the Board of Directors in March of each year.

Section 4. Administrative Costs. The portion of the Total Fiscal Year Costs relating to the Authority’s Administration shall be determined to be its Administrative costs. Such costs shall include:

1. Personnel Costs: Administration Department salaries and benefits
2. Operating Costs: Administration Department supplies, equipment, and services
3. Fixed Assets: Annual depreciation costs associated with building and equipment
4. Capital Outlay: Any capital improvement program expenses
5. Reallocation of Technical Services Costs: Any Authority-wide costs budgeted in the Technical Services Division
6. Revenue Offsets: Reimbursement and investment earnings revenues

Section 4.A. Administrative Functions. Administrative costs shall be allocated to the following four functional areas:

Function	Allocation of Administrative Costs
Authority-wide support	14%
Financial support	10%
Personnel and support services support	54%
Operations support	22%
Total	100%

Section 4.B. Allocation of Administrative Costs. Administrative costs from the four functional areas shall be allocated between the Operations Department and the Technical Services Division in accordance with the following schedule:

Function	Operations Department	Technical Services Division	Total
Authority-wide support	81%	19%	100%
Financial support	50%	50%	100%
Personnel and support services support	92%	8%	100%
Operations support	100%	0%	100%

Section 5. Operations Department Costs. The portion of the Total Fiscal Year Costs relating to dispatching services shall be determined to be the Operations Department costs. Such costs shall include:

1. Personnel Costs: Operations Department salaries and benefits
2. Operating Costs: Operations Department supplies, equipment, and services
3. Revenue Offsets: Reimbursement revenues
4. Incoming Indirect Support: Administrative costs and support received from the Technical Services Division

Section 5.A. Operations Department Functions. As part of the annual budget development process, the Executive Director shall develop a staffing allocation plan that allocates Communications Operator staffing between the Operations Department's three functional areas of Call-Taking, Police Dispatch and Fire Dispatch. All Operations Department costs shall be allocated according to this staffing allocation plan.

Beginning in Fiscal Year 2020-2021 and until a modified staffing allocation plan is recommended by the Executive Director and approved by the Executive Committee, the staffing allocation plan and corollary allocation of Operations Department costs between the three functional areas is as follows:

Function	Position Allocations	Allocation of Operations Department Costs
Call-Taking	3.5	32%
Police Dispatch	6.0	55%
Fire Dispatch	1.5	13%
Total	11.0	100%

Section 5.B. Allocation of Operations Department Costs. The allocation of Operations Department costs between its three functional areas shall be in accordance with the following schedules:

Call-Taking	Percent of Call-Taking Allocation	Percent of Total Operations Department Costs
9-1-1 Calls	60%	19%
Non-Emergency Calls	40%	13%
Total	100%	32%

Call-Taking charges will be derived by each agency's corresponding percentage of 9-1-1 calls and non-emergency calls. In developing the Call-Taking allocations, a rolling three-year average of calls for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Police Dispatch	Percent of Police Dispatch Allocation	Percent of Total Operations Department Costs
Assigned Staff	70%	39%
CAD Incident Volume	30%	16%
Total	100%	55%

For Police Dispatch, Assigned Staff costs for each agency will be determined by the assessment year's staffing allocation plan. CAD Incident Volume charges will be derived by each agency's corresponding percentage of all police calls for service. In developing the CAD Incident Volume allocation, a rolling three-year average of calls for service for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Fire Dispatch	Percent of Fire Dispatch Allocation	Percent of Total Operations Department Costs
Assigned Staff	70%	9%
CAD Incident Volume	30%	4%
Total	100%	13%

For Fire Dispatch, Assigned Staff costs for each agency will be determined by the assessment year's staffing allocation plan. CAD Incident Volume charges will be derived by each agency's corresponding percentage of all fire calls for service. In developing the CAD Incident Volume allocation, a rolling three-year average of calls for service for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Section 6. Technical Services Division Costs. The portion of the Total Fiscal Year Costs relating to vehicle upfitting services shall be determined to be the Technical Services Division costs. Such costs shall include:

1. Personnel Costs: Technical Services Division salaries and benefits
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3. Excluded Costs: Certain line items relating to Authority-wide functions and support

4. Revenue Offsets: Reimbursement revenues
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Section 6.A. Technical Services Division Functions. The Technical Services Division costs shall be allocated to the following two functional areas:

Function	Allocation of Technical Services Division Costs
Dedicated Support	50%
Workload Support	50%
Total	100%

Section 6.B. Allocation of Technical Services Division Costs. The Technical Services Division's functional costs will be allocated in accordance with the following schedules:

Dedicated Support	Percent of Dedicated Support Allocation	Percent of Total Technical Services Division Costs
Number of Police & Fire Vehicles	100%	50%
Total	100%	50%

Dedicated Support charges will be derived by each agency's corresponding percentage of police and fire vehicles that are anticipated to be active in inventory (either in-service or pending commissioning/decommissioning) during the assessment year. All such vehicles shall be listed on each agency's "Active Vehicle Inventory List" and certified annually by its Chief of Police or Fire Chief. Accounting of and billing for Dedicated Support will occur as part of the annual assessment process.

Workload Support	Percent of Workload Support Allocation	Percent of Total Technical Services Division Costs
Number of Labor Hours	100%	50%
Total	100%	50%

Beginning in Fiscal Year 2020-2021, Workload Support charges will be derived by each agency's corresponding percentage of labor hours associated with vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.

Section 7. Cost Adjustment Surcharge for Contract Agencies. In addition to the assessments for Operations Department and Technical Services Division costs, each contract agency shall be required to pay any cost adjustment surcharge as established by a resolution of the Executive Committee. This cost adjustment surcharge can be assessed in order to fund future costs related to unfunded liabilities associated with the California Public Employees' Retirement System ("CalPERS"), Other Post-Employment Benefits ("OPEB") and/or long-term capital improvement needs, which are not currently accounted for in annual budgets. The aforementioned resolution shall specify the source(s) of costs for the surcharge, provide for surcharge funds to accumulate in a separate restricted fund, and designate parameters and conditions under which surcharge funds may be expended.

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G-2

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Dedicated Support	Percent of Dedicated Support Allocation	Percent of Total Technical Services Division Costs
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Total	100%	50%

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Workload Support	Percent of Workload Support Allocation	Percent of Total Technical Services Division Costs
Number of Labor Hours <u>Work Orders</u>	100%	50%
Total	100%	50%

~~Beginning in~~ For Fiscal Year 2020-2021, Workload Support charges will be derived by each agency's corresponding percentage of labor hours associated with vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.

~~Beginning in Fiscal Year 2021-2022, the Authority anticipates changing the calculation of Workload Support charges from a three-year average of work orders to the actual percentage of labor hours associated with vehicle installation and repair work orders. The Executive Director shall present recommendations on implementing this anticipated change to the Executive Committee by September 30, 2020.~~

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associated with the California Public Employees' Retirement System ("CalPERS"), Other Post-Employment Benefits ("OPEB") and/or long-term capital improvement needs, which are not currently accounted for in annual budgets. The aforementioned resolution shall specify the source(s) of costs for the surcharge, provide for surcharge funds to accumulate in a separate restricted fund, and designate parameters and conditions under which surcharge funds may be expended.

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G-2

Attachment 3

Cost Allocation Policy

Section 1. Background. This Cost Allocation Policy is based on the Matrix Consulting Group's *Report on the Cost of Services and Cost Allocation Study – August 2019* that was accepted by the Executive Committee on August 20, 2019.

Section 2. Updating of Policy. In accordance with the consultant's recommendations, the assessment methodologies and corresponding cost allocation model that serve as the foundation of this Cost Allocation Policy should be updated every 5-7 years or when a new agency begins to receive, or an existing agency ceases to receive, services from the Authority.

Section 3. Total Fiscal Year Costs. As established by the Authority's Budgetary Policy, staff shall develop a preliminary fiscal year operating and capital outlay budget for presentation to the Executive Committee in February of each year. This budget will include the total costs to operate the Authority for the fiscal year ("Total Fiscal Year Costs"). Based on this preliminary budget, staff shall separate the Total Fiscal Year Costs into the following three categories:

1. Administrative costs
2. Operations Department costs
3. Technical Services Division costs

Each agency shall be assessed its proportionate share of Operations Department and Technical Services Division costs, including commensurate allocations of indirect Administrative costs, as part of the fiscal year budget adopted by the Board of Directors in March of each year.

Section 4. Administrative Costs. The portion of the Total Fiscal Year Costs relating to the Authority's Administration shall be determined to be its Administrative costs. Such costs shall include:

1. Personnel Costs: Administration Department salaries and benefits
2. Operating Costs: Administration Department supplies, equipment, and services
3. Fixed Assets: Annual depreciation costs associated with building and equipment
4. Capital Outlay: Any capital improvement program expenses
5. Reallocation of Technical Services Costs: Any Authority-wide costs budgeted in the Technical Services Division
6. Revenue Offsets: Reimbursement and investment earnings revenues

Section 4.A. Administrative Functions. Administrative costs shall be allocated to the following four functional areas:

Function	Allocation of Administrative Costs
Authority-wide support	14%
Financial support	10%
Personnel and support services support	54%
Operations support	22%
Total	100%

Section 4.B. Allocation of Administrative Costs. Administrative costs from the four functional areas shall be allocated between the Operations Department and the Technical Services Division in accordance with the following schedule:

Function	Operations Department	Technical Services Division	Total
Authority-wide support	81%	19%	100%
Financial support	50%	50%	100%
Personnel and support services support	92%	8%	100%
Operations support	100%	0%	100%

Section 5. Operations Department Costs. The portion of the Total Fiscal Year Costs relating to dispatching services shall be determined to be the Operations Department costs. Such costs shall include:

1. Personnel Costs: Operations Department salaries and benefits
2. Operating Costs: Operations Department supplies, equipment, and services
3. Revenue Offsets: Reimbursement revenues
4. Incoming Indirect Support: Administrative costs and support received from the Technical Services Division

Section 5.A. Operations Department Functions. As part of the annual budget development process, the Executive Director shall develop a staffing allocation plan that allocates Communications Operator staffing between the Operations Department's three functional areas of Call-Taking, Police Dispatch and Fire Dispatch. All Operations Department costs shall be allocated according to this staffing allocation plan.

Beginning in Fiscal Year 2020-2021 and until a modified staffing allocation plan is recommended by the Executive Director and approved by the Executive Committee, the staffing allocation plan and corollary allocation of Operations Department costs between the three functional areas is as follows:

Function	Position Allocations	Allocation of Operations Department Costs
Call-Taking	3.5	32%
Police Dispatch	6.0	55%
Fire Dispatch	1.5	13%
Total	11.0	100%

Section 5.B. Allocation of Operations Department Costs. The allocation of Operations Department costs between its three functional areas shall be in accordance with the following schedules:

Call-Taking	Percent of Call-Taking Allocation	Percent of Total Operations Department Costs
9-1-1 Calls	60%	19%
Non-Emergency Calls	40%	13%
Total	100%	32%

Call-Taking charges will be derived by each agency's corresponding percentage of 9-1-1 calls and non-emergency calls. In developing the Call-Taking allocations, a rolling three-year average of calls for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Police Dispatch	Percent of Police Dispatch Allocation	Percent of Total Operations Department Costs
Assigned Staff	70%	39%
CAD Incident Volume	30%	16%
Total	100%	55%

For Police Dispatch, Assigned Staff costs for each agency will be determined by the assessment year's staffing allocation plan. CAD Incident Volume charges will be derived by each agency's corresponding percentage of all police calls for service. In developing the CAD Incident Volume allocation, a rolling three-year average of calls for service for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Fire Dispatch	Percent of Fire Dispatch Allocation	Percent of Total Operations Department Costs
Assigned Staff	70%	9%
CAD Incident Volume	30%	4%
Total	100%	13%

For Fire Dispatch, Assigned Staff costs for each agency will be determined by the assessment year's staffing allocation plan. CAD Incident Volume charges will be derived by each agency's corresponding percentage of all fire calls for service. In developing the CAD Incident Volume allocation, a rolling three-year average of calls for service for each agency, as of December 31, shall be used, except in cases where three years of reliable data is not available. In such cases, a two-year average, one year of actual data, or an annual projection may be used.

Section 6. Technical Services Division Costs. The portion of the Total Fiscal Year Costs relating to vehicle upfitting services shall be determined to be the Technical Services Division costs. Such costs shall include:

1. Personnel Costs: Technical Services Division salaries and benefits
2. Operating Costs: Technical Services Division supplies, equipment, and services
3. Excluded Costs: Certain line items relating to Authority-wide functions and support
4. Revenue Offsets: Reimbursement revenues
5. Incoming Indirect Support: Administrative costs

Section 6.A. Technical Services Division Functions. The Technical Services Division costs shall be allocated to the following two functional areas:

Function	Allocation of Technical Services Division Costs
Dedicated Support	50%
Workload Support	50%
Total	100%

Section 6.B. Allocation of Technical Services Division Costs. The Technical Services Division's functional costs will be allocated in accordance with the following schedules:

Dedicated Support	Percent of Dedicated Support Allocation	Percent of Total Technical Services Division Costs
Number of Police & Fire Vehicles	100%	50%
Total	100%	50%

Dedicated Support charges will be derived by each agency's corresponding percentage of police and fire vehicles that are anticipated to be active in inventory (either in-service or pending commissioning/decommissioning) during the assessment year. All such vehicles shall be listed on each agency's "Active Vehicle Inventory List" and certified annually by its Chief of Police or Fire Chief. Accounting of and billing for Dedicated Support will occur as part of the annual assessment process.

Workload Support	Percent of Workload Support Allocation	Percent of Total Technical Services Division Costs
Number of Work Orders	100%	50%
Total	100%	50%

For Fiscal Year 2020-2021, Workload Support charges will be derived by each agency's corresponding percentage of vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.

Beginning in Fiscal Year 2021-2022, the Authority anticipates changing the calculation of Workload Support charges from a three-year average of work orders to the actual percentage of labor hours associated with vehicle installation and repair work orders. The Executive Director shall present recommendations on implementing this anticipated change to the Executive Committee by September 30, 2020.

Section 7. Cost Adjustment Surcharge for Contract Agencies. In addition to the assessments for Operations Department and Technical Services Division costs, each contract agency shall be required to pay any cost adjustment surcharge as established by a resolution of the Executive Committee. This cost adjustment surcharge can be assessed in order to fund future costs related to unfunded liabilities associated with the California Public Employees' Retirement System ("CalPERS"), Other Post-Employment Benefits ("OPEB") and/or long-term capital improvement needs, which are not currently accounted for in annual budgets. The aforementioned resolution shall specify the source(s) of costs for the surcharge,

provide for surcharge funds to accumulate in a separate restricted fund, and designate parameters and conditions under which surcharge funds may be expended.

Section 8. Policy Exceptions. This policy shall be not be applicable to any contract agency that has entered into an agreement with the Authority which authorizes a specific assessment amount that is less than this policy would otherwise require.

G-3



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: September 8, 2020

ITEM NUMBER: G-3

TO: Board of Directors

FROM: John Krok, Acting Executive Director *JK*
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: Fiscal Year 2019/20 Budget Surplus

ATTACHMENTS: 1. FY19/20 Revenue Status Report – Preliminary
2. FY19/20 Expenditure Status Report – Preliminary

RECOMMENDATION

Staff recommends the Board of Directors approve the use of FY19/20 surplus funds in the amount of \$1,345,450.18 to offset FY20/21 assessments for member cities.

BACKGROUND

During the June 2020 Executive Committee meeting, the Member Cities requested use of FY19/20 surplus funds to offset FY20/21 assessments in light of the recent economic downturn and a projected budget surplus in excess of \$1 million for FY19/20.

During the August 2020 Executive Committee meeting, the Member Cities agreed to move forward with utilizing \$1.3 million to offset FY20/21 assessments pending approval from the Board of Directors.

DISCUSSION

The operating budget surplus for FY19/20 is \$1,359,422. The following table illustrates Member Cities' share of the FY19/20 budget surplus:

FY19-20 Summary	Year End Projected	Year End Projected (Revised)
Revenues	\$ 13,242,267	\$ 13,429,110
Expenditures	12,667,461	12,069,688
Revenues Over (Under) Expenditures	\$ 574,806	\$ 1,359,422
Gardena - 32.08%	\$ 184,398	\$ 436,103
Hawthorne - 45.07%	259,065	612,691
Manhattan Beach - 22.85%	131,343	310,628
	\$ 574,806	\$ 1,359,422

The fiscal year 2019/20 remains open until the Authority's auditors conclude their review and additional transactions may be recorded if necessary. For this reason, staff recommends using \$1,300,000 as the final figure for revenues over expenditures for offset of FY20/21 assessments.

The use of \$1.3 million of FY19/20 budget surplus funds to reduce FY20/21 assessments will be credited to the Member Cities as follows:

City of Gardena	\$417,040
City of Hawthorne	\$585,910
City of Manhattan Beach	\$297,050

Additionally, the City of Manhattan Beach maintains an existing fund balance with the Authority in the amount of \$45,450.18 for equipment expenditures related to grant reimbursements for the Punta Place Radio Site project. Manhattan Beach has requested to use this fund balance to further offset its FY20/21 assessment, which revises the total credit for the city as indicated below.

City of Manhattan Beach	\$342,500.18
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The surplus funds will be applied as a credit to the remaining quarterly billings in accordance with the assessment schedule.

FISCAL IMPACT

Based on the FY20/21 Adopted Budget, projected cash available on June 30, 2021 is \$5,767,654. Upon approval from the Board of Directors to apply FY2019/20 budget surplus funds to reduce FY2020/21 assessments, the Enterprise Fund balance would decrease by \$1,345,450.18. The Authority would continue to maintain a fund balance in excess of the required 10% operating reserve as required by the budgetary policy.

G-3

Attachment 1

Revenue Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
10-50 Administration					
10-50-111 Administration					
10-50-111-4110 Gardena	2,391,301.00	2,391,301.00	2,391,301.00	0.00	100.00
10-50-111-4120 Hawthorne	3,359,598.00	3,359,598.00	3,359,598.00	0.00	100.00
10-50-111-4130 Manhattan Beach	1,703,280.00	1,703,280.00	1,703,280.00	0.00	100.00
10-50-111-4140 Hermosa Beach	975,208.00	975,208.40	975,208.40	-0.40	100.00
10-50-111-4145 El Segundo	1,372,870.00	1,372,870.49	1,372,870.49	-0.49	100.00
10-50-111-4146 Culver City Assessment	2,587,601.00	2,587,600.68	2,587,600.68	0.32	100.00
10-50-111-4150 El Camino Community College	790.00	652.90	652.90	137.10	82.65
10-50-111-4153 Medical Director Service/Manhattan Beach	27,000.00	30,250.00	30,250.00	-3,250.00	112.04
10-50-111-4154 Medical Director Services/El Segundo	27,000.00	27,708.33	27,708.33	-708.33	102.62
10-50-111-4210 Investment Earnings (LAIF)	50,000.00	72,498.05	72,498.05	-22,498.05	145.00
10-50-111-4220 POST Reimbursements	600.00	3,494.76	3,494.76	-2,894.76	582.46
10-50-111-4240 911 Reimbursements	0.00	3,000.00	3,000.00	-3,000.00	0.00
10-50-111-4255 Unrealized Gain/Loss on Investments	0.00	-5,481.80	-5,481.80	5,481.80	0.00
10-50-111-4430 Other Miscellaneous Revenue	2,500.00	68,954.72	68,954.72	-66,454.72	2758.19
Total Administration	12,497,748.00	12,590,935.53	12,590,935.53	-93,187.53	100.75
10-60 Operations					
10-60-211 Communications Center					
10-60-211-4215 DUI Reimbursement-Overtime	2,000.00	543.72	543.72	1,456.28	27.19
10-60-211-4435 Reimbursements Sprint Wireless	77,289.00	53,602.40	53,602.40	23,686.60	69.35

Revenue Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
10-60-211-4440 Reimbursements/Verizon Wireless	15,229.00	42,805.32	42,805.32	-27,576.32	281.08
10-60-211-4460 Pink Patch Project	0.00	250.00	250.00	-250.00	0.00
Total Operations	94,518.00	97,201.44	97,201.44	-2,683.44	102.84
10-70 Technical Services					
10-70-311 Technical Services					
10-70-311-4310 Labor-Installation-Member	0.00	125.00	125.00	-125.00	0.00
10-70-311-4340 Labor-Repairs-Non Member	0.00	435.68	435.68	-435.68	0.00
10-70-311-4360 Reimbursements for Billable Parts	600,000.00	687,720.38	687,720.38	-87,720.38	114.62
10-70-311-4370 Reimbursements for GST Software	50,000.00	52,692.00	52,692.00	-2,692.00	105.38
Total Technical Services	650,000.00	740,973.06	740,973.06	-90,973.06	114.00
Total SBRPCA Enterprise Fund	13,242,266.00	13,429,110.03	13,429,110.03	-186,844.03	101.41

Revenue Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

20 Grant Fund

<u>Account Number</u>	<u>Adjusted Estimate</u>	<u>Revenues</u>	<u>Year-to-date Revenues</u>	<u>Balance</u>	<u>Prct Rcvd</u>
20-80 Capital Infrastructure Projects					
20-80-433 Consulting/Vector Resources					
Total Grant Fund	0.00	0.00	0.00	0.00	0.00
 Grand Total	 13,242,266.00	 13,429,110.03	 13,429,110.03	 -186,844.03	 101.41

G-3

Attachment 2

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
50 Administration						
50-100 Administration						
50-100-5000 Expenditures						
50-111-5101 Salaries (Full-Time)	754,504.00	792,872.26	792,872.26	0.00	-38,368.26	105.09
50-111-5104 Acting Pay	0.00	1,341.05	1,341.05	0.00	-1,341.05	0.00
50-111-5107 Merit Pay	2,150.00	2,150.00	2,150.00	0.00	0.00	100.00
50-111-5108 Sick Leave Payoff	21,501.00	30,492.26	30,492.26	0.00	-8,991.26	141.82
50-111-5109 Vacation Leave Payoff	35,095.00	60,533.54	60,533.54	0.00	-25,438.54	172.48
50-111-5112 Other Pay	7,200.00	6,300.00	6,300.00	0.00	900.00	87.50
50-111-5201 Medical Insurance	93,161.00	57,807.93	57,807.93	0.00	35,353.07	62.05
50-111-5202 Dental Insurance	6,968.00	7,156.53	7,156.53	0.00	-188.53	102.71
50-111-5203 Vision Insurance	2,256.00	1,800.98	1,800.98	0.00	455.02	79.83
50-111-5204 Life Insurance	832.00	748.00	748.00	0.00	84.00	89.90
50-111-5205 Medicare	13,727.00	13,092.87	13,092.87	0.00	634.13	95.38
50-111-5207 Workers' Compensation	12,533.00	9,750.04	9,750.04	0.00	2,782.96	77.79
50-111-5208 PERS Contributions	119,629.00	79,562.90	79,562.90	0.00	40,066.10	66.51
50-111-5209 Retirees' Medical Insurance	15,524.00	4,986.00	4,986.00	0.00	10,538.00	32.12
50-111-5212 Deferred Comp Matching Benefit	27,500.00	33,908.26	33,908.26	0.00	-6,408.26	123.30
50-111-5219 PERS Contributions-UAL	0.00	33,569.32	33,569.32	0.00	-33,569.32	0.00
50-111-5301 Communications Contract Services	49,000.00	35,580.23	35,580.23	0.00	13,419.77	72.61
50-111-5302 Computer Contract Services/CAD-Tiburon	55,000.00	55,000.00	55,000.00	0.00	0.00	100.00
50-111-5304 Accounting/Auditing Services	20,000.00	20,850.00	20,850.00	0.00	-850.00	104.25
50-111-5305 Legal Services	207,121.20	170,977.81	170,977.81	0.00	36,143.39	82.55
50-111-5306 Recruitment Costs	78,610.00	69,085.69	69,085.69	0.00	9,524.31	87.88
50-111-5307 Software Maintenance Services	69,762.00	56,678.57	56,678.57	0.00	13,083.43	81.25
50-111-5308 Banking Services (Fees)	6,000.00	5,335.54	5,335.54	0.00	664.46	88.93
50-111-5309 Online/Website Maintenance Services	5,000.00	2,075.48	2,075.48	0.00	2,924.52	41.51
50-111-5312 Medical Director Services/Paramedics	54,000.00	57,958.30	57,958.30	0.00	-3,958.30	107.33
50-111-5313 Temporary Staffing Services	55,100.00	54,048.75	54,048.75	0.00	1,051.25	98.09
50-111-5401 Memberships & Dues	390.00	779.20	779.20	0.00	-389.20	199.79

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
50-111-5402 Publications	350.00	783.78	783.78	0.00	-433.78	223.94
50-111-5403 Conferences, Meetings & Travel	13,680.00	10,058.19	10,058.19	0.00	3,621.81	73.52
50-111-5404 Employee Services/EC-BOD	21,500.00	2,976.84	2,976.84	0.00	18,523.16	13.85
50-111-5407 Tuition Reimbursement	2,000.00	0.00	0.00	0.00	2,000.00	0.00
50-111-5501 Office Supplies	41,300.00	15,323.93	15,323.93	0.00	25,976.07	37.10
50-111-5502 Miscellaneous Supplies	44,100.00	19,327.86	19,327.86	0.00	24,772.14	43.83
50-111-5504 Vending Machine Supplies	0.00	239.84	239.84	0.00	-239.84	0.00
50-111-5507 Postage & Shipping	1,600.00	610.27	610.27	0.00	989.73	38.14
50-111-5509 Reproduction	1,500.00	25.00	25.00	0.00	1,475.00	1.67
50-111-5511 Office Equipment Lease	15,750.00	14,606.00	14,606.00	0.00	1,144.00	92.74
50-111-5513 General Liability Insurance Premium	180,826.00	159,707.12	159,707.12	0.00	21,118.88	88.32
50-111-5517 Vehicle Operations	2,000.00	50.00	50.00	0.00	1,950.00	2.50
50-111-5601 Telephone - Administration	16,200.00	13,450.48	13,450.48	0.00	2,749.52	83.03
50-111-5701 Maintenance - HQ	234,400.00	164,381.26	164,381.26	0.00	70,018.74	70.13
50-111-5703 Electricity - HQ	106,700.00	109,007.60	109,007.60	0.00	-2,307.60	102.16
50-111-5704 Electricity - Grandview	2,200.00	1,651.88	1,651.88	0.00	548.12	75.09
50-111-5705 Electricity - Punta Place	6,600.00	8,525.72	8,525.72	0.00	-1,925.72	129.18
50-111-5706 Gas - HQ	11,000.00	9,458.78	9,458.78	0.00	1,541.22	85.99
50-111-5707 Water - HQ	3,850.00	3,722.41	3,722.41	0.00	127.59	96.69
50-111-5715 Electricity-MB Water Tower	2,750.00	5,625.46	5,625.46	0.00	-2,875.46	204.56
50-111-5810 Office Equipment	0.00	132.28	132.28	0.00	-132.28	0.00
50-111-5820 Other Equipment	5,000.00	471.95	471.95	0.00	4,528.05	9.44
Total Administration	2,425,869.20	2,204,578.16	2,204,578.16	0.00	221,291.04	90.88
60 Operations						
60-200 Operations						
60-200-5000 Expenditures						
60-211-5101 Salaries (Full-Time)	5,311,530.00	4,399,304.07	4,399,304.07	0.00	912,225.93	82.83
60-211-5102 Salaries (Part-Time)	0.00	112,833.39	112,833.39	0.00	-112,833.39	0.00
60-211-5103 Overtime	385,000.00	926,435.95	926,435.95	0.00	-541,435.95	240.63
60-211-5104 Acting Pay	10,000.00	12,514.19	12,514.19	0.00	-2,514.19	125.14
60-211-5105 Bilingual Pay	8,400.00	6,629.00	6,629.00	0.00	1,771.00	78.92

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
60-211-5107 Merit Pay	0.00	63,000.00	63,000.00	0.00	-63,000.00	0.00
60-211-5108 Sick Leave Payoff	81,313.00	80,848.02	80,848.02	0.00	464.98	99.43
60-211-5109 Vacation Leave Payoff	54,217.00	59,556.64	59,556.64	0.00	-5,339.64	109.85
60-211-5110 Training Pay	15,000.00	14,285.39	14,285.39	0.00	714.61	95.24
60-211-5114 Holiday Payoff	100,000.00	132,889.72	132,889.72	0.00	-32,889.72	132.89
60-211-5115 Education Incentive Pay	101,406.00	104,682.23	104,682.23	0.00	-3,276.23	103.23
60-211-5116 Overtime - Ridealongs with Member Cities	10,000.00	0.00	0.00	0.00	10,000.00	0.00
60-211-5201 Medical Insurance	637,435.00	482,792.48	482,792.48	0.00	154,642.52	75.74
60-211-5202 Dental Insurance	47,968.00	35,968.74	35,968.74	0.00	11,999.26	74.98
60-211-5203 Vision Insurance	18,699.00	14,475.23	14,475.23	0.00	4,223.77	77.41
60-211-5204 Life Insurance	8,455.00	6,842.00	6,842.00	0.00	1,613.00	80.92
60-211-5205 Medicare	84,939.00	85,206.09	85,206.09	0.00	-267.09	100.31
60-211-5206 Unemployment Insurance	6,713.00	12,766.00	12,766.00	0.00	-6,053.00	190.17
60-211-5207 Workers' Compensation	58,372.00	45,409.69	45,409.69	0.00	12,962.31	77.79
60-211-5208 PERS Contributions	922,296.00	529,525.28	529,525.28	0.00	392,770.72	57.41
60-211-5209 Retirees' Medical Insurance	62,800.00	37,546.33	37,546.33	0.00	25,253.67	59.79
60-211-5211 Social Security	890.00	0.00	0.00	0.00	890.00	0.00
60-211-5219 PERS Contributions-UAL	0.00	355,234.46	355,234.46	0.00	-355,234.46	0.00
60-211-5401 Memberships & Dues	2,830.00	700.00	700.00	0.00	2,130.00	24.73
60-211-5402 Publications	1,710.00	0.00	0.00	0.00	1,710.00	0.00
60-211-5403 Conferences, Meetings & Travel	24,155.00	11,077.26	11,077.26	0.00	13,077.74	45.86
60-211-5404 Employee Services/EC-BOD	2,500.00	1,488.26	1,488.26	0.00	1,011.74	59.53
60-211-5405 Employee Awards	500.00	0.00	0.00	0.00	500.00	0.00
60-211-5406 POST Training	23,815.00	1,743.92	1,743.92	0.00	22,071.08	7.32
60-211-5407 Tuition Reimbursement	18,000.00	251.00	251.00	0.00	17,749.00	1.39
60-211-5506 Uniforms/Safety Equipment	3,500.00	3,426.76	3,426.76	0.00	73.24	97.91
60-211-5509 Reproduction	500.00	0.00	0.00	0.00	500.00	0.00
60-211-5603 Telephone - El Segundo	3,000.00	2,471.93	2,471.93	0.00	528.07	82.40
60-211-5604 Telephone - Gardena	5,000.00	2,534.98	2,534.98	0.00	2,465.02	50.70
60-211-5606 Telephone - Hawthorne	6,000.00	7,646.52	7,646.52	0.00	-1,646.52	127.44
60-211-5607 Telephone - Hermosa Beach	25,000.00	33,158.02	33,158.02	0.00	-8,158.02	132.63
60-211-5608 Telephone - Manhattan Beach	8,000.00	4,743.60	4,743.60	0.00	3,256.40	59.30
60-211-5611 Telephone - Punta Place	5,500.00	3,502.21	3,502.21	0.00	1,997.79	63.68
60-211-5612 Telephone - RCC	12,000.00	10,651.50	10,651.50	0.00	1,348.50	88.76

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
60-211-5613 Sprint Wireless Reimbursable	77,289.00	51,566.93	51,566.93	0.00	25,722.07	66.72
60-211-5614 Verizon Wireless Reimbursable	15,229.00	47,263.82	47,263.82	0.00	-32,034.82	310.35
60-211-5615 Telephone - Culver City	5,500.00	14,480.48	14,480.48	0.00	-8,980.48	263.28
60-211-5810 Office Equipment	0.00	5,513.26	5,513.26	0.00	-5,513.26	0.00
60-211-5830 Furniture & Fixtures	0.00	796.01	796.01	0.00	-796.01	0.00
Total Operations	8,165,461.00	7,721,761.36	7,721,761.36	0.00	443,699.64	94.57
70 Technical Services						
70-300 Technical Services						
70-300-5000 Expenditures						
70-311-5101 Salaries (Full-Time)	485,506.00	467,929.90	467,929.90	0.00	17,576.10	96.38
70-311-5103 Overtime	5,000.00	3,705.53	3,705.53	0.00	1,294.47	74.11
70-311-5107 Merit Pay	1,500.00	8,844.50	8,844.50	0.00	-7,344.50	589.63
70-311-5108 Sick Leave Payoff	17,780.00	13,035.55	13,035.55	0.00	4,744.45	73.32
70-311-5109 Vacation Leave Payoff	14,386.00	10,086.24	10,086.24	0.00	4,299.76	70.11
70-311-5201 Medical Insurance	47,863.00	46,726.24	46,726.24	0.00	1,136.76	97.62
70-311-5202 Dental Insurance	2,940.00	2,800.44	2,800.44	0.00	139.56	95.25
70-311-5203 Vision Insurance	1,406.00	1,339.08	1,339.08	0.00	66.92	95.24
70-311-5204 Life Insurance	693.00	660.00	660.00	0.00	33.00	95.24
70-311-5205 Medicare	7,267.00	7,395.11	7,395.11	0.00	-128.11	101.76
70-311-5207 Workers' Compensation	83,933.00	65,294.27	65,294.27	0.00	18,638.73	77.79
70-311-5208 PERS Contributions	82,721.00	53,426.29	53,426.29	0.00	29,294.71	64.59
70-311-5209 Retirees' Medical Insurance	32,775.00	19,612.97	19,612.97	0.00	13,162.03	59.84
70-311-5219 PERS Contributions-UAL	0.00	32,318.22	32,318.22	0.00	-32,318.22	0.00
70-311-5302 Computer Contract Services/CAD-Tiburon	145,000.00	145,000.00	145,000.00	0.00	0.00	100.00
70-311-5311 GST Software Reimbursable	52,692.00	52,692.00	52,692.00	0.00	0.00	100.00
70-311-5403 Conferences, Meetings & Travel	2,650.00	0.00	0.00	0.00	2,650.00	0.00
70-311-5503 General Technical Supplies	7,500.00	4,743.50	4,743.50	0.00	2,756.50	63.25
70-311-5506 Uniforms/Safety Equipment	3,500.00	1,046.86	1,046.86	0.00	2,453.14	29.91
70-311-5508 Postage	1,200.00	168.91	168.91	0.00	1,031.09	14.08
70-311-5514 Parts - Billing	717,308.00	750,656.61	750,656.61	0.00	-33,348.61	104.65
70-311-5516 Install Wire, Loom & Hardware	38,800.00	0.00	0.00	0.00	38,800.00	0.00

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

10 SBRPCA Enterprise Fund

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Year-to-date Encumbrances</i>	<i>Balance</i>	<i>Prct Used</i>
70-311-5517 Vehicle Operations	4,500.00	3,309.98	3,309.98	0.00	1,190.02	73.56
70-311-5520 Equipment Repair	5,000.00	0.00	0.00	0.00	5,000.00	0.00
70-311-5521 Outside Technical Serv-Towers & Equip	415,000.00	324,760.75	324,760.75	0.00	90,239.25	78.26
70-311-5810 Office Equipment	8,260.25	8,260.25	8,260.25	0.00	0.00	100.00
70-311-5820 Other Equipment	0.00	137.75	137.75	0.00	-137.75	0.00
Total Technical Services	2,185,180.25	2,023,950.95	2,023,950.95	0.00	161,229.30	92.62
80 Capital Infrastructure Projects						
80-400 CIP						
80-400-5000 Expenditures						
80-454-5901 CIP Expenditures-IT Infrastructure/Equip	122,500.00	119,397.72	119,397.72	0.00	3,102.28	97.47
Total Expenditures	122,500.00	119,397.72	119,397.72	0.00	3,102.28	97.47
Total CIP	122,500.00	119,397.72	119,397.72	0.00	3,102.28	97.47
Total Capital Infrastructure Projects	122,500.00	119,397.72	119,397.72	0.00	3,102.28	97.47
Total SBRPCA Enterprise Fund	12,899,010.45	12,069,688.19	12,069,688.19	0.00	829,322.26	93.57

Expenditure Status Report

South Bay Regional PCA
7/1/2019 through 6/30/2020

20 Grant Fund

<u>Account Number</u>	<u>Adjusted Appropriation</u>	<u>Expenditures</u>	<u>Year-to-date Expenditures</u>	<u>Year-to-date Encumbrances</u>	<u>Balance</u>	<u>Prct Used</u>
80 Capital Infrastructure Projects						
80-400 CIP						
80-400-5000 Expenditures						
Total Grant Fund	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total	12,899,010.45	12,069,688.19	12,069,688.19	0.00	829,322.26	93.57

G-4



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: September 8, 2020

ITEM NUMBER: G-4

TO: Board of Directors

FROM: John Krok, Acting Executive Director *JK*
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: Fiscal Year 2020/21 Proposed Budget Amendment and Revised Assessments for Member Cities

ATTACHMENTS: 1. FY20/21 Proposed Budget Amendment
2. FY20/21 Revised Assessment Schedule

RECOMMENDATION

Staff recommends the Board of Directors approve the FY20/21 Proposed Budget Amendment and Revised Assessments for Member Cities and the City of Hermosa Beach.

BACKGROUND

During the May 2020 Executive Committee meeting, staff was directed to revisit the Fiscal Year 2020/21 Adopted Budget to reduce or eliminate operating expenses where possible, in light of the recent economic downturn related to the global COVID-19 pandemic. The current adopted budget is \$12,938,443 as summarized below.

Budget Category	FY20-21	
	Adopted Budget	
Salaries & Benefits	\$	10,170,486
Supplies/Services/Equip		2,517,957
Capital Outlay		250,000
Grand Total	\$	12,938,443

DISCUSSION

Upon careful review, staff was able to reduce or eliminate various expenses totaling \$536,650 in the FY20/21 Adopted Budget. The Proposed Budget Amendment also includes revisions to budget line items such as insurance premiums, for which the Authority saved approximately \$18,000 for early binding as authorized during the May 2020 Executive Committee Meeting. The following table summarizes proposed reductions in the budget.

Description	Budget Category	Amount
Elimination of 8th Communications Supervisor	Salaries & Benefits	121,268
Elimination of 55th Communications Operator	Salaries & Benefits	96,618
Executive Director Salary Savings	Salaries & Benefits	66,403
Other Salaries and Benefits	Salaries & Benefits	63,212
Elimination of Intern Program	Salaries & Benefits	40,000
Reduction of Recruitment Costs	Supplies/Services/Equip	34,000
Reduction of Legal Services	Supplies/Services/Equip	20,000
General Liability Insurance and Workers' Compensation Savings for early binding	Supplies/Services/Equip	18,178
Elimination of Hiperwall Maintenance	Supplies/Services/Equip	15,000
Reduction of PSTC Seminars and Golden West	Supplies/Services/Equip	11,908
Postponement of Conference Room Upgrades	Supplies/Services/Equip	10,000
Reduction of Consulting Services	Supplies/Services/Equip	10,000
Reduction in Communications Contract Services	Supplies/Services/Equip	6,000
Reduction in Conferences	Supplies/Services/Equip	5,910
Reduction in Employee Services	Supplies/Services/Equip	5,000
Elimination of Leadership Retreat	Supplies/Services/Equip	5,000
Elimination of Civilian Management Seminars	Supplies/Services/Equip	2,563
Elimination of Floor Mat Cleaning	Supplies/Services/Equip	2,500
Elimination of LEFTA Software	Supplies/Services/Equip	1,500
Elimination of CA Penal Code Annual Book	Supplies/Services/Equip	1,050
Reduction in APCO membership	Supplies/Services/Equip	540
Totals		\$ 536,650

Additionally, during the May 2020 Executive Committee meeting the City of Manhattan Beach requested to share police dispatch services with the City of Hermosa Beach, and with consensus from the remaining Member Cities, staff renegotiated the City of Hermosa Beach contract based on the Cost Allocation Policy. As a result, the sharing of police dispatch services eliminated an additional 4 Communications Operator positions for a further budget reduction of \$383,198, bringing the total proposed budget reduction to \$919,848.

This budget reduction translates to a savings of \$534,914 in member cities' assessments and a reduction of \$389,534 for the City of Hermosa Beach for FY20/21 as follows:

Account Number & Title	FY 2020/21 Adopted	FY 2020/21 Revised	Decrease
Enterprise Fund (Fund 10)			
10-50-111-4110 Gardena	\$ 2,174,993	\$ 2,083,118	\$ (91,875)
10-50-111-4120 Hawthorne	2,664,597	2,552,293	(112,304)
10-50-111-4130 Manhattan Beach	1,718,710	1,387,975	(330,735)
Member City Subtotal	\$ 6,558,300	\$ 6,023,386	\$ (534,914)
10-50-111-4140 Hermosa Beach	1,132,062	742,528	(389,534)
10-50-111-4145 El Segundo	1,493,738	1,493,738	-
10-50-111-4146 Culver City	2,665,229	2,665,229	-
Contract City Subtotal	\$ 5,291,029	\$ 4,901,495	\$ (389,534)
Subtotal Assessments	\$ 11,849,329	\$ 10,924,881	\$ (924,448)

The revised assessments include a one-time credit for the cities of Gardena and Hawthorne of \$33,110 and \$34,972, respectively, as a result of an increase to their assessments from shared dispatching between the City of Manhattan Beach and the City of Hermosa Beach. The increase results from a re-allocation of fixed costs over a smaller base.

As with the current adopted assessments, the revised assessments above do not include Technical Services Division Workload Support charges. In accordance with the Cost Allocation Policy adopted by the Board of Directors, an additional \$550,605 in costs related to vehicle upfitting services provided by the Technical Services Division will be billed back to the Member Cities and the cities of El Segundo and Hermosa Beach throughout the year. For Fiscal Year 2020/2021, Workload Support charges will be derived by each agency's corresponding percentage of labor hours associated with vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis at the conclusion of the quarter. Culver City is not charged for Workload Support under the terms of their current agreement.

The table below outlines the new assessment schedule (Attachment 2) if the Board of Directors adopts the FY20/21 Proposed Budget Amendment and approved the use of \$1.3 million in FY19/20 budget surplus funds to reduce FY20/21 assessments:

Quarter	1st	2nd	3rd	4th	
Due Date	7/15/2020	10/15/2020	1/15/2021	4/15/2021	Total
Member Cities					
Gardena	\$ 761,247.55	\$ 508,720.91	\$ 508,720.91	\$ 304,428.64	\$ 2,083,118.00
Less: FY19-20 Surplus	-	(156,390.00)	(156,390.00)	(104,260.00)	\$ (417,040.00)
	761,247.55	352,330.91	352,330.91	200,168.64	1,666,078.00
Hawthorne	932,608.95	623,333.35	623,333.35	373,017.35	2,552,293.00
Less: FY19-20 Surplus	-	(219,716.25)	(219,716.25)	(146,477.50)	\$ (585,910.00)
	932,608.95	403,617.10	403,617.10	226,539.85	1,966,383.00
Manhattan Beach	601,548.50	303,584.78	303,584.78	179,256.94	1,387,975.00
Less: FY19-20 Surplus	-	(128,437.57)	(128,437.57)	(85,625.05)	\$ (342,500.18)
	601,548.50	175,147.21	175,147.21	93,631.89	1,045,474.82
Contract Cities					
Culver City	666,307.25	666,307.25	666,307.25	666,307.25	2,665,229.00
El Segundo	373,434.50	373,434.50	373,434.50	373,434.50	1,493,738.00
Hermosa Beach	283,015.50	153,170.83	153,170.83	153,170.83	742,528.00
Total	\$ 3,618,162.25	\$ 2,124,007.80	\$ 2,124,007.80	\$ 1,713,252.96	\$ 9,579,430.82

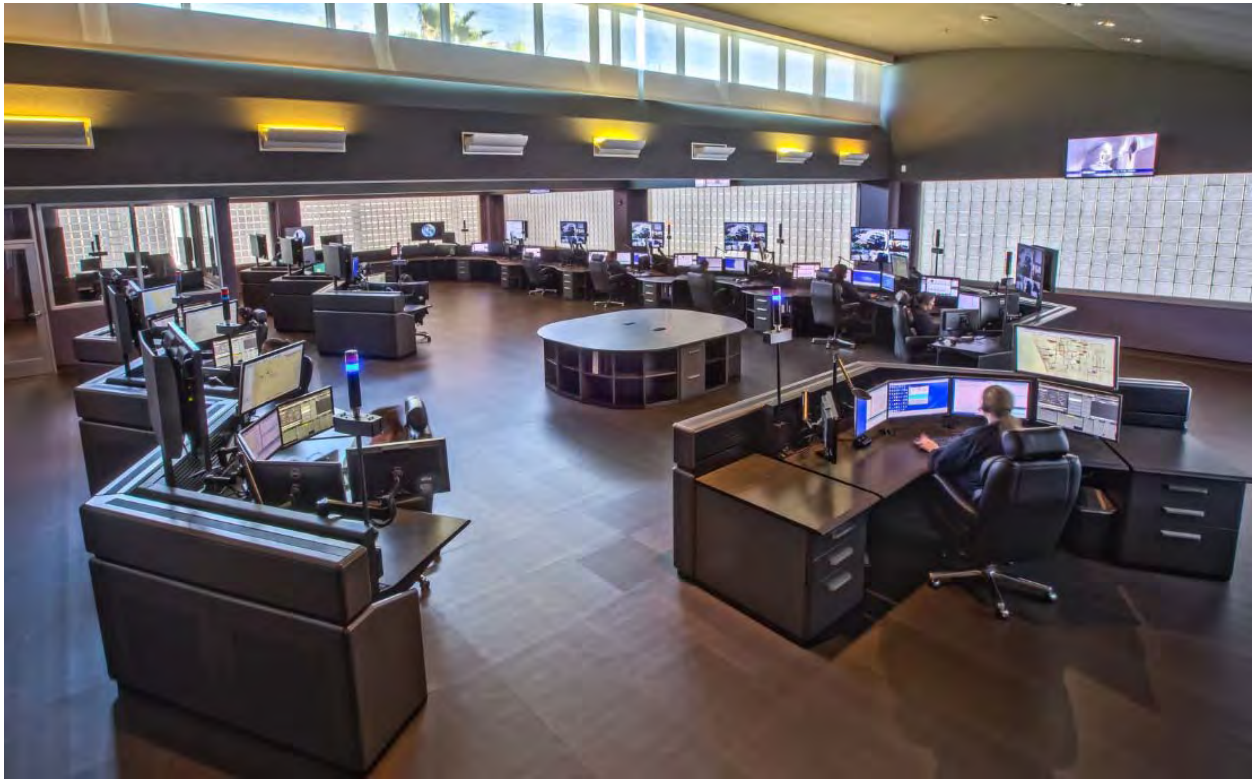
FISCAL IMPACT

The budget reduction of \$919,848 results in a combined decrease of \$534,914 in Member Cities' assessments, a decrease of \$389,534 for the City of Hermosa Beach, and an increase in the projected surplus for FY20/21 of \$16,640 as highlighted below.

Fiscal Year 2020-21	FY 2020/21 Adopted	FY 2020/21 Revised	Inc/(Dec)
Estimated Cash Available as of June 30, 2020	\$ 2,984,228	\$ 5,312,688	\$ 2,328,460
FY 2020/21 Revenues	13,149,258	12,246,050	(903,208)
FY 2020/21 Expenditures	12,938,443	12,018,595	(919,848)
Revenues Over Expenditures	210,815	227,455	16,640
FY19/20 Budget Surplus Use	-	(1,345,450)	(1,345,450)
Estimated Cash Available (Fund 10) as of June 30, 2021	\$ 3,195,043	\$ 4,194,693	\$ 999,650
Allocation of Estimated Cash Available	Adopted	Revised	Inc/(Dec)
City of Gardena	\$ 1,024,970	\$ 1,345,658	\$ 320,688
City of Hawthorne	1,440,006	1,890,548	450,542
City of Manhattan Beach	730,067	958,487	228,420
Total	\$ 3,195,043	\$ 4,194,693	\$ 999,650

G-4

Attachment 1



South Bay Regional Public Communications Authority



Fiscal Year 2020-2021 Proposed Budget Amendment

FINANCIAL SUMMARIES



Personnel Summary (Full-Time Employees Only)

Department/Position Title	FY 17-18 Budget	FY 18-19 Budget	FY 19-20 Budget	FY 20-21 Adopted	FY 20-21 Revised
Administration Department					
Executive Director	1	1	1	1	1
Operations Manager	1	1	1	1	1
Administration Manager ¹	1	1	0	0	0
Finance & Performance Audit Manager ²	1	1	1	1	1
Information Technology Manager ¹	1	1	0	0	0
Executive Assistant ³	1	1	1	1	1
Administrative Services Manager ⁴	1	1	1	1	1
Accountant	0	0	1	1	1
Subtotal	7	7	6	6	6
Operations Department					
Communications Supervisor ⁵	7	7	7	8	7
Communications Operator ^{6,7}	51	51	54	55	50
Subtotal	58	58	61	63	57
Technical Services Division					
Lead Communications Technician	1	1	0	0	0
Communications Technician ¹	0	0	0	0	0
Public Safety Communications Specialist II	1	1	1	1	1
Public Safety Communications Specialist I	5	5	4	4	4
Subtotal	7	7	5	5	5
Grand Total	72	72	72	74	68

Notes

1. Position eliminated.
2. Formerly titled "Accounting & Finance Manager."
3. Formerly titled "Executive Secretary."
4. Formerly titled "Technical Services Manager."
5. One (1) additional position proposed to provide adequate support in special assignments. ELIMINATED
6. One (1) additional position proposed to provide adequate support in Communications Center. ELIMINATED
7. Ten (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 added for FY 2019-20 to cover additional requirements of Manhattan Beach and Hermosa Beach.

Cash Balance Estimates

Fund 10 - Enterprise Fund			
Beginning Balance	Adopted	Revised	Increase/ (Decrease)
Cash Available as of June 30, 2019	\$ 3,953,266	\$ 3,953,266	\$ -
Operating and Capital Reserve	(1,255,153)	(1,255,153)	-
OPEB Reserve	(250,000)	(250,000)	-
Available Cash	\$ 2,448,113	\$ 2,448,113	\$ -
Gardena - 32.08%	785,355	785,355	-
Hawthorne - 45.07%	1,103,365	1,103,365	-
Manhattan Beach - 22.85%	559,394	559,394	-
Fiscal Year 2019/20 Estimated Revenues & Expenditures			
Revenues	13,242,267	13,429,110	186,843
Expenditures	12,667,461	12,069,688	(597,772)
Revenues Over (Under) Expenditures	\$ 574,806	\$ 1,359,422	\$ 784,615
Estimated Balance - End of FY2019/20			
Estimated Cash Available on June 30, 2020	4,528,072	5,312,688	784,615
Operating and Capital Reserve (10% of Budget)	(1,293,844)	(1,201,859)	91,985
OPEB Reserve	(250,000)	(250,000)	-
Estimated Available Cash After Reserve Allocations	\$ 2,984,228	\$ 3,860,828	\$ 876,600
Gardena - 32.08%	957,340	1,238,554	281,213
Hawthorne - 45.07%	1,344,992	1,740,075	395,084
Manhattan Beach - 22.85%	681,896	882,199	200,303
Fiscal Year 2020/21 Budget Resources			
Assessments			
Gardena	2,174,993	2,083,118	(91,875)
Hawthorne	2,664,597	2,552,293	(112,304)
Manhattan Beach	1,718,710	1,387,975	(330,735)
Member City Subtotal	6,558,300	6,023,386	(534,914)
Culver City	2,665,229	2,665,229	-
El Segundo	1,493,738	1,493,738	-
Hermosa Beach	1,132,062	742,528	(389,534)
Contract City Subtotal	5,291,029	4,901,495	(389,534)
Non-Assessment Revenues	1,299,929	1,321,169	21,240
Total Budget Resources	13,149,258	12,246,050	(903,208)
Fiscal Year 2020/21 Budget Expenses			
Operating	12,688,443	11,768,595	(919,848)
Capital	250,000	250,000	-
Total Budget Expenses	12,938,443	12,018,595	(919,848)
Revenues Over (Under) Expenditures	\$ 210,815	\$ 227,455	\$ 16,640
Estimated Balance - End of FY2020/21			
FY19/20 Surplus Applied to FY21 Assessments	-	(1,345,450)	(1,345,450)
Estimated Cash Available on June 30, 2021	4,738,888	4,194,693	(544,195)
Operating and Capital Reserve	(1,293,844)	(1,201,859)	91,985
OPEB Reserve	(250,000)	(250,000)	-
Estimated Available Cash After Reserve Allocations	\$ 3,195,043	\$ 1,397,383	\$ (1,797,660)
Gardena - 32.08%	1,024,970	448,281	(576,689)
Hawthorne - 45.07%	1,440,006	629,801	(810,206)
Manhattan Beach - 22.85%	730,067	319,302	(410,765)

Assessments & Methodologies

Assessments	FY2019/20 Assessment	FY2020/21 Base	2019 CPIU	3 Year Budget Increases	3 Year Member Increases	Total % Increase	FY20/21 Bylaws Adjustments	Contract Adjustments	Other Adjustments	FY2020/21 Assessment	Increase (Decrease) Amount
Member Cities											
Gardena	\$ 2,391,301	\$ 2,016,800					\$ 99,428		\$ (33,110)	\$ 2,083,118	(308,183)
Hawthorne	3,359,598	2,457,041					130,223		(34,972)	2,552,293	(807,305)
Manhattan Beach	1,703,280	1,576,348					(188,374)			1,387,975	(315,305)
Subtotal	7,454,179	6,050,189						-		6,023,386	(1,430,793)
Contract Cities											
Culver City	\$ 2,587,601	\$ 2,587,601	3.00%	N/A	-	3.00%		-		\$ 2,665,229	\$ 77,628
El Segundo	1,372,871	1,863,559	N/A	N/A	N/A	N/A		(369,821)		1,493,738	120,868
Hermosa Beach	975,208	742,528	N/A	N/A	N/A	N/A		-		742,528	(232,680)
Subtotal	\$ 4,935,680	5,193,687						\$ (369,821)		\$ 4,901,495	\$ (34,185)
Total Assessments	\$ 12,389,859									\$ 10,924,881	\$(1,464,978)

METHODOLOGIES

Member Cities	<p>Per the Authority's Bylaws, member cities will be charged the following premiums or receive the following discounts to allow phase-in of the Cost Allocation Policy:</p> <p>For FY20/21: City of Gardena: 4.93%, City of Hawthorne: 5.30%; City of Manhattan Beach: (11.95%)</p> <p>For FY21/22: City of Gardena: 3.33%, City of Hawthorne: 3.50%; City of Manhattan Beach: (7.97%)</p> <p>For FY22/23: City of Gardena: 1.69%, City of Hawthorne: 1.73%; City of Manhattan Beach: (3.98%)</p>
	<p>The member assessments do not include Technical Service Division Workload Support Charges. In accordance with the Bylaws, Workload Support charges will be derived by each agency's corresponding percentage of vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.</p>
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. Agreement expires 03/01/2022.
El Segundo	Starting FY20-21, assessment based on Authority's Cost Allocation Policy to be phased in over a four year period in amounts not-to-exceed as follows: FY20-21 \$1,493,738; FY21-22 \$1,699,634; FY22-23 \$1,869,811; FY23-24 \$2,044,684 Agreement expires 06/30/2030.
Hermosa Beach	Starting FY20-21, revised assessment based on Authority's Cost Allocation Policy and shared dispatching services with the City of Manhattan Beach.

Assessments & Methodologies - Supplemental Information

Unadjusted Assessment Calculations per Cost Allocation Policy - FOR INFORMATION ONLY

Assessments	Gardena	Hawthorne	Manhattan Beach	Culver City ¹	El Segundo	Hermosa Beach	TOTAL
OPERATIONS							
Call-Taking Emergency Calls	\$ 549,345	\$ 827,802	\$ 169,950	\$ 406,384	\$ 201,407	\$ 101,346	\$ 2,256,234
Call-Taking Non-Emergency Support	269,468	306,163	229,062	471,515	126,359	101,590	1,504,156
Police - Dedicated Dispatch Support	753,745	753,745	376,873	753,745	753,745	376,873	3,768,726
Police - Calls for Service Readiness Support	359,752	467,754	188,150	286,453	186,415	126,645	1,615,168
Fire - Dedicated Dispatch Support	-	-	376,039	376,039	376,039	-	1,128,117
Fire - Calls for Service Readiness Support	-	-	112,863	240,258	130,358	-	483,479
TECHNICAL SERVICES							
Technical Support - Dedicated Support	84,489	101,577	123,411	115,817	89,236	36,074	550,605
Total Calculated	\$ 2,016,800	\$ 2,457,041	\$ 1,576,348	\$ 2,650,211	\$ 1,863,559	\$ 742,528	\$ 11,306,486

Notes:

1. For illustrative purposes only. See Assessments & Methodologies for actual FY20-21 assessment calculation.

Cost Allocation Data

City	3 Year Average			
	911 Calls	Non-Emergency Calls	Police Calls for Service	Fire Calls for Service
Gardena	26,929	42,342	70,067	-
Hawthorne	40,579	48,108	91,102	-
Manhattan Beach	8,331	35,993	36,645	3,619
Culver City	19,921	74,090	55,791	7,704
El Segundo	9,873	19,855	36,307	4,180
Hermosa Beach	4,968	15,963	24,666	-
3 Year Average	105,306	213,001	295,981	12,935

City	Vehicle Inventories		
	Police	Fire	Total
Gardena	89	-	89
Hawthorne	107	-	107
Manhattan Beach	114	16	130
Culver City	94	28	122
El Segundo	73	21	94
Hermosa Beach	38	-	38
Total	515	65	580

Revenues by Account

Account Number & Title	FY2017/18 Actual	FY2018/19 Actual	FY 2019/20 Adopted	FY 2020/21 Adopted	FY 2020/21 Revised	Amount Inc (Dec)	Percent Inc (Dec)
Enterprise Fund (Fund 10)							
10-50-111-4110 Gardena	\$ 2,391,301	\$ 2,391,301	\$ 2,391,301	\$ 2,174,993	\$ 2,083,118	\$ (91,875)	-3.84%
10-50-111-4120 Hawthorne	3,359,598	3,359,598	3,359,598	2,664,597	2,552,293	(112,304)	-3.34%
10-50-111-4130 Manhattan Beach	1,703,280	1,703,280	1,703,280	1,718,710	1,387,975	(330,735)	-19.42%
Member City Subtotal	7,454,179	7,454,179	7,454,179	6,558,300	6,023,386	(534,914)	-7.18%
10-50-111-4140 Hermosa Beach	700,072	828,439	975,208	1,132,062	742,528	(389,534)	-39.94%
10-50-111-4145 El Segundo	1,294,928	1,330,766	1,372,870	1,493,738	1,493,738	-	0.00%
10-50-111-4146 Culver City	2,360,551	2,507,365	2,587,601	2,665,229	2,665,229	-	0.00%
Contract City Subtotal	4,355,551	4,666,570	4,935,679	5,291,029	4,901,495	(389,534)	-7.89%
Subtotal Assessments	\$ 11,809,730	\$ 12,120,749	\$ 12,389,858	\$ 11,849,329	\$ 10,924,881	(924,448)	-7.46%
10-50-111-4150 El Camino Community College	790	-	790	790	790	-	0.00%
10-50-111-4151 Annual Maint-MDC - Director	-	653	-	-	-	-	0.00%
10-50-111-4152 Medical Director/Hermosa Beach	12,500	-	-	-	-	-	0.00%
10-50-111-4153 Medical Director/Manhattan Beach	26,250	27,500	27,000	30,500	30,500	-	0.00%
10-50-111-4154 Medical Director/El Segundo	26,250	27,500	27,000	30,500	30,500	-	0.00%
10-50-111-4210 Investment Earnings (LAIF)	59,183	96,218	50,000	50,000	50,000	-	0.00%
10-50-111-4220 POST Reimbursements	574	120	600	1,400	1,400	-	0.00%
10-50-111-4255 Unrealized Gain/Loss on Investments	10,527	-	-	-	-	-	0.00%
10-50-111-4410 Vending Machine Revenue	-	-	-	-	-	-	0.00%
10-50-111-4430 Other Miscellaneous Revenue	379	4,853,937	2,500	2,500	2,500	-	0.00%
10-50-111-4240 911 Reimbursements	-	-	-	8,000	8,000	-	0.00%
10-50-111-4241 Redondo Beach Maintenance Agreement	-	-	-	13,000	13,000	-	0.00%
Subtotal Administration - Other	\$ 136,452	\$ 5,005,928	\$ 107,890	\$ 136,690	\$ 136,690	-	0.00%
10-60-211-4215 DUI Reimbursement-Overtime	2,275	879	2,000	2,000	2,000	-	0.00%
10-60-211-4435 Reimbursements Sprint Wireless	80,257	69,887	77,289	70,000	70,000	-	0.00%
10-60-211-4440 Reimbursements/Verizon Wireless	10,869	23,748	15,229	25,000	25,000	-	0.00%
10-60-211-4460 Pink Patch Project	-	356	-	-	-	-	0.00%
Subtotal Operations	\$ 93,401	\$ 94,871	\$ 94,518	\$ 97,000	\$ 97,000	-	0.00%
10-70-311-4310 Labor-Installation-Member	-	3,126	-	320,991	309,477	(11,514)	0.00%
10-70-311-4320 Labor-Installation-NonMember	-	-	-	92,556	125,310	32,754	0.00%
10-70-311-4360 Reimbursements for Billable Parts	710,838	479,845	600,000	600,000	600,000	-	0.00%
10-70-311-4370 Reimbursements for GST Software	47,574	45,592	50,000	52,692	52,692	-	0.00%
10-70-311-4371 Reimbursement ES Chat Software	-	-	-	-	-	-	0.00%
10-70-311-4375 Reimb Net Motion Licenses & Maint.	-	-	-	-	-	-	0.00%
10-70-311-4445 GETAC Project Reimbursements	-	-	-	-	-	-	0.00%
10-70-311-4455 Culver City Transition Reimbursement	15,014	-	-	-	-	-	0.00%
Subtotal Technical Services	\$ 773,427	\$ 528,563	\$ 650,000	\$ 1,066,239	\$ 1,087,479	\$ 21,240	3.27%
Subtotal Non-Assessment Revenues	\$ 1,003,280	\$ 5,629,362	\$ 852,408	\$ 1,299,929	\$ 1,321,169	\$ 21,240	2.49%
Total Enterprise Fund (Fund 10) Revenues	\$ 12,813,010	\$ 17,750,111	\$ 13,242,266	\$ 13,149,258	\$ 12,246,050	\$ (903,208)	-6.82%
Grant Fund (Fund 20)							
20-80-433-4270 Grant Reimb/P25 Comm Repeater	3,505,856	1,494,144	-	-	-	-	-
Total Grant Fund (Fund 20) Revenues	\$ 3,505,856	\$ 1,494,144	\$ -	\$ -	\$ -	\$ -	-
Grand Total All Funds	\$ 16,318,865	\$ 19,244,256	\$ 13,242,266	\$ 13,149,258	\$ 12,246,050	\$ (903,208)	-6.82%

Expenses by Department - Enterprise Fund (10)

Department/Description	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
Administration								
Salaries & Benefits	\$ 1,144,662	\$ 936,648	\$ 1,177,580	\$ 1,112,580	\$ 1,278,828	\$ 1,169,105	\$ (109,723)	-8.58%
Supplies/Services/Equip	820,423	1,249,035	1,032,068	1,159,289	1,068,710	982,014	(86,696)	-8.11%
Subtotal Administration	\$ 1,965,085	\$ 2,185,684	\$ 2,209,648	\$ 2,271,869	\$ 2,347,538	\$ 2,151,119	\$ (196,419)	-8.37%
							-	-
Operations							\$ -	\$ -
Salaries & Benefits	\$ 6,736,024	\$ 7,180,642	\$ 7,990,433	\$ 7,990,433	\$ 8,121,218	\$ 7,447,274	\$ (673,944)	-8.30%
Supplies/Services/Equip	201,499	199,090	259,528	259,528	271,205	249,235	(21,970)	-8.10%
Subtotal Operations	\$ 6,937,523	\$ 7,379,731	\$ 8,249,961	\$ 8,249,961	\$ 8,392,423	\$ 7,696,509	\$ (695,914)	-8.29%
							-	-
Technical Services							\$ -	\$ -
Salaries & Benefits	\$ 812,266	\$ 667,568	\$ 783,770	\$ 783,770	\$ 770,440	\$ 742,925	\$ (27,515)	-3.57%
Supplies/Services/Equip	1,202,892	8,080,061	1,183,150	1,191,410	1,178,042	1,178,042	-	0.00%
Subtotal Technical Services	\$ 2,015,157	\$ 8,747,630	\$ 1,966,920	\$ 1,975,180	\$ 1,948,482	\$ 1,920,967	\$ (27,515)	-1.41%
							-	-
Total Operating Expenses	\$ 10,917,765	\$ 18,313,045	\$ 12,426,529	\$ 12,497,010	\$ 12,688,443	\$ 11,768,595	\$ (919,848)	-7.25%
							-	-
Total Capital Outlay	\$ 130,808	\$ 5,867	\$ 125,000	\$ 170,450	\$ 250,000	\$ 250,000	\$ -	0.00%
							-	-
Grand Total	\$ 11,048,573	\$ 18,318,911	\$ 12,551,529	\$ 12,667,461	\$ 12,938,443	\$ 12,018,595	\$ (919,848)	-7.11%
							-	-
Department Summary							-	-
Administration	\$ 1,965,085	\$ 2,185,684	\$ 2,209,648	\$ 2,271,869	\$ 2,347,538	\$ 2,151,119	\$ (196,419)	-8.37%
Operations	6,937,523	7,379,731	8,249,961	8,249,961	8,392,423	7,696,509	(695,914)	-8.29%
Technical Services	2,015,157	8,747,630	1,966,920	1,975,180	1,948,482	1,920,967	(27,515)	-1.41%
Capital Outlay	130,808	5,867	125,000	170,450	250,000	250,000	-	0.00%
Grand Total	\$ 11,048,573	\$ 18,318,911	\$ 12,551,529	\$ 12,667,461	\$ 12,938,443	\$ 12,018,595	\$ (919,848)	-7.11%
							-	-
Major Category Summary							-	-
Salaries & Benefits	\$ 8,692,952	\$ 8,784,858	\$ 9,951,783	\$ 9,886,783	\$ 10,170,486	\$ 9,359,304	\$ (811,182)	-7.98%
Supplies/Services/Equip	2,224,814	9,528,186	2,474,746	2,610,227	2,517,957	2,409,291	(108,666)	-4.32%
Capital Outlay	130,808	5,867	125,000	170,450	250,000	250,000	-	0.00%
Grand Total	\$ 11,048,573	\$ 18,318,911	\$ 12,551,529	\$ 12,667,461	\$ 12,938,443	\$ 12,018,595	\$ (919,848)	-7.11%

Expenses by Account

ACCT	DESCRIPTION	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
5101	Salaries (Full-Time)	\$ 5,150,558	\$ 5,277,108	\$ 6,616,540	\$ 6,551,540	\$ 6,871,132	\$ 6,291,684	\$ (579,448)	-8.43%
5102	Salaries (Part-Time)	95,155	110,963	-	-	40,000	-	(40,000)	(1.00)
5103	Overtime	1,144,879	981,489	390,000	390,000	202,389	202,389	-	0.00%
5104	Acting Pay	284	3,005	10,000	10,000	10,000	13,682	3,682	36.82%
5105	Bilingual Pay	9,100	7,900	8,400	8,400	8,400	8,400	-	0.00%
5107	Merit Pay	4,089	81,056	3,650	3,650	4,350	4,350	-	0.00%
5108	Sick Leave Payoff	128,133	127,283	145,594	145,594	157,451	157,451	-	0.00%
5109	Vacation Leave Payoff	130,209	95,787	112,698	112,698	93,472	93,472	-	0.00%
5110	Training Pay	7,464	11,963	15,000	15,000	15,000	15,000	-	0.00%
5112	Other Pay	-	-	7,200	7,200	34,680	29,790	(4,890)	-14.10%
5114	Holiday Payoff	78,302	146,240	100,000	100,000	75,000	75,000	-	0.00%
5115	Education Incentive	93,849	99,224	132,406	132,406	104,300	104,300	-	0.00%
5116	Overtime-Ridealongs	-	-	10,000	10,000	-	-	-	0.00%
5201	Medical Insurance	593,977	530,107	778,459	778,459	809,989	730,654	(79,335)	-9.79%
5202	Dental Insurance	31,006	41,880	57,876	57,876	46,807	46,198	(609)	-1.30%
5203	Vision Care	13,846	19,318	22,361	22,361	21,795	19,833	(1,962)	-9.00%
5204	Life Insurance	7,016	7,713	9,980	9,980	9,768	8,943	(825)	-8.45%
5205	Medicare	100,802	101,659	105,933	105,933	110,819	102,399	(8,420)	-7.60%
5206	Unemployment Insurance	2,934	11,463	6,713	6,713	5,000	5,000	-	0.00%
5207	Workers' Compensation	165,726	75,637	154,838	154,838	132,500	91,488	(41,012)	-30.95%
5208	PERS Contribution	825,215	940,422	1,124,646	1,124,646	810,996	757,258	(53,738)	-6.63%
5209	Retirees' Medical Insurance	101,472	85,466	111,099	111,099	76,000	76,000	-	0.00%
5211	Social Security	589	126	890	890	-	-	-	0.00%
5212	Deferred Comp Matching	8,346	29,048	27,500	27,500	36,500	31,875	(4,625)	-12.67%
5219	PERS Contribution-UAL	-	-	-	-	494,138	494,138	-	-
Subtotal Salaries & Benefits		\$ 8,692,952	\$ 8,784,858	\$ 9,951,783	\$ 9,886,783	\$ 10,170,486	\$ 9,359,304	\$ (811,182)	-7.98%
5300	Maintenance & Operations	-	160	-	-	-	-	-	0.00%
5301	Communications Contract Svcs	23,210	23,314	49,000	49,000	54,000	48,000	(6,000)	-11.11%
5302	Computer Contract/CAD	360,450	400,360	200,000	200,000	200,000	200,000	-	0.00%
5304	Accountant/Auditing Services	12,250	28,800	33,000	33,000	33,000	33,000	-	0.00%
5305	Legal Services	62,130	61,875	95,000	147,121	95,000	75,000	(20,000)	-21.05%
5306	Recruitment Costs	68,616	76,911	53,610	68,610	68,530	34,000	(34,530)	-50.39%
5307	Software Maintenance Services	43,232	103,554	69,762	69,762	77,537	61,037	(16,500)	-21.28%
5308	Banking Services (Fees)	5,753	5,468	6,000	6,000	6,000	6,000	-	0.00%
5309	Website Maintenance Service	3,070	1,740	5,000	5,000	7,500	7,500	-	0.00%
5311	GST Software Reimbursable	47,574	44,791	50,000	52,692	52,692	52,692	-	0.00%
5312	Medical Director Services	65,000	59,619	54,000	54,000	61,000	61,000	-	0.00%
5313	Temporary Staffing	-	292,605	50,000	125,100	50,000	40,000	(10,000)	-20.00%
5401	Membership Dues	220	818	3,220	3,220	3,220	2,680	(540)	-16.77%
5402	Publications	785	3,343	2,060	2,060	2,060	2,060	-	0.00%
5403	Conferences, Meeting & Travel	36,256	20,083	40,485	40,485	51,675	38,202	(13,473)	-26.07%
5404	Employee Services/EC-BOD	4,061	3,771	3,500	3,500	13,000	8,000	(5,000)	-38.46%
5405	Employee Awards	-	-	500	500	500	500	-	0.00%
5406	POST Training	-	992	23,815	23,815	24,865	11,908	(12,957)	-52.11%
5407	Tuition Reimbursement	10,014	6,797	20,000	20,000	18,000	18,000	-	0.00%
5501	Office Supplies	12,101	31,411	9,000	9,000	9,000	9,000	-	0.00%
5502	Miscellaneous Supplies	160	408	1,100	1,100	9,100	9,100	-	0.00%
5503	General Technical Supplies	(10,660)	4,009	7,500	7,500	7,500	7,500	-	0.00%
5504	Vending Machine Supplies	-	-	-	-	-	-	-	0.00%
5505	Voice Recording Tapes	-	-	-	-	-	-	-	0.00%
5506	Uniforms/Safety Equipment	6,087	17,839	11,500	11,500	10,500	10,500	-	0.00%
5507	Postage	1,224	983	1,600	1,600	1,600	1,600	-	0.00%
5508	Shipping Costs	-	343	-	1,200	1,200	1,200	-	0.00%
5509	Reproduction	1,046	80	2,000	2,000	2,000	2,000	-	0.00%
5511	Office Equipment Lease	14,499	14,107	15,750	15,750	15,750	15,750	-	0.00%
5513	General Liability Insurance	172,917	137,703	210,826	210,826	175,678	198,512	22,834	13.00%
5514	Parts - Billing	527,416	745,477	600,000	597,308	600,000	600,000	-	0.00%
5515	Parts - Telecommunications	6,491	5,073	-	-	-	-	-	0.00%
5516	Install Wire, Loom & Hardware	35,533	31,058	40,000	38,800	30,000	30,000	-	0.00%
5517	Vehicle Operations	4,333	4,293	6,500	6,500	6,500	6,500	-	0.00%
5520	Equipment Repair	-	232	5,000	5,000	5,000	5,000	-	0.00%
5521	Outside Tech Serv-Towers/Equip	237,587	359,890	325,000	325,000	325,000	325,000	-	0.00%

Expenses by Account

ACCT	DESCRIPTION	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
5524	GETAC Project	-	-	-	-	-	-	-	0.00%
5525	Culver City Infrastructure Trans	23,321	-	-	-	-	-	-	0.00%
5601	Telephone - Administration	15,387	20,123	15,000	15,000	15,000	15,000	-	0.00%
5603	Telephone - El Segundo	2,403	2,149	3,000	3,000	3,000	3,000	-	0.00%
5604	Telephone - Gardena	2,683	1,349	5,000	5,000	3,000	3,000	-	0.00%
5606	Telephone - Hawthorne	4,419	5,385	6,000	6,000	6,000	6,000	-	0.00%
5607	Telephone - Hermosa Beach	21,838	27,864	25,000	25,000	27,000	27,000	-	0.00%
5608	Telephone - Manhattan Beach	4,528	5,029	8,000	8,000	6,000	6,000	-	0.00%
5611	Telephone - Punta Place	3,765	3,897	5,500	5,500	4,500	4,500	-	0.00%
5612	Telephone - RCC	10,630	10,717	12,000	12,000	11,000	11,000	-	0.00%
5613	Sprint Wireless Reimbursable	77,632	65,103	77,289	77,289	70,000	70,000	-	0.00%
5614	Verizon Wireless Reimbursable	15,022	29,194	15,229	15,229	25,000	25,000	-	0.00%
5615	Telephone-Culver City	22,457	10,327	5,500	5,500	14,500	14,500	-	0.00%
5701	Maintenance/HQ	146,587	166,757	154,400	139,400	164,150	161,650	(2,500)	-1.52%
5702	Maintenance/Other	-	-	-	-	-	-	-	0.00%
5703	Electricity - HQ	88,489	86,087	106,700	106,700	98,000	98,000	-	0.00%
5704	Electricity - Grandview	2,012	900	2,200	2,200	2,200	2,200	-	0.00%
5705	Electricity - Punta	5,552	6,706	6,600	6,600	6,600	6,600	-	0.00%
5706	Gas - HQ	7,991	8,797	11,000	11,000	11,000	11,000	-	0.00%
5707	Water - HQ	3,733	3,360	3,850	3,850	3,850	3,850	-	0.00%
5715	Electricity - MB Water Tower	2,088	2,997	2,750	2,750	2,750	2,750	-	0.00%
5810	Office Equipment	4,382	15,237	-	8,260	12,000	2,000	(10,000)	-83.33%
5820	Other Equipment	7,820	6,568,300	15,000	15,000	15,000	15,000	-	0.00%
5830	Furniture & Fixtures	720	-	-	-	-	-	-	0.00%
5840	Vehicles	-	-	-	-	-	-	-	0.00%
Subtotal Supplies/Services/Equip		\$ 2,224,814	\$ 9,528,186	\$ 2,474,746	\$ 2,610,227	\$ 2,517,957	\$ 2,409,291	\$ (108,666)	-4.32%
Total Operating Expenses		\$ 10,917,765	\$ 18,313,045	\$ 12,426,529	\$ 12,497,010	\$ 12,688,443	\$ 11,768,595	\$ (919,848)	-7.25%
5901	Total Capital Outlay	130,808	5,867	125,000	170,450	250,000	250,000	-	0.00%
Total Enterprise Fund (Fund 10)		\$ 11,048,573	\$ 18,318,911	\$ 12,551,529	\$ 12,667,461	\$ 12,938,443	\$ 12,018,595	\$ (919,848)	-7.11%
5901	Grant Fund (20)	614,532	1,602,069	-	-	-	-	-	0.00%
								-	0.00%
Grand Total All Funds		11,663,106	19,920,980	12,551,529	12,667,461	12,938,443	12,018,595	(919,848)	-7.11%

notes:

Proposed budget excludes non-cash expenses such as accrued leave, depreciation, and gain (loss) on disposal of fixed assets

FY 2019-20 Amended budget includes appropriations after budget adoption

ADMINISTRATION DEPARTMENT



Expenses by Account - Administration Department

ACCT	DESCRIPTION	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
5101	Salaries (Full-Time)	\$ 811,470	\$ 663,617	\$ 819,504	\$ 754,504	\$ 847,612	\$ 794,052	\$ (53,560)	-6.32%
5102	Salaries (Part-Time)	-	-	-	-	40,000	-	(40,000)	-100.00%
5104	Acting Pay	-	189	-	-	-	3,682	3,682	0.00%
5107	Longevity Pay	2,800	2,950	2,150	2,150	2,350	2,350	-	0.00%
5108	Sick Leave Payoff	20,409	14,418	21,501	21,501	33,358	33,358	-	0.00%
5109	Vacation Leave Payoff	88,078	34,686	35,095	35,095	24,086	24,086	-	0.00%
5112	Other Pay	-	-	7,200	7,200	34,680	29,790	(4,890)	-14.10%
5114	Holiday Payoff	-	2,423	-	-	-	-	-	0.00%
5201	Medical Insurance	54,858	54,655	93,161	93,161	88,393	87,658	(735)	-0.83%
5202	Dental Insurance	3,271	5,080	6,968	6,968	7,607	6,998	(609)	-8.01%
5203	Vision Care	1,068	1,488	2,256	2,256	1,726	1,597	(129)	-7.47%
5204	Life Insurance	595	590	832	832	792	759	(33)	-4.17%
5205	Medicare	13,796	10,778	13,727	13,727	13,660	12,866	(794)	-5.81%
5206	Unemployment Insurance	32	-	-	-	-	-	-	0.00%
5207	Workers' Compensation	9,612	4,053	12,533	12,533	10,725	7,405	(3,320)	-30.96%
5208	PERS Contribution	115,893	100,364	119,629	119,629	90,317	85,607	(4,710)	-5.21%
5209	Retirees' Medical Insurance	14,434	12,310	15,524	15,524	6,000	6,000	-	0.00%
5212	Deferred Comp Matching	8,346	29,048	27,500	27,500	36,500	31,875	(4,625)	-12.67%
5219	PERS Contribution-UAL	-	-	-	-	41,022	41,022	-	0.00%
Subtotal Salaries & Benefits		\$ 1,144,662	\$ 936,648	\$ 1,177,580	\$ 1,112,580	\$ 1,278,828	\$ 1,169,105	\$ (109,723)	-8.58%
5301	Communications Contract Sv	23,210	23,314	49,000	49,000	54,000	48,000	(6,000)	-11.11%
5302	Computer Contract/CAD	30,450	90,360	55,000	55,000	55,000	55,000	-	0.00%
5304	Accountant/Auditing Service	12,250	28,800	33,000	33,000	33,000	33,000	-	0.00%
5305	Legal Services	62,130	61,875	95,000	147,121	95,000	75,000	(20,000)	-21.05%
5306	Recruitment Costs	68,616	76,911	53,610	68,610	68,530	34,000	(34,530)	-50.39%
5307	Software Maintenance Servi	43,232	103,554	69,762	69,762	77,537	61,037	(16,500)	-21.28%
5308	Banking Services (Fees)	5,753	5,468	6,000	6,000	6,000	6,000	-	0.00%
5309	Website Maintenance Servic	3,070	1,740	5,000	5,000	7,500	7,500	-	0.00%
5312	Medical Director Services	65,000	59,619	54,000	54,000	61,000	61,000	-	0.00%
5313	Temporary Staffing	-	292,605	50,000	125,100	50,000	40,000	(10,000)	-20.00%
5401	Membership Dues	220	789	390	390	390	390	-	0.00%
5402	Publications	-	1,714	350	350	350	350	-	0.00%
5403	Conferences, Meeting & Tra	22,950	3,209	13,680	13,680	21,725	16,725	(5,000)	-23.01%
5404	Employee Services/EC-BOD	2,218	3,294	1,000	1,000	10,500	5,500	(5,000)	-47.62%
5407	Tuition Reimbursement	-	-	2,000	2,000	-	-	-	0.00%
5501	Office Supplies	12,101	31,411	9,000	9,000	9,000	9,000	-	0.00%
5502	Miscellaneous Supplies	160	408	1,100	1,100	9,100	9,100	-	0.00%
5507	Postage & Shipping	1,224	983	1,600	1,600	1,600	1,600	-	0.00%
5509	Reproduction	693	80	1,500	1,500	1,500	1,500	-	0.00%
5511	Office Equipment Lease	14,499	14,107	15,750	15,750	15,750	15,750	-	0.00%
5513	General Liability Insurance	172,917	137,703	210,826	210,826	175,678	198,512	22,834	13.00%
5517	Vehicle Operations	366	125	2,000	2,000	2,000	2,000	-	0.00%
5601	Telephone - Administration	15,387	20,123	15,000	15,000	15,000	15,000	-	0.00%
5701	Maintenance/HQ	146,587	166,757	154,400	139,400	164,150	161,650	(2,500)	-1.52%
5703	Electricity - HQ	88,489	86,087	106,700	106,700	98,000	98,000	-	0.00%
5704	Electricity - Grandview	2,012	900	2,200	2,200	2,200	2,200	-	0.00%
5705	Electricity - Punta	5,552	6,706	6,600	6,600	6,600	6,600	-	0.00%
5706	Gas - HQ	7,991	8,797	11,000	11,000	11,000	11,000	-	0.00%
5707	Water - HQ	3,733	3,360	3,850	3,850	3,850	3,850	-	0.00%
5715	Electricity - MB Water Tower	2,088	2,997	2,750	2,750	2,750	2,750	-	0.00%
5810	Office Equipment	4,382	15,237	-	-	10,000	-	(10,000)	-100.00%
5820	Other Equipment	2,421	-	-	-	-	-	-	0.00%
5830	Furniture & Fixtures	720	-	-	-	-	-	-	0.00%
Subtotal Supplies/Services/Equip		\$ 820,423	\$ 1,249,035	\$ 1,032,068	\$ 1,159,289	\$ 1,068,710	\$ 982,014	\$ (86,696)	-8.11%
Total Expenses - Administration		\$ 1,965,085	\$ 2,185,684	\$ 2,209,648	\$ 2,271,869	\$ 2,347,538	\$ 2,151,119	\$ (196,419)	-8.37%

OPERATIONS DEPARTMENT



Expenses by Account - Operations Department

ACCT	DESCRIPTION	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
5101	Salaries (Full-Time)	\$ 3,843,426	\$ 4,176,042	\$ 5,311,530	\$ 5,311,530	\$ 5,546,631	\$ 5,025,397	\$ (521,234)	-9.40%
5102	Salaries (Part-Time)	95,155	110,963	-	-	-	-	-	0.00%
5103	Overtime	1,143,975	980,650	385,000	385,000	195,539	195,539	-	0.00%
5104	Acting Pay	284	2,815	10,000	10,000	10,000	10,000	-	0.00%
5105	Bilingual Pay	9,100	7,900	8,400	8,400	8,400	8,400	-	0.00%
5107	Merit Pay	-	69,000	-	-	-	-	-	0.00%
5108	Sick Leave Payoff	92,696	96,478	106,313	106,313	106,313	106,313	-	0.00%
5109	Vacation Leave Payoff	36,694	49,221	63,217	63,217	55,000	55,000	-	0.00%
5110	Training Pay	7,464	11,963	15,000	15,000	15,000	15,000	-	0.00%
5114	Holiday Payoff	68,025	143,818	100,000	100,000	75,000	75,000	-	0.00%
5115	Education Incentive	90,403	99,224	132,406	132,406	104,300	104,300	-	0.00%
5116	Overtime-Ridealongs	-	-	10,000	10,000	-	-	-	0.00%
5201	Medical Insurance	479,885	442,163	637,435	637,435	668,836	590,236	(78,600)	-11.75%
5202	Dental Insurance	25,103	34,282	47,968	47,968	36,400	36,400	-	0.00%
5203	Vision Care	11,449	16,623	18,699	18,699	18,424	16,591	(1,833)	-9.95%
5204	Life Insurance	5,680	6,467	8,455	8,455	8,316	7,524	(792)	-9.52%
5205	Medicare	79,000	83,751	84,939	84,939	89,572	82,014	(7,558)	-8.44%
5206	Unemployment Insurance	2,873	11,463	6,713	6,713	5,000	5,000	-	0.00%
5207	Workers' Compensation	56,347	24,605	58,372	58,372	49,951	34,490	(15,461)	-30.95%
5208	PERS Contribution	631,635	767,603	922,296	922,296	662,899	614,433	(48,466)	-7.31%
5209	Retirees' Medical Insuranc	56,240	45,484	62,800	62,800	50,000	50,000	-	0.00%
5211	Social Security	589	126	890	890	-	-	-	0.00%
5219	PERS Contribution-UAL	-	-	-	-	415,637	415,637	-	0.00%
Subtotal Salaries & Benefits		\$ 6,736,024	\$ 7,180,642	\$ 7,990,433	\$ 7,990,433	\$ 8,121,218	\$ 7,447,274	\$ (673,944)	-8.30%
5300	Maintenance & Operation:	-	160	-	-	-	-	-	0.00%
5401	Membership Dues	-	29	2,830	2,830	2,830	2,290	(540)	-19.08%
5402	Publications	785	1,629	1,710	1,710	1,710	1,710	-	0.00%
5403	Conferences, Meeting & Ti	13,306	15,382	24,155	24,155	27,300	18,827	(8,473)	-31.04%
5404	Employee Services/EC-BOI	1,843	477	2,500	2,500	2,500	2,500	-	0.00%
5405	Employee Awards	-	-	500	500	500	500	-	0.00%
5406	POST Training	-	992	23,815	23,815	24,865	11,908	(12,957)	-52.11%
5407	Tuition Reimbursement	10,014	6,797	18,000	18,000	18,000	18,000	-	0.00%
5506	Uniforms/Safety Equipmer	4,422	7,862	8,000	8,000	8,000	8,000	-	0.00%
5509	Reproduction	353	-	500	500	500	500	-	0.00%
5603	Telephone - El Segundo	2,403	2,149	3,000	3,000	3,000	3,000	-	0.00%
5604	Telephone - Gardena	2,683	1,349	5,000	5,000	3,000	3,000	-	0.00%
5606	Telephone - Hawthorne	4,419	5,385	6,000	6,000	6,000	6,000	-	0.00%
5607	Telephone - Hermosa Beac	21,838	27,864	25,000	25,000	27,000	27,000	-	0.00%
5608	Telephone - Manhattan Be	4,528	5,029	8,000	8,000	6,000	6,000	-	0.00%
5611	Telephone - Punta Place	3,765	3,897	5,500	5,500	4,500	4,500	-	0.00%
5612	Telephone - RCC	10,630	10,717	12,000	12,000	11,000	11,000	-	0.00%
5613	Sprint Wireless Reimbursa	77,632	65,103	77,289	77,289	70,000	70,000	-	0.00%
5614	Verizon Wireless Reimburs	15,022	29,194	15,229	15,229	25,000	25,000	-	0.00%
5615	Telephone-Culver City	22,457	10,327	5,500	5,500	14,500	14,500	-	0.00%
5820	Other Equipment	5,399	4,749	15,000	15,000	15,000	15,000	-	0.00%
Subtotal Supplies/Services/Equip		\$ 201,499	\$ 199,090	\$ 259,528	\$ 259,528	\$ 271,205	\$ 249,235	\$ (21,970)	-8.10%
Total Expenses - Operations		\$ 6,937,523	\$ 7,379,731	\$ 8,249,961	\$ 8,249,961	\$ 8,392,423	\$ 7,696,509	\$ (695,914)	-8.29%

TECHNICAL SERVICES DIVISION



Expenses by Account - Technical Services Department

ACCT	DESCRIPTION	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
5101	Salaries (Full-Time)	\$ 495,661	\$ 437,449	\$ 485,506	\$ 485,506	\$ 476,889	\$ 472,235	\$ (4,654)	-0.98%
5103	Overtime	904	839	5,000	5,000	6,850	6,850	-	0.00%
5104	Acting Pay	-	-	-	-	-	-	-	0.00%
5106	Call Back Pay	-	-	-	-	-	-	-	0.00%
5107	Merit Pay	1,289	9,106	1,500	1,500	2,000	2,000	-	0.00%
5108	Sick Leave Payoff	15,028	16,387	17,780	17,780	17,780	17,780	-	0.00%
5109	Vacation Leave Payoff	5,437	11,880	14,386	14,386	14,386	14,386	-	0.00%
5114	Holiday Payoff	10,277	-	-	-	-	-	-	0.00%
5115	Education Incentive	3,446	-	-	-	-	-	-	0.00%
5201	Medical Insurance	59,234	33,289	47,863	47,863	52,760	52,760	-	0.00%
5202	Dental Insurance	2,632	2,519	2,940	2,940	2,800	2,800	-	0.00%
5203	Vision Care	1,330	1,208	1,406	1,406	1,645	1,645	-	0.00%
5204	Life Insurance	741	656	693	693	660	660	-	0.00%
5205	Medicare	8,006	7,130	7,267	7,267	7,587	7,519	(68)	-0.90%
5206	Unemployment Insuran	29	-	-	-	-	-	-	0.00%
5207	Workers' Compensation	99,767	46,978	83,933	83,933	71,824	49,593	(22,231)	-30.95%
5208	PERS Contribution	77,688	72,456	82,721	82,721	57,780	57,218	(562)	-0.97%
5209	Retirees' Medical Insura	30,798	27,672	32,775	32,775	20,000	20,000	-	0.00%
5219	PERS Contribution-UAL	-	-	-	-	37,479	37,479	-	0.00%
Subtotal Salaries & Benefits		\$ 812,266	\$ 667,568	\$ 783,770	\$ 783,770	\$ 770,440	\$ 742,925	\$ (27,515)	-3.57%
5302	Computer Contract/CAE	330,000	310,000	145,000	145,000	145,000	145,000	-	0.00%
5311	GST Software Reimburs	47,574	44,791	50,000	52,692	52,692	52,692	-	0.00%
5403	Conferences, Meeting &	-	1,491	2,650	2,650	2,650	2,650	-	0.00%
5503	General Technical Suppl	(10,660)	4,009	7,500	7,500	7,500	7,500	-	0.00%
5506	Uniforms/Safety Equipm	1,664	9,977	3,500	3,500	2,500	2,500	-	0.00%
5507	Postage & Shipping	-	-	-	-	1,200	1,200	-	0.00%
5508	Shipping Costs	-	343	-	1,200	-	-	-	0.00%
5514	Parts - Billing	527,416	745,477	600,000	597,308	600,000	600,000	-	0.00%
5515	Parts - Telecommunicati	6,491	5,073	-	-	-	-	-	0.00%
5516	Install Wire, Loom & Ha	35,533	31,058	40,000	38,800	30,000	30,000	-	0.00%
5517	Vehicle Operations	3,967	4,168	4,500	4,500	4,500	4,500	-	0.00%
5520	Equipment Repair	-	232	5,000	5,000	5,000	5,000	-	0.00%
5521	Outside Tech Serv-Towe	237,587	359,890	325,000	325,000	325,000	325,000	-	0.00%
5524	GETAC Project	-	-	-	-	-	-	-	0.00%
5525	Culver City Infrastructur	23,321	-	-	-	-	-	-	0.00%
5810	Office Equipment	-	-	-	8,260	2,000	2,000	-	0.00%
5820	Other Equipment	-	6,563,550	-	-	-	-	-	0.00%
Subtotal Supplies/Serv/Equip		\$ 1,202,892	\$ 8,080,061	\$ 1,183,150	\$ 1,191,410	\$ 1,178,042	\$ 1,178,042	\$ -	0.00%
Total Expenses - Tech Services		\$ 2,015,157	\$ 8,747,630	\$ 1,966,920	\$ 1,975,180	\$ 1,948,482	\$ 1,920,967	\$ (27,515)	-1.41%

G-4

Attachment 2



Annual Assessments (Revised)

Fiscal Year 2020-21

Quarter	1st	2nd	3rd	4th	
Due Date	7/15/2020	10/15/2020	1/15/2021	4/15/2021	Total
Member Cities					
Gardena	\$ 761,247.55	\$ 508,720.91	\$ 508,720.91	\$ 304,428.64	\$ 2,083,118.00
Less: FY19-20 Surplus	-	(156,390.00)	(156,390.00)	(104,260.00)	\$ (417,040.00)
	761,247.55	352,330.91	352,330.91	200,168.64	1,666,078.00
Hawthorne	932,608.95	623,333.35	623,333.35	373,017.35	2,552,293.00
Less: FY19-20 Surplus	-	(219,716.25)	(219,716.25)	(146,477.50)	\$ (585,910.00)
	932,608.95	403,617.10	403,617.10	226,539.85	1,966,383.00
Manhattan Beach	601,548.50	303,584.78	303,584.78	179,256.94	1,387,975.00
Less: FY19-20 Surplus	-	(128,437.57)	(128,437.57)	(85,625.05)	\$ (342,500.18)
	601,548.50	175,147.21	175,147.21	93,631.89	1,045,474.82
Contract Cities					
Culver City	666,307.25	666,307.25	666,307.25	666,307.25	2,665,229.00
El Segundo	373,434.50	373,434.50	373,434.50	373,434.50	1,493,738.00
Hermosa Beach	283,015.50	153,170.83	153,170.83	153,170.83	742,528.00
Total	\$ 3,618,162.25	\$ 2,124,007.80	\$ 2,124,007.80	\$ 1,713,252.96	\$ 9,579,430.82

Late Payment Penalties

- Gardena, Hawthorne, and Manhattan Beach
 - 5% penalty applies 15 days past due
 - 10% penalty applies 30 days past due
- Culver City
 - 1% penalty applies for payments 1 to 7 days late
 - 2.5% penalty applies after 7 days.
- El Segundo
 - 5% penalty applies 15 days past due
 - 10% penalty applies 30 days past due
- Hermosa Beach
 - 5% penalty applies 15 days past due
 - 10% penalty applies 30 days past due

Notes

- Gardena, Hawthorne, and Manhattan Beach are billed in the following proportions:
Q1-35%, Q2-25%, Q3-25%, Q4-15%
- Culver City, El Segundo, and Hermosa Beach are billed evenly throughout the year, 25% per quarter.
- GST Maintenance, Verizon Wireless DAC charges, Sprint DAC Charges, and Sprint modems are billed with 4th quarter assessments.
- In accordance with the Cost Allocation Policy, Technical Services Division Workload Support Charges are billed quarterly based on actual labor hours for that quarter (excludes Culver City).

G-5



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: September 8, 2020

ITEM NUMBER: G-5

TO: Board of Directors

FROM: John Krok, Acting Executive Director *JK*
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: Fiscal Year 2020/21 Proposed Budget Amendment and Revised Assessments for Member Cities

ATTACHMENTS: 1. FY20/21 Proposed Budget Amendment
2. FY20/21 Revised Assessment Schedule

RECOMMENDATION

Staff recommends the Board of Directors approve the FY20/21 Proposed Budget Amendment and Revised Assessments for Member Cities.

BACKGROUND

During the May 2020 Executive Committee meeting, staff was directed to revisit the Fiscal Year 2020/21 Adopted Budget to reduce or eliminate operating expenses where possible, in light of the recent economic downturn related to the global COVID-19 pandemic. The current adopted budget is \$12,938,443 as summarized below.

Budget Category	FY20-21	
	Adopted Budget	
Salaries & Benefits	\$	10,170,486
Supplies/Services/Equip		2,517,957
Capital Outlay		250,000
Grand Total	\$	12,938,443

Additionally, the adopted budget provides for assessments to Member Cities as follows:

Account Number & Title	FY 2020/21 Adopted
Enterprise Fund (Fund 10)	
10-50-111-4110 Gardena	\$ 2,174,993
10-50-111-4120 Hawthorne	2,664,597
10-50-111-4130 Manhattan Beach	1,718,710
Member City Subtotal	\$ 6,558,300

DISCUSSION

Upon careful review, staff was able to reduce or eliminate various expenses totaling \$536,650 in the FY20/21 Adopted Budget. The Proposed Budget Amendment also includes revisions to budget line items such as insurance premiums, for which the Authority saved approximately \$18,000 for early binding as authorized during the May 2020 Executive Committee Meeting. The following table summarizes proposed reductions in the budget.

Description	Budget Category	Amount
Elimination of 8th Communications Supervisor	Salaries & Benefits	121,268
Elimination of 55th Communications Operator	Salaries & Benefits	96,618
Executive Director Salary Savings	Salaries & Benefits	66,403
Other Salaries and Benefits	Salaries & Benefits	63,212
Elimination of Intern Program	Salaries & Benefits	40,000
Reduction of Recruitment Costs	Supplies/Services/Equip	34,000
Reduction of Legal Services	Supplies/Services/Equip	20,000
General Liability Insurance and Workers' Compensation Savings for early binding	Supplies/Services/Equip	18,178
Elimination of Hiperwall Maintenance	Supplies/Services/Equip	15,000
Reduction of PSTC Seminars and Golden West	Supplies/Services/Equip	11,908
Postponement of Conference Room Upgrades	Supplies/Services/Equip	10,000
Reduction of Consulting Services	Supplies/Services/Equip	10,000
Reduction in Communications Contract Services	Supplies/Services/Equip	6,000
Reduction in Conferences	Supplies/Services/Equip	5,910
Reduction in Employee Services	Supplies/Services/Equip	5,000
Elimination of Leadership Retreat	Supplies/Services/Equip	5,000
Elimination of Civilian Management Seminars	Supplies/Services/Equip	2,563
Elimination of Floor Mat Cleaning	Supplies/Services/Equip	2,500
Elimination of LEFTA Software	Supplies/Services/Equip	1,500
Elimination of CA Penal Code Annual Book	Supplies/Services/Equip	1,050
Reduction in APCO membership	Supplies/Services/Equip	540
Totals		\$ 536,650

This budget reduction translates to a savings of \$276,458 in member cities' assessments for FY20/21 as follows:

Account Number & Title	FY 2020/21 Adopted	FY 2020/21 Revised	Decrease
Enterprise Fund (Fund 10)			
10-50-111-4110 Gardena	\$ 2,174,993	\$ 2,083,118	\$ (91,875)
10-50-111-4120 Hawthorne	2,664,597	2,552,293	(112,304)
10-50-111-4130 Manhattan Beach	1,718,710	1,646,431	(72,278)
Member City Subtotal	\$ 6,558,300	\$ 6,281,842	\$ (276,458)
10-50-111-4140 Hermosa Beach	1,132,062	1,132,062	-
10-50-111-4145 El Segundo	1,493,738	1,493,738	-
10-50-111-4146 Culver City	2,665,229	2,665,229	-
Contract City Subtotal	\$ 5,291,029	\$ 5,291,029	\$ -
Subtotal Assessments	\$ 11,849,329	\$ 11,572,872	\$ (276,458)

As with the current adopted assessments, the revised assessments above do not include Technical Services Division Workload Support charges. In accordance with the Cost Allocation Policy adopted by the Board of Directors, an additional \$548,937 in costs related to vehicle upfitting services provided by the Technical Services Division will be billed back to the Member Cities and the City of El Segundo throughout the year. For Fiscal Year 2020/2021, Workload Support charges will be derived by each agency's corresponding percentage of labor hours associated with vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis at the conclusion of the quarter. Under the terms of the current agreements with Culver City and Hermosa Beach, they are not charged for Workload Support.

The table below outlines the new assessment schedule (Attachment 2) if the Board of Directors adopts the FY20/21 Proposed Budget Amendment and approved the use of \$1.3 million in FY19/20 budget surplus funds to reduce FY20/21 assessments:

Quarter	1st	2nd	3rd	4th	
Due Date	7/15/2020	10/15/2020	1/15/2021	4/15/2021	Total
Member Cities					
Gardena	\$ 761,247.55	\$ 508,720.91	\$ 508,720.91	\$ 304,428.64	\$ 2,083,118.00
Less: FY19-20 Surplus	-	(156,390.00)	(156,390.00)	(104,260.00)	\$ (417,040.00)
	761,247.55	352,330.91	352,330.91	200,168.64	1,666,078.00
Hawthorne	932,608.95	623,333.35	623,333.35	373,017.35	2,552,293.00
Less: FY19-20 Surplus	-	(219,716.25)	(219,716.25)	(146,477.50)	\$ (585,910.00)
	932,608.95	403,617.10	403,617.10	226,539.85	1,966,383.00
Manhattan Beach	601,548.50	402,121.13	402,121.13	240,640.24	1,646,431.00
Less: FY19-20 Surplus	-	(128,437.57)	(128,437.57)	(85,625.05)	\$ (342,500.18)
	601,548.50	273,683.56	273,683.56	155,015.19	1,303,930.82

In addition to the line-item budget reductions, staff will implement a short-term hiring freeze in FY20/21. While the aforementioned Proposed Budget Amendment would authorize a total of 54 Communications Operators, the Authority will freeze hiring once 50 positions are filled to allow additional flexibility in the event there are desired changes to service levels. However, lower staffing levels may trigger additional overtime expenses and so staff will re-evaluate throughout the year to assess the effectiveness of the hiring freeze.

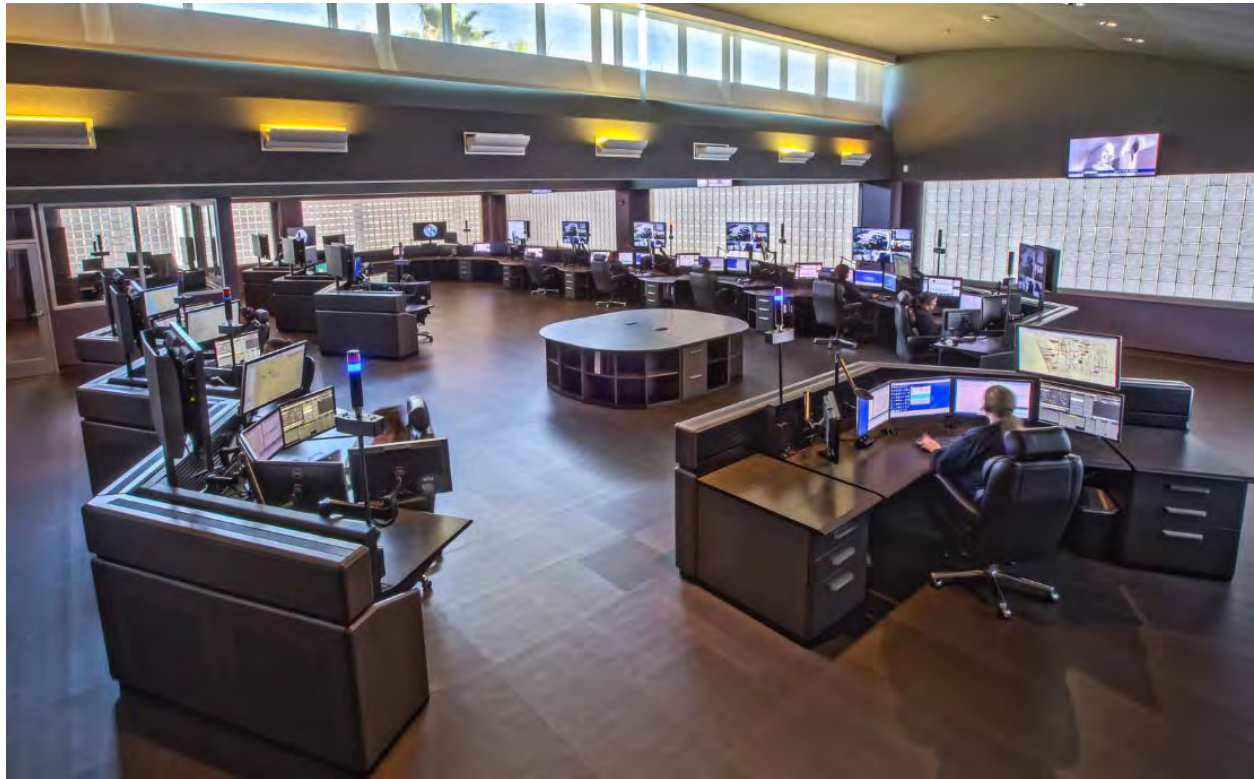
FISCAL IMPACT

The budget reduction of \$536,650 results in a decrease of \$276,458 in Member Cities' assessments and an increase in the projected surplus for FY20/21 of \$244,151 as highlighted below.

Fiscal Year 2020-21	FY 2020/21 Adopted	FY 2020/21 Revised	Inc/(Dec)
Estimated Cash Available as of June 30, 2020	\$ 2,984,228	\$ 5,312,688	\$ 2,328,460
FY 2020/21 Revenues	13,149,258	12,856,759	(292,499)
FY 2020/21 Expenditures	12,938,443	12,401,793	(536,650)
Revenues Over Expenditures	210,815	454,966	244,151
FY19/20 Budget Surplus Use	-	(1,345,450)	(1,345,450)
Estimated Cash Available (Fund 10) as of June 30, 2021	\$ 3,195,043	\$ 4,422,204	\$ 1,227,161
Allocation of Estimated Cash Available	Adopted	Revised	Inc/(Dec)
City of Gardena	\$ 1,024,970	\$ 1,418,643	\$ 393,673
City of Hawthorne	1,440,006	1,993,087	553,081
City of Manhattan Beach	730,067	1,010,474	280,406
Total	\$ 3,195,043	\$ 4,422,204	\$ 1,227,161

G-5

Attachment 1



South Bay Regional Public Communications Authority



Fiscal Year 2020-2021 Proposed Budget Amendment

FINANCIAL SUMMARIES



Personnel Summary (Full-Time Employees Only)

Department/Position Title	FY 17-18 Budget	FY 18-19 Budget	FY 19-20 Budget	FY 20-21 Adopted	FY 20-21 Revised
Administration Department					
Executive Director	1	1	1	1	1
Operations Manager	1	1	1	1	1
Administration Manager ¹	1	1	0	0	0
Finance & Performance Audit Manager ²	1	1	1	1	1
Information Technology Manager ¹	1	1	0	0	0
Executive Assistant ³	1	1	1	1	1
Administrative Services Manager ⁴	1	1	1	1	1
Accountant	0	0	1	1	1
Subtotal	7	7	6	6	6
Operations Department					
Communications Supervisor ⁵	7	7	7	8	7
Communications Operator ^{6,7}	51	51	54	55	54
Subtotal	58	58	61	63	61
Technical Services Division					
Lead Communications Technician	1	1	0	0	0
Communications Technician ¹	0	0	0	0	0
Public Safety Communications Specialist II	1	1	1	1	1
Public Safety Communications Specialist I	5	5	4	4	4
Subtotal	7	7	5	5	5
Grand Total	72	72	72	74	72

Notes

1. Position eliminated.
2. Formerly titled "Accounting & Finance Manager."
3. Formerly titled "Executive Secretary."
4. Formerly titled "Technical Services Manager."
5. One (1) additional position proposed to provide adequate support in special assignments. ELIMINATED
6. One (1) additional position proposed to provide adequate support in Communications Center. ELIMINATED
7. Ten (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 added for FY 2019-20 to cover additional requirements of Manhattan Beach and Hermosa Beach.

Cash Balance Estimates

Fund 10 - Enterprise Fund			
Beginning Balance	Adopted	Revised	Increase/ (Decrease)
Cash Available as of June 30, 2019	\$ 3,953,266	\$ 3,953,266	\$ -
Operating and Capital Reserve	(1,255,153)	(1,255,153)	-
OPEB Reserve	(250,000)	(250,000)	-
Available Cash	\$ 2,448,113	\$ 2,448,113	\$ -
Gardena - 32.08%	785,355	785,355	-
Hawthorne - 45.07%	1,103,365	1,103,365	-
Manhattan Beach - 22.85%	559,394	559,394	-
Fiscal Year 2019/20 Estimated Revenues & Expenditures			
Revenues	13,242,267	13,429,110	186,843
Expenditures	12,667,461	12,069,688	(597,772)
Revenues Over (Under) Expenditures	\$ 574,806	\$ 1,359,422	\$ 784,615
Estimated Balance - End of FY2019/20			
Estimated Cash Available on June 30, 2020	4,528,072	5,312,688	784,615
Operating and Capital Reserve (10% of Budget)	(1,293,844)	(1,240,179)	53,665
OPEB Reserve	(250,000)	(250,000)	-
Estimated Available Cash After Reserve Allocations	\$ 2,984,228	\$ 3,822,509	\$ 838,280
Gardena - 32.08%	957,340	1,226,261	268,920
Hawthorne - 45.07%	1,344,992	1,722,805	377,813
Manhattan Beach - 22.85%	681,896	873,443	191,547
Fiscal Year 2020/21 Budget Resources			
Assessments			
Gardena	2,174,993	2,083,118	(91,875)
Hawthorne	2,664,597	2,552,293	(112,304)
Manhattan Beach	1,718,710	1,646,431	(72,278)
Member City Subtotal	6,558,300	6,281,842	(276,458)
Culver City	2,665,229	2,665,229	-
El Segundo	1,493,738	1,493,738	-
Hermosa Beach	1,132,062	1,132,062	-
Contract City Subtotal	5,291,029	5,291,029	-
Non-Assessment Revenues	1,299,929	1,283,887	(16,042)
Total Budget Resources	13,149,258	12,856,759	(292,500)
Fiscal Year 2020/21 Budget Expenses			
Operating	12,688,443	12,151,793	(536,650)
Capital	250,000	250,000	-
Total Budget Expenses	12,938,443	12,401,793	(536,650)
Revenues Over (Under) Expenditures	\$ 210,815	\$ 454,966	\$ 244,150
Estimated Balance - End of FY2020/21			
Estimated Cash Available on June 30, 2021	4,738,888	5,767,654	1,028,766
Operating and Capital Reserve	(1,293,844)	(1,240,179)	53,665
OPEB Reserve	(250,000)	(250,000)	-
Estimated Available Cash After Reserve Allocations	\$ 3,195,043	\$ 4,277,474	\$ 1,082,431
Gardena - 32.08%	1,024,970	1,372,214	347,244
Hawthorne - 45.07%	1,440,006	1,927,858	487,852
Manhattan Beach - 22.85%	730,067	977,403	247,335

Assessments & Methodologies

Assessments	FY2019/20 Assessment	FY2020/21 Base	2019 CPIU	3 Year Budget Increases	3 Year Member Increases	Total % Increase	Amortized Adjustment	FY20/21 Bylaws Adjustments	Contract Adjustments	FY2020/21 Assessment	Increase (Decrease) Amount
Member Cities											
Gardena	\$ 2,391,301	\$ 1,985,246						\$ 97,873		\$ 2,083,118	(308,183)
Hawthorne	3,359,598	2,423,830						128,463		\$ 2,552,293	(807,305)
Manhattan Beach	1,703,280	1,869,882						(223,451)		\$ 1,646,431	(56,849)
Subtotal	7,454,179	6,278,958							-	6,281,842	(1,172,337)
Contract Cities											
Culver City	\$ 2,587,601	\$ 2,587,601	3.00%	N/A	-	3.00%	-		-	\$ 2,665,229	\$ 77,628
El Segundo	1,372,871	1,782,058	N/A	N/A	N/A	0.00%	-		(288,320)	1,493,738	120,868
Hermosa Beach	975,208	975,208	3.00%	5.00%	N/A	8.00%	78,837		-	1,132,062	156,854
Subtotal	\$ 4,935,680								\$ (288,320)	\$ 5,291,029	\$ 355,350
Total Assessments	\$ 12,389,859									\$ 11,572,872	\$ (816,987)

METHODOLOGIES

Member Cities	<p>Per the Authority's Bylaws, member cities will be charged the following premiums or receive the following discounts to allow phase-in of the Cost Allocation Policy: For FY20/21: City of Gardena: 4.93%, City of Hawthorne: 5.30%; City of Manhattan Beach: (11.95%) For FY21/22: City of Gardena: 3.33%, City of Hawthorne: 3.50%; City of Manhattan Beach: (7.97%) For FY22/23: City of Gardena: 1.69%, City of Hawthorne: 1.73%; City of Manhattan Beach: (3.98%)</p> <p>The member assessments do not include Technical Service Division Workload Support Charges. In accordance with the Bylaws, Workload Support charges will be derived by each agency's corresponding percentage of vehicle installation and repair work orders. Accounting of and billing for Workload Support will occur on a quarterly basis.</p>
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. Agreement expires 03/01/2022.
El Segundo	Starting FY20-21, assessment based on Authority's Cost Allocation Policy to be phased in over a four year period in amounts not-to-exceed as follows: FY20-21 \$1,493,738; FY21-22 \$1,699,634; FY22-23 \$1,869,811; FY23-24 \$2,044,684 Agreement expires 06/30/2030.
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 a revised methodology. The difference between the old methodology and revised was then amortized over 5 years and added each year to the proposed amount. Agreement expires 06/30/2028.

Assessments & Methodologies - Supplemental Information

Unadjusted Assessment Calculations per Cost Allocation Policy - FOR INFORMATION ONLY

Assessments	Gardena	Hawthorne	Manhattan Beach	Culver City ¹	El Segundo	Hermosa Beach ¹	TOTAL
OPERATIONS							
Call-Taking Emergency Calls	\$ 520,328	\$ 784,077	\$ 160,973	\$ 384,918	\$ 190,768	\$ 95,993	\$ 2,137,057
Call-Taking Non-Emergency Support	255,234	289,991	216,963	446,609	119,684	96,224	1,424,705
Police - Dedicated Dispatch Support	715,597	715,597	715,597	715,597	715,597	715,597	4,293,581
Police - Calls for Service Readiness Support	409,853	532,896	214,353	326,346	212,376	144,282	1,840,106
Fire - Dedicated Dispatch Support	-	-	337,625	337,625	337,625	-	1,012,876
Fire - Calls for Service Readiness Support	-	-	101,333	215,715	117,042	-	434,090
TECHNICAL SERVICES							
Technical Support - Dedicated Support	84,233	101,269	123,038	115,466	88,966	35,965	548,937
Total Calculated	\$ 1,985,246	\$ 2,423,830	\$ 1,869,882	\$ 2,542,276	\$ 1,782,058	\$ 1,088,061	\$ 11,691,352

Notes:

1. For illustrative purposes only. See Assessments & Methodologies for actual FY20-21 assessment calculation.

Cost Allocation Data

City	3 Year Average			
	911 Calls	Non-Emergency Calls	Police Calls for Service	Fire Calls for Service
Gardena	26,929	42,342	70,067	-
Hawthorne	40,579	48,108	91,102	-
Manhattan Beach	8,331	35,993	36,645	3,619
Culver City	19,921	74,090	55,791	7,704
El Segundo	9,873	19,855	36,307	4,180
Hermosa Beach	4,968	15,963	24,666	-
3 Year Average	105,306	213,001	295,981	12,935

City	Vehicle Inventories		
	Police	Fire	Total
Gardena	89	-	89
Hawthorne	107	-	107
Manhattan Beach	114	16	130
Culver City	94	28	122
El Segundo	73	21	94
Hermosa Beach	38	-	38
Total	515	65	580

Revenues by Account

Account Number & Title	FY2017/18 Actual	FY2018/19 Actual	FY 2019/20 Adopted	FY 2020/21 Adopted	FY 2020/21 Revised	Amount Inc (Dec)	Percent Inc (Dec)
Enterprise Fund (Fund 10)							
10-50-111-4110 Gardena	\$ 2,391,301	\$ 2,391,301	\$ 2,391,301	\$ 2,174,993	\$ 2,083,118	\$ (91,875)	-3.84%
10-50-111-4120 Hawthorne	3,359,598	3,359,598	3,359,598	2,664,597	2,552,293	(112,304)	-3.34%
10-50-111-4130 Manhattan Beach	1,703,280	1,703,280	1,703,280	1,718,710	1,646,431	(72,278)	-4.24%
Member City Subtotal	7,454,179	7,454,179	7,454,179	6,558,300	6,281,842	(276,458)	-3.71%
10-50-111-4140 Hermosa Beach	700,072	828,439	975,208	1,132,062	1,132,062	-	0.00%
10-50-111-4145 El Segundo	1,294,928	1,330,766	1,372,870	1,493,738	1,493,738	-	0.00%
10-50-111-4146 Culver City	2,360,551	2,507,365	2,587,601	2,665,229	2,665,229	-	0.00%
Contract City Subtotal	4,355,551	4,666,570	4,935,679	5,291,029	5,291,029	-	0.00%
Subtotal Assessments	\$ 11,809,730	\$ 12,120,749	\$ 12,389,858	\$ 11,849,329	\$ 11,572,872	(276,458)	-2.23%
10-50-111-4150 El Camino Community College	790	-	790	790	790	-	0.00%
10-50-111-4151 Annual Maint-MDC - Director	-	653	-	-	-	-	0.00%
10-50-111-4152 Medical Director/Hermosa Beach	12,500	-	-	-	-	-	0.00%
10-50-111-4153 Medical Director/Manhattan Beach	26,250	27,500	27,000	30,500	30,500	-	0.00%
10-50-111-4154 Medical Director/El Segundo	26,250	27,500	27,000	30,500	30,500	-	0.00%
10-50-111-4210 Investment Earnings (LAIF)	59,183	96,218	50,000	50,000	50,000	-	0.00%
10-50-111-4220 POST Reimbursements	574	120	600	1,400	1,400	-	0.00%
10-50-111-4255 Unrealized Gain/Loss on Investments	10,527	-	-	-	-	-	0.00%
10-50-111-4410 Vending Machine Revenue	-	-	-	-	-	-	0.00%
10-50-111-4430 Other Miscellaneous Revenue	379	4,853,937	2,500	2,500	2,500	-	0.00%
10-50-111-4240 911 Reimbursements	-	-	-	8,000	8,000	-	0.00%
10-50-111-4241 Redondo Beach Maintenance Agreement	-	-	-	13,000	13,000	-	0.00%
Subtotal Administration - Other	\$ 136,452	\$ 5,005,928	\$ 107,890	\$ 136,690	\$ 136,690	-	0.00%
10-60-211-4215 DUI Reimbursement-Overtime	2,275	879	2,000	2,000	2,000	-	0.00%
10-60-211-4435 Reimbursements Sprint Wireless	80,257	69,887	77,289	70,000	70,000	-	0.00%
10-60-211-4440 Reimbursements/Verizon Wireless	10,869	23,748	15,229	25,000	25,000	-	0.00%
10-60-211-4460 Pink Patch Project	-	356	-	-	-	-	0.00%
Subtotal Operations	\$ 93,401	\$ 94,871	\$ 94,518	\$ 97,000	\$ 97,000	-	0.00%
10-70-311-4310 Labor-Installation-Member	-	3,126	-	320,991	308,539	(12,452)	0.00%
10-70-311-4320 Labor-Installation-NonMember	-	-	-	92,556	88,966	(3,590)	0.00%
10-70-311-4360 Reimbursements for Billable Parts	710,838	479,845	600,000	600,000	600,000	-	0.00%
10-70-311-4370 Reimbursements for GST Software	47,574	45,592	50,000	52,692	52,692	-	0.00%
10-70-311-4371 Reimbursement ES Chat Software	-	-	-	-	-	-	0.00%
10-70-311-4375 Reimb Net Motion Licenses & Maint.	-	-	-	-	-	-	0.00%
10-70-311-4445 GETAC Project Reimbursements	-	-	-	-	-	-	0.00%
10-70-311-4455 Culver City Transition Reimbursement	15,014	-	-	-	-	-	0.00%
Subtotal Technical Services	\$ 773,427	\$ 528,563	\$ 650,000	\$ 1,066,239	\$ 1,050,197	\$ (16,042)	-2.47%
Subtotal Non-Assessment Revenues	\$ 1,003,280	\$ 5,629,362	\$ 852,408	\$ 1,299,929	\$ 1,283,887	\$ (16,042)	-1.88%
Total Enterprise Fund (Fund 10) Revenues	\$ 12,813,010	\$ 17,750,111	\$ 13,242,266	\$ 13,149,258	\$ 12,856,759	\$ (292,500)	-2.21%
Grant Fund (Fund 20)							
20-80-433-4270 Grant Reimb/P25 Comm Repeater	3,505,856	1,494,144	-	-	-	-	-
Total Grant Fund (Fund 20) Revenues	\$ 3,505,856	\$ 1,494,144	\$ -	\$ -	\$ -	\$ -	-
Grand Total All Funds	\$ 16,318,865	\$ 19,244,256	\$ 13,242,266	\$ 13,149,258	\$ 12,856,759	\$ (292,500)	-2.21%

Expenses by Department - Enterprise Fund (10)

Department/Description	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
Administration								
Salaries & Benefits	\$ 1,144,662	\$ 936,648	\$ 1,177,580	\$ 1,112,580	\$ 1,278,828	\$ 1,169,105	\$ (109,723)	-8.58%
Supplies/Services/Equip	820,423	1,249,035	1,032,068	1,159,289	1,068,710	982,014	(86,696)	-8.11%
Subtotal Administration	\$ 1,965,085	\$ 2,185,684	\$ 2,209,648	\$ 2,271,869	\$ 2,347,538	\$ 2,151,119	\$ (196,419)	-8.37%
							-	-
Operations							\$ -	\$ -
Salaries & Benefits	\$ 6,736,024	\$ 7,180,642	\$ 7,990,433	\$ 7,990,433	\$ 8,121,218	\$ 7,830,472	\$ (290,746)	-3.58%
Supplies/Services/Equip	201,499	199,090	259,528	259,528	271,205	249,235	(21,970)	-8.10%
Subtotal Operations	\$ 6,937,523	\$ 7,379,731	\$ 8,249,961	\$ 8,249,961	\$ 8,392,423	\$ 8,079,707	\$ (312,716)	-3.73%
							-	-
Technical Services							\$ -	\$ -
Salaries & Benefits	\$ 812,266	\$ 667,568	\$ 783,770	\$ 783,770	\$ 770,440	\$ 742,925	\$ (27,515)	-3.57%
Supplies/Services/Equip	1,202,892	8,080,061	1,183,150	1,191,410	1,178,042	1,178,042	-	0.00%
Subtotal Technical Services	\$ 2,015,157	\$ 8,747,630	\$ 1,966,920	\$ 1,975,180	\$ 1,948,482	\$ 1,920,967	\$ (27,515)	-1.41%
							-	-
Total Operating Expenses	\$ 10,917,765	\$ 18,313,045	\$ 12,426,529	\$ 12,497,010	\$ 12,688,443	\$ 12,151,793	\$ (536,650)	-4.23%
							-	-
Total Capital Outlay	\$ 130,808	\$ 5,867	\$ 125,000	\$ 170,450	\$ 250,000	\$ 250,000	\$ -	0.00%
							-	-
Grand Total	\$ 11,048,573	\$ 18,318,911	\$ 12,551,529	\$ 12,667,461	\$ 12,938,443	\$ 12,401,793	\$ (536,650)	-4.15%
							-	-
Department Summary							-	-
Administration	\$ 1,965,085	\$ 2,185,684	\$ 2,209,648	\$ 2,271,869	\$ 2,347,538	\$ 2,151,119	\$ (196,419)	-8.37%
Operations	6,937,523	7,379,731	8,249,961	8,249,961	8,392,423	8,079,707	(312,716)	-3.73%
Technical Services	2,015,157	8,747,630	1,966,920	1,975,180	1,948,482	1,920,967	(27,515)	-1.41%
Capital Outlay	130,808	5,867	125,000	170,450	250,000	250,000	-	0.00%
Grand Total	\$ 11,048,573	\$ 18,318,911	\$ 12,551,529	\$ 12,667,461	\$ 12,938,443	\$ 12,401,793	\$ (536,650)	-4.15%
							-	-
Major Category Summary							-	-
Salaries & Benefits	\$ 8,692,952	\$ 8,784,858	\$ 9,951,783	\$ 9,886,783	\$ 10,170,486	\$ 9,742,502	\$ (427,984)	-4.21%
Supplies/Services/Equip	2,224,814	9,528,186	2,474,746	2,610,227	2,517,957	2,409,291	(108,666)	-4.32%
Capital Outlay	130,808	5,867	125,000	170,450	250,000	250,000	-	0.00%
Grand Total	\$ 11,048,573	\$ 18,318,911	\$ 12,551,529	\$ 12,667,461	\$ 12,938,443	\$ 12,401,793	\$ (536,650)	-4.15%

Expenses by Account

ACCT	DESCRIPTION	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
5101	Salaries (Full-Time)	\$ 5,150,558	\$ 5,277,108	\$ 6,616,540	\$ 6,551,540	\$ 6,871,132	\$ 6,594,452	\$ (276,680)	-4.03%
5102	Salaries (Part-Time)	95,155	110,963	-	-	40,000	-	(40,000)	(1.00)
5103	Overtime	1,144,879	981,489	390,000	390,000	202,389	202,389	-	0.00%
5104	Acting Pay	284	3,005	10,000	10,000	10,000	13,682	3,682	36.82%
5105	Bilingual Pay	9,100	7,900	8,400	8,400	8,400	8,400	-	0.00%
5107	Merit Pay	4,089	81,056	3,650	3,650	4,350	4,350	-	0.00%
5108	Sick Leave Payoff	128,133	127,283	145,594	145,594	157,451	157,451	-	0.00%
5109	Vacation Leave Payoff	130,209	95,787	112,698	112,698	93,472	93,472	-	0.00%
5110	Training Pay	7,464	11,963	15,000	15,000	15,000	15,000	-	0.00%
5112	Other Pay	-	-	7,200	7,200	34,680	29,790	(4,890)	-14.10%
5114	Holiday Payoff	78,302	146,240	100,000	100,000	75,000	75,000	-	0.00%
5115	Education Incentive	93,849	99,224	132,406	132,406	104,300	104,300	-	0.00%
5116	Overtime-Ridealongs	-	-	10,000	10,000	-	-	-	0.00%
5201	Medical Insurance	593,977	530,107	778,459	778,459	809,989	781,534	(28,455)	-3.51%
5202	Dental Insurance	31,006	41,880	57,876	57,876	46,807	46,198	(609)	-1.30%
5203	Vision Care	13,846	19,318	22,361	22,361	21,795	21,055	(740)	-3.40%
5204	Life Insurance	7,016	7,713	9,980	9,980	9,768	9,471	(297)	-3.04%
5205	Medicare	100,802	101,659	105,933	105,933	110,819	106,789	(4,030)	-3.64%
5206	Unemployment Insurance	2,934	11,463	6,713	6,713	5,000	5,000	-	0.00%
5207	Workers' Compensation	165,726	75,637	154,838	154,838	132,500	91,488	(41,012)	-30.95%
5208	PERS Contribution	825,215	940,422	1,124,646	1,124,646	810,996	780,668	(30,328)	-3.74%
5209	Retirees' Medical Insurance	101,472	85,466	111,099	111,099	76,000	76,000	-	0.00%
5211	Social Security	589	126	890	890	-	-	-	0.00%
5212	Deferred Comp Matching	8,346	29,048	27,500	27,500	36,500	31,875	(4,625)	-12.67%
5219	PERS Contribution-UAL	-	-	-	-	494,138	494,138	-	-
Subtotal Salaries & Benefits		\$ 8,692,952	\$ 8,784,858	\$ 9,951,783	\$ 9,886,783	\$ 10,170,486	\$ 9,742,502	\$ (427,984)	-4.21%
5300	Maintenance & Operations	-	160	-	-	-	-	-	0.00%
5301	Communications Contract Svcs	23,210	23,314	49,000	49,000	54,000	48,000	(6,000)	-11.11%
5302	Computer Contract/CAD	360,450	400,360	200,000	200,000	200,000	200,000	-	0.00%
5304	Accountant/Auditing Services	12,250	28,800	33,000	33,000	33,000	33,000	-	0.00%
5305	Legal Services	62,130	61,875	95,000	147,121	95,000	75,000	(20,000)	-21.05%
5306	Recruitment Costs	68,616	76,911	53,610	68,610	68,530	34,000	(34,530)	-50.39%
5307	Software Maintenance Services	43,232	103,554	69,762	69,762	77,537	61,037	(16,500)	-21.28%
5308	Banking Services (Fees)	5,753	5,468	6,000	6,000	6,000	6,000	-	0.00%
5309	Website Maintenance Service	3,070	1,740	5,000	5,000	7,500	7,500	-	0.00%
5311	GST Software Reimbursable	47,574	44,791	50,000	52,692	52,692	52,692	-	0.00%
5312	Medical Director Services	65,000	59,619	54,000	54,000	61,000	61,000	-	0.00%
5313	Temporary Staffing	-	292,605	50,000	125,100	50,000	40,000	(10,000)	-20.00%
5401	Membership Dues	220	818	3,220	3,220	3,220	2,680	(540)	-16.77%
5402	Publications	785	3,343	2,060	2,060	2,060	2,060	-	0.00%
5403	Conferences, Meeting & Travel	36,256	20,083	40,485	40,485	51,675	38,202	(13,473)	-26.07%
5404	Employee Services/EC-BOD	4,061	3,771	3,500	3,500	13,000	8,000	(5,000)	-38.46%
5405	Employee Awards	-	-	500	500	500	500	-	0.00%
5406	POST Training	-	992	23,815	23,815	24,865	11,908	(12,957)	-52.11%
5407	Tuition Reimbursement	10,014	6,797	20,000	20,000	18,000	18,000	-	0.00%
5501	Office Supplies	12,101	31,411	9,000	9,000	9,000	9,000	-	0.00%
5502	Miscellaneous Supplies	160	408	1,100	1,100	9,100	9,100	-	0.00%
5503	General Technical Supplies	(10,660)	4,009	7,500	7,500	7,500	7,500	-	0.00%
5504	Vending Machine Supplies	-	-	-	-	-	-	-	0.00%
5505	Voice Recording Tapes	-	-	-	-	-	-	-	0.00%
5506	Uniforms/Safety Equipment	6,087	17,839	11,500	11,500	10,500	10,500	-	0.00%
5507	Postage	1,224	983	1,600	1,600	1,600	1,600	-	0.00%
5508	Shipping Costs	-	343	-	1,200	1,200	1,200	-	0.00%
5509	Reproduction	1,046	80	2,000	2,000	2,000	2,000	-	0.00%
5511	Office Equipment Lease	14,499	14,107	15,750	15,750	15,750	15,750	-	0.00%
5513	General Liability Insurance	172,917	137,703	210,826	210,826	175,678	198,512	22,834	13.00%
5514	Parts - Billing	527,416	745,477	600,000	597,308	600,000	600,000	-	0.00%
5515	Parts - Telecommunications	6,491	5,073	-	-	-	-	-	0.00%
5516	Install Wire, Loom & Hardware	35,533	31,058	40,000	38,800	30,000	30,000	-	0.00%
5517	Vehicle Operations	4,333	4,293	6,500	6,500	6,500	6,500	-	0.00%
5520	Equipment Repair	-	232	5,000	5,000	5,000	5,000	-	0.00%

Expenses by Account

ACCT	DESCRIPTION	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
5521	Outside Tech Serv-Towers/Equi	237,587	359,890	325,000	325,000	325,000	325,000	-	0.00%
5524	GETAC Project	-	-	-	-	-	-	-	0.00%
5525	Culver City Infrastructure Trans	23,321	-	-	-	-	-	-	0.00%
5601	Telephone - Administration	15,387	20,123	15,000	15,000	15,000	15,000	-	0.00%
5603	Telephone - El Segundo	2,403	2,149	3,000	3,000	3,000	3,000	-	0.00%
5604	Telephone - Gardena	2,683	1,349	5,000	5,000	3,000	3,000	-	0.00%
5606	Telephone - Hawthorne	4,419	5,385	6,000	6,000	6,000	6,000	-	0.00%
5607	Telephone - Hermosa Beach	21,838	27,864	25,000	25,000	27,000	27,000	-	0.00%
5608	Telephone - Manhattan Beach	4,528	5,029	8,000	8,000	6,000	6,000	-	0.00%
5611	Telephone - Punta Place	3,765	3,897	5,500	5,500	4,500	4,500	-	0.00%
5612	Telephone - RCC	10,630	10,717	12,000	12,000	11,000	11,000	-	0.00%
5613	Sprint Wireless Reimbursable	77,632	65,103	77,289	77,289	70,000	70,000	-	0.00%
5614	Verizon Wireless Reimbursable	15,022	29,194	15,229	15,229	25,000	25,000	-	0.00%
5615	Telephone-Culver City	22,457	10,327	5,500	5,500	14,500	14,500	-	0.00%
5701	Maintenance/HQ	146,587	166,757	154,400	139,400	164,150	161,650	(2,500)	-1.52%
5702	Maintenance/Other	-	-	-	-	-	-	-	0.00%
5703	Electricity - HQ	88,489	86,087	106,700	106,700	98,000	98,000	-	0.00%
5704	Electricity - Grandview	2,012	900	2,200	2,200	2,200	2,200	-	0.00%
5705	Electricity - Punta	5,552	6,706	6,600	6,600	6,600	6,600	-	0.00%
5706	Gas - HQ	7,991	8,797	11,000	11,000	11,000	11,000	-	0.00%
5707	Water - HQ	3,733	3,360	3,850	3,850	3,850	3,850	-	0.00%
5715	Electricity - MB Water Tower	2,088	2,997	2,750	2,750	2,750	2,750	-	0.00%
5810	Office Equipment	4,382	15,237	-	8,260	12,000	2,000	(10,000)	-83.33%
5820	Other Equipment	7,820	6,568,300	15,000	15,000	15,000	15,000	-	0.00%
5830	Furniture & Fixtures	720	-	-	-	-	-	-	0.00%
5840	Vehicles	-	-	-	-	-	-	-	0.00%
Subtotal Supplies/Services/Equip		\$ 2,224,814	\$ 9,528,186	\$ 2,474,746	\$ 2,610,227	\$ 2,517,957	\$ 2,409,291	\$ (108,666)	-4.32%
Total Operating Expenses		\$ 10,917,765	\$ 18,313,045	\$ 12,426,529	\$ 12,497,010	\$ 12,688,443	\$ 12,151,793	\$ (536,650)	-4.23%
5901	Total Capital Outlay	130,808	5,867	125,000	170,450	250,000	250,000	-	0.00%
Total Enterprise Fund (Fund 10)		\$ 11,048,573	\$ 18,318,911	\$ 12,551,529	\$ 12,667,461	\$ 12,938,443	\$ 12,401,793	\$ (536,650)	-4.15%
5901	Grant Fund (20)	614,532	1,602,069	-	-	-	-	-	0.00%
Grand Total All Funds		11,663,106	19,920,980	12,551,529	12,667,461	12,938,443	12,401,793	(536,650)	-4.15%

NOTES:

Proposed budget excludes non-cash expenses such as accrued leave, depreciation, and gain (loss) on disposal of fixed assets.

FY 2019-20 Amended budget includes appropriations after budget adoption.

ADMINISTRATION DEPARTMENT



Expenses by Account - Administration Department

ACCT	DESCRIPTION	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
5101	Salaries (Full-Time)	\$ 811,470	\$ 663,617	\$ 819,504	\$ 754,504	\$ 847,612	\$ 794,052	\$ (53,560)	-6.32%
5102	Salaries (Part-Time)	-	-	-	-	40,000	-	(40,000)	-100.00%
5104	Acting Pay	-	189	-	-	-	3,682	3,682	0.00%
5107	Longevity Pay	2,800	2,950	2,150	2,150	2,350	2,350	-	0.00%
5108	Sick Leave Payoff	20,409	14,418	21,501	21,501	33,358	33,358	-	0.00%
5109	Vacation Leave Payoff	88,078	34,686	35,095	35,095	24,086	24,086	-	0.00%
5112	Other Pay	-	-	7,200	7,200	34,680	29,790	(4,890)	-14.10%
5114	Holiday Payoff	-	2,423	-	-	-	-	-	0.00%
5201	Medical Insurance	54,858	54,655	93,161	93,161	88,393	87,658	(735)	-0.83%
5202	Dental Insurance	3,271	5,080	6,968	6,968	7,607	6,998	(609)	-8.01%
5203	Vision Care	1,068	1,488	2,256	2,256	1,726	1,597	(129)	-7.47%
5204	Life Insurance	595	590	832	832	792	759	(33)	-4.17%
5205	Medicare	13,796	10,778	13,727	13,727	13,660	12,866	(794)	-5.81%
5206	Unemployment Insurance	32	-	-	-	-	-	-	0.00%
5207	Workers' Compensation	9,612	4,053	12,533	12,533	10,725	7,405	(3,320)	-30.96%
5208	PERS Contribution	115,893	100,364	119,629	119,629	90,317	85,607	(4,710)	-5.21%
5209	Retirees' Medical Insurance	14,434	12,310	15,524	15,524	6,000	6,000	-	0.00%
5212	Deferred Comp Matching	8,346	29,048	27,500	27,500	36,500	31,875	(4,625)	-12.67%
5219	PERS Contribution-UAL	-	-	-	-	41,022	41,022	-	0.00%
Subtotal Salaries & Benefits		\$ 1,144,662	\$ 936,648	\$ 1,177,580	\$ 1,112,580	\$ 1,278,828	\$ 1,169,105	\$ (109,723)	-8.58%
5301	Communications Contract S	23,210	23,314	49,000	49,000	54,000	48,000	(6,000)	-11.11%
5302	Computer Contract/CAD	30,450	90,360	55,000	55,000	55,000	55,000	-	0.00%
5304	Accountant/Auditing Servic	12,250	28,800	33,000	33,000	33,000	33,000	-	0.00%
5305	Legal Services	62,130	61,875	95,000	147,121	95,000	75,000	(20,000)	-21.05%
5306	Recruitment Costs	68,616	76,911	53,610	68,610	68,530	34,000	(34,530)	-50.39%
5307	Software Maintenance Serv	43,232	103,554	69,762	69,762	77,537	61,037	(16,500)	-21.28%
5308	Banking Services (Fees)	5,753	5,468	6,000	6,000	6,000	6,000	-	0.00%
5309	Website Maintenance Servi	3,070	1,740	5,000	5,000	7,500	7,500	-	0.00%
5312	Medical Director Services	65,000	59,619	54,000	54,000	61,000	61,000	-	0.00%
5313	Temporary Staffing	-	292,605	50,000	125,100	50,000	40,000	(10,000)	-20.00%
5401	Membership Dues	220	789	390	390	390	390	-	0.00%
5402	Publications	-	1,714	350	350	350	350	-	0.00%
5403	Conferences, Meeting & Tr	22,950	3,209	13,680	13,680	21,725	16,725	(5,000)	-23.01%
5404	Employee Services/EC-BOD	2,218	3,294	1,000	1,000	10,500	5,500	(5,000)	-47.62%
5407	Tuition Reimbursement	-	-	2,000	2,000	-	-	-	0.00%
5501	Office Supplies	12,101	31,411	9,000	9,000	9,000	9,000	-	0.00%
5502	Miscellaneous Supplies	160	408	1,100	1,100	9,100	9,100	-	0.00%
5507	Postage & Shipping	1,224	983	1,600	1,600	1,600	1,600	-	0.00%
5509	Reproduction	693	80	1,500	1,500	1,500	1,500	-	0.00%
5511	Office Equipment Lease	14,499	14,107	15,750	15,750	15,750	15,750	-	0.00%
5513	General Liability Insurance	172,917	137,703	210,826	210,826	175,678	198,512	22,834	13.00%
5517	Vehicle Operations	366	125	2,000	2,000	2,000	2,000	-	0.00%
5601	Telephone - Administration	15,387	20,123	15,000	15,000	15,000	15,000	-	0.00%
5701	Maintenance/HQ	146,587	166,757	154,400	139,400	164,150	161,650	(2,500)	-1.52%
5703	Electricity - HQ	88,489	86,087	106,700	106,700	98,000	98,000	-	0.00%
5704	Electricity - Grandview	2,012	900	2,200	2,200	2,200	2,200	-	0.00%
5705	Electricity - Punta	5,552	6,706	6,600	6,600	6,600	6,600	-	0.00%
5706	Gas - HQ	7,991	8,797	11,000	11,000	11,000	11,000	-	0.00%
5707	Water - HQ	3,733	3,360	3,850	3,850	3,850	3,850	-	0.00%
5715	Electricity - MB Water Towe	2,088	2,997	2,750	2,750	2,750	2,750	-	0.00%
5810	Office Equipment	4,382	15,237	-	-	10,000	-	(10,000)	-100.00%
5820	Other Equipment	2,421	-	-	-	-	-	-	0.00%
5830	Furniture & Fixtures	720	-	-	-	-	-	-	0.00%
Subtotal Supplies/Services/Equip		\$ 820,423	\$ 1,249,035	\$ 1,032,068	\$ 1,159,289	\$ 1,068,710	\$ 982,014	\$ (86,696)	-8.11%
Total Expenses - Administration		\$ 1,965,085	\$ 2,185,684	\$ 2,209,648	\$ 2,271,869	\$ 2,347,538	\$ 2,151,119	\$ (196,419)	-8.37%

OPERATIONS DEPARTMENT



Expenses by Account - Operations Department

ACCT	DESCRIPTION	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
5101	Salaries (Full-Time)	\$ 3,843,426	\$ 4,176,042	\$ 5,311,530	\$ 5,311,530	\$ 5,546,631	\$ 5,328,165	\$ (218,466)	-3.94%
5102	Salaries (Part-Time)	95,155	110,963	-	-	-	-	-	0.00%
5103	Overtime	1,143,975	980,650	385,000	385,000	195,539	195,539	-	0.00%
5104	Acting Pay	284	2,815	10,000	10,000	10,000	10,000	-	0.00%
5105	Bilingual Pay	9,100	7,900	8,400	8,400	8,400	8,400	-	0.00%
5107	Merit Pay	-	69,000	-	-	-	-	-	0.00%
5108	Sick Leave Payoff	92,696	96,478	106,313	106,313	106,313	106,313	-	0.00%
5109	Vacation Leave Payoff	36,694	49,221	63,217	63,217	55,000	55,000	-	0.00%
5110	Training Pay	7,464	11,963	15,000	15,000	15,000	15,000	-	0.00%
5114	Holiday Payoff	68,025	143,818	100,000	100,000	75,000	75,000	-	0.00%
5115	Education Incentive	90,403	99,224	132,406	132,406	104,300	104,300	-	0.00%
5116	Overtime-Ridealongs	-	-	10,000	10,000	-	-	-	0.00%
5201	Medical Insurance	479,885	442,163	637,435	637,435	668,836	641,116	(27,720)	-4.14%
5202	Dental Insurance	25,103	34,282	47,968	47,968	36,400	36,400	-	0.00%
5203	Vision Care	11,449	16,623	18,699	18,699	18,424	17,813	(611)	-3.32%
5204	Life Insurance	5,680	6,467	8,455	8,455	8,316	8,052	(264)	-3.17%
5205	Medicare	79,000	83,751	84,939	84,939	89,572	86,404	(3,168)	-3.54%
5206	Unemployment Insuranc	2,873	11,463	6,713	6,713	5,000	5,000	-	0.00%
5207	Workers' Compensation	56,347	24,605	58,372	58,372	49,951	34,490	(15,461)	-30.95%
5208	PERS Contribution	631,635	767,603	922,296	922,296	662,899	637,843	(25,056)	-3.78%
5209	Retirees' Medical Insurar	56,240	45,484	62,800	62,800	50,000	50,000	-	0.00%
5211	Social Security	589	126	890	890	-	-	-	0.00%
5219	PERS Contribution-UAL	-	-	-	-	415,637	415,637	-	0.00%
Subtotal Salaries & Benefits		\$ 6,736,024	\$ 7,180,642	\$ 7,990,433	\$ 7,990,433	\$ 8,121,218	\$ 7,830,472	\$ (290,746)	-3.58%
5300	Maintenance & Operatio	-	160	-	-	-	-	-	0.00%
5401	Membership Dues	-	29	2,830	2,830	2,830	2,290	(540)	-19.08%
5402	Publications	785	1,629	1,710	1,710	1,710	1,710	-	0.00%
5403	Conferences, Meeting &	13,306	15,382	24,155	24,155	27,300	18,827	(8,473)	-31.04%
5404	Employee Services/EC-BI	1,843	477	2,500	2,500	2,500	2,500	-	0.00%
5405	Employee Awards	-	-	500	500	500	500	-	0.00%
5406	POST Training	-	992	23,815	23,815	24,865	11,908	(12,957)	-52.11%
5407	Tuition Reimbursement	10,014	6,797	18,000	18,000	18,000	18,000	-	0.00%
5506	Uniforms/Safety Equipm	4,422	7,862	8,000	8,000	8,000	8,000	-	0.00%
5509	Reproduction	353	-	500	500	500	500	-	0.00%
5603	Telephone - El Segundo	2,403	2,149	3,000	3,000	3,000	3,000	-	0.00%
5604	Telephone - Gardena	2,683	1,349	5,000	5,000	3,000	3,000	-	0.00%
5606	Telephone - Hawthorne	4,419	5,385	6,000	6,000	6,000	6,000	-	0.00%
5607	Telephone - Hermosa Be	21,838	27,864	25,000	25,000	27,000	27,000	-	0.00%
5608	Telephone - Manhattan I	4,528	5,029	8,000	8,000	6,000	6,000	-	0.00%
5611	Telephone - Punta Place	3,765	3,897	5,500	5,500	4,500	4,500	-	0.00%
5612	Telephone - RCC	10,630	10,717	12,000	12,000	11,000	11,000	-	0.00%
5613	Sprint Wireless Reimbur:	77,632	65,103	77,289	77,289	70,000	70,000	-	0.00%
5614	Verizon Wireless Reimbu	15,022	29,194	15,229	15,229	25,000	25,000	-	0.00%
5615	Telephone-Culver City	22,457	10,327	5,500	5,500	14,500	14,500	-	0.00%
5820	Other Equipment	5,399	4,749	15,000	15,000	15,000	15,000	-	0.00%
Subtotal Supplies/Services/Equip		\$ 201,499	\$ 199,090	\$ 259,528	\$ 259,528	\$ 271,205	\$ 249,235	\$ (21,970)	-8.10%
Total Expenses - Operations		\$ 6,937,523	\$ 7,379,731	\$ 8,249,961	\$ 8,249,961	\$ 8,392,423	\$ 8,079,707	\$ (312,716)	-3.73%

TECHNICAL SERVICES DIVISION



Expenses by Account - Technical Services Department

ACCT	DESCRIPTION	FY17-18 Actual	FY18-19 Actual	FY 19-20 Adopted	FY 19-20 Amended	FY 20-21 Adopted	FY 20-21 Revised	vs Adopted Increase (Decrease)	vs Adopted Increase (Decrease) %
5101	Salaries (Full-Time)	\$ 495,661	\$ 437,449	\$ 485,506	\$ 485,506	\$ 476,889	\$ 472,235	\$ (4,654)	-0.98%
5103	Overtime	904	839	5,000	5,000	6,850	6,850	-	0.00%
5104	Acting Pay	-	-	-	-	\$ -	-	-	0.00%
5106	Call Back Pay	-	-	-	-	\$ -	-	-	0.00%
5107	Merit Pay	1,289	9,106	1,500	1,500	2,000	2,000	-	0.00%
5108	Sick Leave Payoff	15,028	16,387	17,780	17,780	17,780	17,780	-	0.00%
5109	Vacation Leave Payoff	5,437	11,880	14,386	14,386	14,386	14,386	-	0.00%
5114	Holiday Payoff	10,277	-	-	-	-	-	-	0.00%
5115	Education Incentive	3,446	-	-	-	-	-	-	0.00%
5201	Medical Insurance	59,234	33,289	47,863	47,863	52,760	52,760	-	0.00%
5202	Dental Insurance	2,632	2,519	2,940	2,940	2,800	2,800	-	0.00%
5203	Vision Care	1,330	1,208	1,406	1,406	1,645	1,645	-	0.00%
5204	Life Insurance	741	656	693	693	660	660	-	0.00%
5205	Medicare	8,006	7,130	7,267	7,267	7,587	7,519	(68)	-0.90%
5206	Unemployment Insurance	29	-	-	-	-	-	-	0.00%
5207	Workers' Compensation	99,767	46,978	83,933	83,933	71,824	49,593	(22,231)	-30.95%
5208	PERS Contribution	77,688	72,456	82,721	82,721	57,780	57,218	(562)	-0.97%
5209	Retirees' Medical Insurance	30,798	27,672	32,775	32,775	20,000	20,000	-	0.00%
5219	PERS Contribution-UAL	-	-	-	-	37,479	37,479	-	0.00%
Subtotal Salaries & Benefits		\$ 812,266	\$ 667,568	\$ 783,770	\$ 783,770	\$ 770,440	\$ 742,925	\$ (27,515)	-3.57%
5302	Computer Contract/CA	330,000	310,000	145,000	145,000	145,000	145,000	-	0.00%
5311	GST Software Reimbur	47,574	44,791	50,000	52,692	52,692	52,692	-	0.00%
5403	Conferences, Meeting	-	1,491	2,650	2,650	2,650	2,650	-	0.00%
5503	General Technical Support	(10,660)	4,009	7,500	7,500	7,500	7,500	-	0.00%
5506	Uniforms/Safety Equip	1,664	9,977	3,500	3,500	2,500	2,500	-	0.00%
5507	Postage & Shipping	-	-	-	-	1,200	1,200	-	0.00%
5508	Shipping Costs	-	343	-	1,200	-	-	-	0.00%
5514	Parts - Billing	527,416	745,477	600,000	597,308	600,000	600,000	-	0.00%
5515	Parts - Telecommunica	6,491	5,073	-	-	-	-	-	0.00%
5516	Install Wire, Loom & H	35,533	31,058	40,000	38,800	30,000	30,000	-	0.00%
5517	Vehicle Operations	3,967	4,168	4,500	4,500	4,500	4,500	-	0.00%
5520	Equipment Repair	-	232	5,000	5,000	5,000	5,000	-	0.00%
5521	Outside Tech Serv-Tow	237,587	359,890	325,000	325,000	325,000	325,000	-	0.00%
5524	GETAC Project	-	-	-	-	-	-	-	0.00%
5525	Culver City Infrastructu	23,321	-	-	-	-	-	-	0.00%
5810	Office Equipment	-	-	-	8,260	2,000	2,000	-	0.00%
5820	Other Equipment	-	6,563,550	-	-	-	-	-	0.00%
Subtotal Supplies/Serv/Equip		\$ 1,202,892	\$ 8,080,061	\$ 1,183,150	\$ 1,191,410	\$ 1,178,042	\$ 1,178,042	\$ -	0.00%
Total Expenses - Tech Services		\$ 2,015,157	\$ 8,747,630	\$ 1,966,920	\$ 1,975,180	\$ 1,948,482	\$ 1,920,967	\$ (27,515)	-1.41%

G-5

Attachment 2



Annual Assessments (Revised)

Fiscal Year 2020-21

Quarter	1st	2nd	3rd	4th	
Due Date	7/15/2020	10/15/2020	1/15/2021	4/15/2021	Total
Member Cities					
Gardena	\$ 761,247.55	\$ 508,720.91	\$ 508,720.91	\$ 304,428.64	\$ 2,083,118.00
Less: FY19-20 Surplus	-	(156,390.00)	(156,390.00)	(104,260.00)	\$ (417,040.00)
	761,247.55	352,330.91	352,330.91	200,168.64	1,666,078.00
Hawthorne	932,608.95	623,333.35	623,333.35	373,017.35	2,552,293.00
Less: FY19-20 Surplus	-	(219,716.25)	(219,716.25)	(146,477.50)	\$ (585,910.00)
	932,608.95	403,617.10	403,617.10	226,539.85	1,966,383.00
Manhattan Beach	601,548.50	402,121.13	402,121.13	240,640.24	1,646,431.00
Less: FY19-20 Surplus	-	(128,437.57)	(128,437.57)	(85,625.05)	\$ (342,500.18)
	601,548.50	273,683.56	273,683.56	155,015.19	1,303,930.82
Contract Cities					
Culver City	666,307.25	666,307.25	666,307.25	666,307.25	2,665,229.00
El Segundo	373,434.50	373,434.50	373,434.50	373,434.50	1,493,738.00
Hermosa Beach	283,015.50	283,015.50	283,015.50	283,015.50	1,132,062.00
Total	\$ 3,618,162.25	\$ 2,352,388.82	\$ 2,352,388.82	\$ 1,904,480.93	\$ 10,227,420.82

Late Payment Penalties

- Gardena, Hawthorne, and Manhattan Beach
 - 5% penalty applies 15 days past due
 - 10% penalty applies 30 days past due
- Culver City
 - 1% penalty applies for payments 1 to 7 days late
 - 2.5% penalty applies after 7 days.
- El Segundo
 - 5% penalty applies 15 days past due
 - 10% penalty applies 30 days past due
- Hermosa Beach
 - 1% penalty applies for payments 1 to 7 days late
 - 2.5% penalty applies after 7 days.

Notes

- Gardena, Hawthorne, and Manhattan Beach are billed in the following proportions:
Q1-35%, Q2-25%, Q3-25%, Q4-15%
- Culver City, El Segundo, and Hermosa Beach are billed evenly throughout the year, 25% per quarter.
- GST Maintenance, Verizon Wireless DAC charges, Sprint DAC Charges, and Sprint modems are billed with 4th quarter assessments.

G-6



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: September 08, 2020

ITEM NUMBER: G-6

TO: Board of Directors

FROM: John Krok, Acting Executive Director *JK*
Vanessa Alfaro, Finance & Performance Audit Manager

SUBJECT: ESTABLISHMENT OF A SECTION 115 TRUST WITH CERBT

ATTACHMENTS: 1. Resolution No. 334
2. CERBT Participation Agreement

RECOMMENDATION

Staff recommends the Board of Directors:

1. Approve a resolution and participation agreement with CalPERS to establish a Section 115 Trust for Other Post-Employment Benefits ("OPEB") with the California Employers' Retiree Benefit Trust ("CERBT") program with initial transfer of \$250,000 currently held in the Authority's Enterprise Fund as an OPEB reserve (Attachments 1 and 2).
2. Delegate authority to the Treasurer to select an investment strategy for OPEB trust assets (Attachment 1).

BACKGROUND

The Authority provides certain limited healthcare benefits to eligible retirees known as OPEB benefits. The Authority funds these OPEB expenses as they become due, commonly referred to as "pay-as-you-go." While pay-as-you-go is a common financial practice, it ignores future employer costs for employees that have earned the benefits but have not retired, which results in a growing unfunded liability. As of June 30, 2019, the Authority's OPEB liability totaled \$2,805,233.

In September 2019, staff presented information to the Executive Committee about the Authority's unfunded pension and OPEB liabilities and options for addressing these growing liabilities.

During the February 2020 Executive Committee meeting, staff was directed to provide additional information about Section 115 trust providers for OPEB liabilities.

In July 2020, staff presented options for Section 115 trust providers to the Executive Committee and Members agreed that CalPERS' CERBT program offered the best

combination of costs, investment returns, and industry experience. The Executive Committee elected to recommend the CERBT program for consideration by the Board of Directors, with initial funding of \$250,000 held in the Authority's Enterprise Fund as an OPEB reserve since October 2011.

DISCUSSION

A Section 115 Trust, governed by the Internal Revenue Code Section 115, is an irrevocable trust dedicated exclusively to providing benefits to retirees and is legally protected from creditors of the employer.

CERBT is a multiple-employer OPEB Section 115 trust administered by CalPERS, with more than 550 participating public employers and approximately \$11 billion in assets under management. CERBT offers three (3) investment strategy options ranging in risk tolerance levels. While Strategy 1 invests nearly 60% of assets in equity (i.e. stocks), Strategy 3 invests nearly 50% in fixed income, such as bonds, for a more conservative investment approach. Fiduciary responsibility is assumed by the CalPERS Board of Administration and investment strategies are managed by the Affiliate Investments Program ("AIP") team. The AIP team is separate from the pension fund investment team, but is part of the CalPERS Investment Office.

Participating employers select one of the three available options based on their investment goals and risk tolerance, and a funding policy for ongoing contributions. However, ongoing contributions to the trust are not required and a funding policy can be adopted at a later time. Additionally, due to the existing infrastructure within CalPERS, CERBT offers an unmatched low cost of 10 basis points (0.10%) for all assets under management. This rate has remained unchanged for the last 6 years but is subject to change.

The attached resolution and CalPERS documents authorize the Authority's participation in the CERBT program and delegate authority to the Treasurer to select an investment strategy from the three options offered by CERBT.

Staff will bring recommendations to the Board of Directors for ongoing contribution options (i.e. a funding policy) after establishing and initial funding of the trust.

FISCAL IMPACT

None at this time. Fund balance will decrease by \$250,000 upon establishment of and subsequent transfer to the Section 115 trust.

G-6

Attachment 1

RESOLUTION NO. 334

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS
AUTHORITY APPROVING THE AGREEMENT TO PARTICIPATE
IN THE CALIFORNIA EMPLOYERS' RETIREMENT BENEFIT
TRUST FUND (CERBT) AND APPROVE THE DELEGATION OF
AUTHORITY TO SELECT INVESTMENT STRATEGY**

WHEREAS, the Authority provides required health insurance benefits to retirees, also known as Other Post-Employment benefits (OPEB), and currently funds its OPEB benefits on a "pay-as-you-go" basis; and

WHEREAS, it is determined that it is in the best interest of the Authority and its retirees to set aside funds for OPEB obligations in an irrevocable trust dedicated to payment of OPEB expenses and to ensure funds are invested in a prudent manner; and

WHEREAS, the California Public Employees' Retirement System (CalPERS) has established the California Employers' Retiree Benefit Trust (CERBT) to manage OPEB funds for public agencies through an irrevocable trust, in compliance with Internal Revenue Code Section 115.

WHEREAS, in order to establish an OPEB trust with CalPERS, the Authority must approve entering into an agreement with CalPERS entitled "Agreement and Election of the South Bay Regional Public Communications Authority to Prefund Other Post-Employment Benefits through CalPERS."

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Bay Regional Public Communications Authority as follows:

Section 1. The Board of Directors does hereby approve the CERBT Agreement and Election of the Authority to Prefund Other Post-Employment Benefits through CalPERS.

Section 2. The Board of Directors does hereby delegate the Treasurer the authority to select the investment strategy for Authority's Section 115 trust assets held in CERBT.

Section 3. The Board of Directors does hereby authorize the Executive Director and Finance & Performance Audit Manager, to execute all documents to facilitate the establishment, administration and initial funding of the City's OPEB trust through CalPERS.

WE HEREBY CERTIFY that the foregoing is a true and correct copy of the resolution adopted by the Board of Directors of the South Bay Regional Public Communications Authority in a meeting held on the 8th day of September 2020, by the following vote:

Ayes:
Noes:
Absent:
Abstain:

, Councilmember
Chairman, Board of Directors

John Krok, Acting Executive Director
Secretary, Board of Directors

G-6

Attachment 2

CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST PROGRAM ("CERBT")

**AGREEMENT AND ELECTION
OF**

(NAME OF EMPLOYER)

**TO PREFUND OTHER POST-EMPLOYMENT
BENEFITS THROUGH CalPERS**

WHEREAS (1) Government Code Section 22940 establishes in the State Treasury the Annuitants' Health Care Coverage Fund for the prefunding of health care coverage for annuitants (Prefunding Plan); and

WHEREAS (2) The California Public Employees' Retirement System (CalPERS) Board of Administration (Board) has sole and exclusive control and power over the administration and investment of the Prefunding Plan (sometimes also referred to as CERBT), the purposes of which include, but are not limited to (i) receiving contributions from participating employers and establishing separate Employer Prefunding Accounts in the Prefunding Plan for the performance of an essential governmental function (ii) investing contributed amounts and income thereon, if any, in order to receive yield on the funds and (iii) disbursing contributed amounts and income thereon, if any, to pay for costs of administration of the Prefunding Plan and to pay for health care costs or other post-employment benefits in accordance with the terms of participating employers' plans; and

WHEREAS (3) _____
(NAME OF EMPLOYER)

(Employer) desires to participate in the Prefunding Plan upon the terms and conditions set by the Board and as set forth herein; and

WHEREAS (4) Employer may participate in the Prefunding Plan upon (i) approval by the Board and (ii) filing a duly adopted and executed Agreement and Election to Prefund Other Post-Employment Benefits (Agreement) as provided in the terms and conditions of the Agreement; and

WHEREAS (5) The Prefunding Plan is a trust fund that is intended to perform an essential governmental function within the meaning of Section 115 of the Internal Revenue Code as an agent multiple-employer defined benefit plan as defined in Governmental Accounting Standards Board (GASB) Statements for Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB Standards) consisting of an aggregation of single-employer plans, with pooled administrative and investment functions;

NOW, THEREFORE, BE IT RESOLVED THAT EMPLOYER HEREBY MAKES THE FOLLOWING REPRESENTATION AND WARRANTY AND THAT THE BOARD AND EMPLOYER AGREE TO THE FOLLOWING TERMS AND CONDITIONS:

A. Representation and Warranty

Employer represents and warrants that it is a political subdivision of the State of California or an entity whose income is excluded from gross income under Section 115 (1) of the Internal Revenue Code.

B. Adoption and Approval of the Agreement; Effective Date; Amendment

(1) Employer's governing body shall elect to participate in the Prefunding Plan by adopting this Agreement and filing with the CalPERS Board a true and correct original or certified copy of this Agreement as follows:

Filing by mail, send to: CalPERS
 CERBT (OPEB)
 P.O. Box 1494
 Sacramento, CA 95812-1494

Filing in person, deliver to: CalPERS Mailroom
 CERBT (OPEB)
 400 Q Street
 Sacramento, CA 95811

(2) Upon receipt of the executed Agreement, and after approval by the Board, the Board shall fix an effective date and shall promptly notify Employer of the effective date of the Agreement.

(3) The terms of this Agreement may be amended only in writing upon the agreement of both CalPERS and Employer, except as otherwise provided herein. Any such amendment or modification to this Agreement shall be adopted and executed in the same manner as required for the Agreement. Upon receipt of the executed amendment or modification, the Board shall fix the effective date of the amendment or modification.

(4) The Board shall institute such procedures and processes as it deems necessary to administer the Prefunding Plan, to carry out the purposes of this Agreement, and to maintain the tax exempt status of the Prefunding Plan. Employer agrees to follow such procedures and processes.

C. Other Post-Employment Benefits (OPEB) Cost Reports and Employer Contributions

(1) Employer shall provide to the Board an OPEB cost report on the basis of the actuarial assumptions and methods prescribed by the Board. Such report shall be for the Board's use in financial reporting, and shall be prepared at least as often as the minimum frequency required by applicable GASB OPEB Standards. This OPEB cost report may be prepared as an actuarial valuation report or, if the employer is qualified under GASB OPEB Standards, may be prepared as an Alternative Measurement Method (AMM) report.

- (a) Unless qualified under GASB OPEB Standards, to provide an AMM report, Employer shall provide to the Board an actuarial valuation report. Such report shall be for the Board's use in financial reporting, and shall be prepared at least as often as the minimum frequency required by GASB OPEB Standards, and shall be:
 - 1) prepared and signed by a Fellow or Associate of the Society of Actuaries who is also a Member of the American Academy of Actuaries or a person with equivalent qualifications acceptable to the Board;
 - 2) prepared in accordance with generally accepted actuarial practice and GASB OPEB Standards; and,
 - 3) provided to the Board prior to the Board's acceptance of contributions for the valuation period or as otherwise required by the Board.
- (b) If qualified under GASB OPEB Standards, Employer may provide to the Board an AMM report. Such report shall be for the Board's use in financial reporting, shall be prepared at least as often as the minimum frequency required by GASB OPEB Standards, and shall be:
 - 1) affirmed by Employer's external auditor, or by a Fellow or Associate of the Society of Actuaries who is also a Member of the American Academy of Actuaries or a person with equivalent qualifications acceptable to the Board, to be consistent with the AMM process described in GASB OPEB Standards;
 - 2) prepared in accordance with GASB OPEB Standards; and,
 - 3) provided to the Board prior to the Board's acceptance of contributions for the valuation period or as otherwise required by the Board.

(2) The Board may reject any OPEB cost report for financial reporting purposes submitted to it, but shall not unreasonably do so. In the event that the Board

determines, in its sole discretion, that the OPEB cost report is not suitable for use in the Board's financial statements or if Employer fails to provide a required OPEB cost report, the Board may obtain, at Employer's expense, an OPEB cost report that meets the Board's financial reporting needs. The Board may recover from Employer the cost of obtaining such OPEB cost report by billing and collecting from Employer or by deducting the amount from Employer's account in the Prefunding Plan.

(3) Employer shall notify the Board of the amount and time of contributions which contributions shall be made in the manner established by the Board.

(4) Employer contributions to the Prefunding Plan may be limited to the amount necessary to fully fund Employer's actuarial present value of total projected benefits, as supported by the OPEB cost report for financial reporting purposes acceptable to the Board. As used throughout this document, the meaning of the term "actuarial present value of total projected benefits" is as defined in GASB OPEB Standards. If Employer's contribution causes its assets in the Prefunding Plan to exceed the amount required to fully fund the actuarial present value of total projected benefits, the Board may refuse to accept the contribution.

(5) No contributions are required. Contributions can be made at any time following the effective date of the Agreement provided that Employer has first complied with the requirements of Paragraph C.

D. Administration of Accounts, Investments, Allocation of Income

(1) The Board has established the Prefunding Plan as an agent plan consisting of an aggregation of single-employer plans, with pooled administrative and investment functions, under the terms of which separate accounts are maintained for each employer so that the Employer's assets will provide benefits only under the Employer's post-employment benefit plan(s).

(2) All Employer contributions and assets attributable to Employer contributions shall be separately accounted for in the Prefunding Plan (Employer's Prefunding Account).

(3) Employer's Prefunding Account assets may be aggregated with prefunding account assets of other employers and may be co-invested by the Board in any asset classes appropriate for a Section 115 Trust.

(4) The Board may deduct the costs of administration of the Prefunding Plan from the investment income or Employer's Prefunding Account in a manner determined by the Board.

(5) Investment income shall be allocated among participating employers and posted to Employer's Prefunding Account as determined by the Board but no less frequently than annually.

(6) If Employer's assets in the Prefunding Plan exceed the amount required to fully fund the actuarial present value of total projected benefits, the Board, in compliance with applicable accounting and legal requirements, may return such excess to Employer.

E. Reports and Statements

(1) Employer shall submit with each contribution a contribution report in the form and containing the information prescribed by the Board.

(2) The Board shall prepare and provide a statement of Employer's Prefunding Account at least annually reflecting the balance in Employer's Prefunding Account, contributions made during the period and income allocated during the period, and such other information as the Board determines.

F. Disbursements

(1) Employer may receive disbursements not to exceed the annual premium and other costs of post-employment healthcare benefits and other post-employment benefits as defined in GASB OPEB Standards.

(2) Employer shall notify CalPERS in writing in the manner specified by CalPERS of the persons authorized to request disbursements from the Prefunding Plan on behalf of Employer.

(3) Employer's request for disbursement shall be in writing signed by Employer's authorized representative, in accordance with procedures established by the Board. The Board may require that Employer certify or otherwise establish that the monies will be used for the purposes of the Prefunding Plan.

(4) Requests for disbursements that satisfy the requirements of paragraphs (2) and (3) will be processed monthly.

(5) CalPERS shall not be liable for amounts disbursed in error if it has acted upon the written instruction of an individual authorized by Employer to request disbursements. In the event of any other erroneous disbursement, the extent of CalPERS' liability shall be the actual dollar amount of the disbursement, plus interest at the actual earnings rate but not less than zero.

(6) No disbursement shall be made from the Prefunding Plan which exceeds the balance in Employer's Prefunding Account.

G. Costs of Administration

Employer shall pay its share of the costs of administration of the Prefunding Plan, as determined by the Board.

H. Termination of Employer Participation in Prefunding Plan

(1) The Board may terminate Employer's participation in the Prefunding Plan if:

- (a) Employer gives written notice to the Board of its election to terminate;
- (b) The Board finds that Employer fails to satisfy the terms and conditions of this Agreement or of the Board's rules or regulations.

(2) If Employer's participation in the Prefunding Plan terminates for any of the foregoing reasons, all assets in Employer's Prefunding Account shall remain in the Prefunding Plan, except as otherwise provided below, and shall continue to be invested and accrue income as provided in Paragraph D.

(3) After Employer's participation in the Prefunding Plan terminates, Employer may not make contributions to the Prefunding Plan.

(4) After Employer's participation in the Prefunding Plan terminates, disbursements from Employer's Prefunding Account may continue upon Employer's instruction or otherwise in accordance with the terms of this Agreement.

(5) After the Employer's participation in the Prefunding Plan terminates, the governing body of the Employer may request either:

- (a) A trustee to trustee transfer of the assets in Employer's Prefunding Account; provided that the Board shall have no obligation to make such transfer unless the Board determines that the transfer will satisfy applicable requirements of the Internal Revenue Code, other law and accounting standards, and the Board's fiduciary duties. If the Board determines that the transfer will satisfy these requirements, the Board shall then have one hundred fifty (150) days from the date of such determination to effect the transfer. The amount to be transferred shall be the amount in the Employer's Prefunding Account as of the date of the transfer (the "transfer date") and shall include investment earnings up to an investment earnings allocation date preceding the transfer date. In no event shall the investment earnings allocation date precede the transfer date by more than 150 days.
- (b) A disbursement of the assets in Employer's Prefunding Account; provided that the Board shall have no obligation to make such disbursement unless the Board determines that, in compliance with the Internal Revenue Code, other law and accounting standards, and the Board's fiduciary duties, all of Employer's obligations for payment of post-employment health care benefits and other post-employment benefits and reasonable administrative costs of the Board have been satisfied. If the Board determines that the disbursement will satisfy these requirements, the

Board shall then have one hundred fifty (150) days from the date of such determination to effect the disbursement. The amount to be disbursed shall be the amount in the Employer's Prefunding Account as of the date of the disbursement (the "disbursement date") and shall include investment earnings up to an investment earnings allocation date preceding the disbursement date. In no event shall the investment earnings allocation date precede the disbursement date by more than 150 days.

(6) After Employer's participation in the Prefunding Plan terminates and at such time that no assets remain in Employer's Prefunding Account, this Agreement shall terminate.

(7) If, for any reason, the Board terminates the Prefunding Plan, the assets in Employer's Prefunding Account shall be paid to Employer after retention of (i) amounts sufficient to pay post-employment health care benefits and other post-employment benefits to annuitants for current and future annuitants described by the employer's current substantive plan (as that term is used in GASB OPEB Standards), and (ii) amounts sufficient to pay reasonable administrative costs of the Board.

(8) If Employer ceases to exist but Employer's Prefunding Plan continues to exist and if no provision has been made by Employer for ongoing payments to pay post-employment health care benefits and other post-employment benefits to annuitants for current and future annuitants, the Board is authorized to and shall appoint a third party administrator to carry out Employer's Prefunding Plan. Any and all costs associated with such appointment shall be paid from the assets attributable to contributions by Employer.

(9) If Employer should breach the representation and warranty set forth in Paragraph A., the Board shall take whatever action it deems necessary to preserve the tax-exempt status of the Prefunding Plan.

I. General Provisions

(1) Books and Records.

Employer shall keep accurate books and records connected with the performance of this Agreement. Employer shall ensure that books and records of subcontractors, suppliers, and other providers shall also be accurately maintained. Such books and records shall be kept in a secure location at the Employer's office(s) and shall be available for inspection and copying by CalPERS and its representatives.

(2) Audit.

- (a) During and for three years after the term of this Agreement, Employer shall permit the Bureau of State Audits, CalPERS, and its authorized

representatives, and such consultants and specialists as needed, at all reasonable times during normal business hours to inspect and copy, at the expense of CalPERS, books and records of Employer relating to its performance of this Agreement.

- (b) Employer shall be subject to examination and audit by the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, during the term of this Agreement and for three years after final payment under this Agreement. Any examination or audit shall be confined to those matters connected with the performance of this Agreement, including, but not limited to, the costs of administering this Agreement. Employer shall cooperate fully with the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, in connection with any examination or audit. All adjustments, payments, and/or reimbursements determined to be necessary by any examination or audit shall be made promptly by the appropriate party.

(3) Notice.

- (a) Any notice, approval, or other communication required or permitted under this Agreement will be given in the English language and will be deemed received as follows:
 - 1. Personal delivery. When personally delivered to the recipient. Notice is effective on delivery.
 - 2. First Class Mail. When mailed first class to the last address of the recipient known to the party giving notice. Notice is effective three delivery days after deposit in a United States Postal Service office or mailbox.
 - 3. Certified mail. When mailed certified mail, return receipt requested. Notice is effective on receipt, if delivery is confirmed by a return receipt.
 - 4. Overnight Delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, Notice is effective on delivery, if delivery is confirmed by the delivery service.
 - 5. Telex or Facsimile Transmission. When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice. Notice is effective on receipt, provided that (i) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (ii) the receiving party delivers a written

confirmation of receipt. Any notice given by telex or fax shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a nonbusiness day.

6. E-mail transmission. When sent by e-mail using software that provides unmodifiable proof (i) that the message was sent, (ii) that the message was delivered to the recipient's information processing system, and (iii) of the time and date the message was delivered to the recipient along with a verifiable electronic record of the exact content of the message sent.

Addresses for the purpose of giving notice are as shown in Paragraph B.(1) of this Agreement.

- (b) Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- (c) Any party may change its address, telex, fax number, or e-mail address by giving the other party notice of the change in any manner permitted by this Agreement.
- (d) All notices, requests, demands, amendments, modifications or other communications under this Agreement shall be in writing. Notice shall be sufficient for all such purposes if personally delivered, sent by first class, registered or certified mail, return receipt requested, delivery by courier with receipt of delivery, facsimile transmission with written confirmation of receipt by recipient, or e-mail delivery with verifiable and unmodifiable proof of content and time and date of sending by sender and delivery to recipient. Notice is effective on confirmed receipt by recipient or 3 business days after sending, whichever is sooner.

(4) Survival

All representations, warranties, and covenants contained in this Agreement, or in any instrument, certificate, exhibit, or other writing intended by the parties to be a part of their Agreement shall survive the termination of this Agreement until such time as all amounts in Employer's Prefunding Account have been disbursed.

(5) Waiver

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and

signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

(6) Necessary Acts, Further Assurances

The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

A majority vote of Employer's Governing Body at a public meeting held on the _____ day of the month of _____ in the year _____, authorized entering into this Agreement.

Signature of the Presiding Officer: _____

Printed Name of the Presiding Officer: _____

Name of Governing Body: _____

Name of Employer: _____

Date: _____

BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
ARNITA PAIGE
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

To be completed by CalPERS

The effective date of this Agreement is: _____

H-1

**REGULAR MEETING OF
THE EXECUTIVE COMMITTEE
AND THE USER COMMITTEE**

AUGUST 18, 2020

A. CALL TO ORDER

The Executive and User Committees convened in a regular joint session at 2:02PM on August 18, 2020 by teleconference.

B. ROLL CALL BY ACTING EXECUTIVE DIRECTOR

Present: City Manager Bruce Moe, City of Manhattan Beach
City Manager Clint Osorio, City of Gardena
City Manager Erick Lee, City of Hawthorne
Chief Mike Ishii, Hawthorne Police Department
Chief Mike Saffell, Gardena Police Department
Chief Derrick Abell, Manhattan Beach Police Department
Chief Wolfgang Knabe, Manhattan Beach Fire Department

Also Present: Acting Executive Director John Krok
Operations Manager Shannon Kauffman
Finance & Performance Audit Manager Vanessa Alfaro
Jennifer Petrusis, Richards Watson Gershon
Chief Chris Donovan, El Segundo Fire Department
Captain Gary Tomatani, Hawthorne Police Department
Captain Eric Lane, Hawthorne Police Department

C. PUBLIC DISCUSSION

None.

D. EXECUTIVE COMMITTEE CONSENT CALENDAR

MOTION: City Manager Moe moved to approve Consent Calendar, Items 1-4. The motion was seconded by City Manager Osorio and passed unanimous voice vote.

1. Minutes from July 21, 2020, Regular Meeting
APPROVE
2. Check Register June 2020
RECEIVE AND FILE
3. Check Register and Budget Transfers from July 2020
RECEIVE AND FILE
4. Quarterly Cash and Investment Report
RECEIVE AND FILE

E. ITEMS TO REMOVE FROM CONSENT CALENDAR

5. Agreement with El Camino College District Police Department to Provide Professional Emergency Vehicle Build and Repair Services
APPROVE

City Manager Lee wanted to clarify that outside agreements for vehicle builds will be accounted for in the Technical Services Division Workload Support billing.

MOTION: City Manager Lee moved to approve motion as is, requesting staff clarify when the Technical Division Workload Support Charges as presented to the board. The motion was seconded

by City Manager Moe and passed by unanimous voice vote.

F. EXECUTIVE COMMITTEE GENERAL BUSINESS

1. Fiscal Year 2020/21 Revised Budget Surplus and Fiscal Year 2020/21 Revised Assessment Schedule
APPROVE

Acting Executive Director Krok reported funds of 1.3 million to offset assessments to fiscal year 2020/21. The recommendation is use 1.3 million offset current fiscal year.

MOTION: City Manager Moe moved to approve using surplus to current fiscal year. The motion was seconded by City Manager Osorio and passed by unanimous voice vote.

G. USER COMMITTEE GENERAL BUSINESS

1. Minutes from July 21, 2020, Regular Meeting
APPROVE

MOTION: Chief Abell moved to approve the minutes from July 21, 2020. The motion passed by unanimous voice vote.

H. ACTING EXECUTIVE DIRECTOR'S REPORT

Acting Executive Director provided updates on recruitment and an organizational update.

I. EXECUTIVE AND USER COMMITTEES' COMMENTS

City Manager Lee requested update on Palos Verdes Estates Feasibility Study.

J. EXECUTIVE COMMITTEE CLOSED SESSION AGENDA

At 2:16PM, the Executive Committee entered into closed session to discuss the following item.

1. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6
Agency Designated Representative: Acting Executive Director
Employee Organization: Teamsters Local 911

The meeting returned to open session at 2:29PM with no action taken in closed session.

K. ADJOURNMENT

The meeting adjourned at 2:29PM.

I



Staff Report

South Bay Regional Public Communications Authority

MEETING DATE: September 8, 2020

ITEM: I

TO: Board of Directors, Executive Committee and User Committee

FROM: John Krok, Acting Executive Director *JK*

SUBJECT: ACTING EXECUTIVE DIRECTOR'S REPORT

ATTACHMENTS: None

The Board of Directors, Executive Committee, and User Committee will be provided an oral report on the following topics:

- Recruitment of Communications Operators
- Continuity of Operations During COVID-19 Pandemic
- Phase 2 Feasibility Study for the City of Palos Verdes Estates Update
- 2nd Amended and Restated Joint Powers Agreement Update
- Mark43 CAD Update