

**REGULAR MEETING OF THE BOARD OF DIRECTORS, THE EXECUTIVE COMMITTEE  
AND THE USER COMMITTEE  
TUESDAY, MARCH 15, 2022, 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:

<https://us02web.zoom.us/j/87115877514?pwd=WE0vNkl0Q1JDZ1NoZ2NTbHlHb09adz09>

**Meeting ID: 871 1587 7514**

**Passcode: 393077**

**A. CALL TO ORDER**

**B. ROLL CALL**

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

All of your comments provided by the deadlines above will be available to the Board of Directors, Executive Committee, User Committee, and the public prior to the meeting.

In addition, you may participate by joining Zoom during the meeting by using the link above and using the "raise hand" button or entering \*9 on the phone's dial pad if you would like to make a comment.

**D. BOARD OF DIRECTORS CONSENT CALENDAR**

1. Minutes from January 18, 2021  
**APPROVE**
2. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings  
**MAKE FINDINGS PURSUANT TO AB 361**
3. Cash & Investments Report/December 31, 2021  
**RECEIVE AND FILE**

**E. ITEMS REMOVED FROM THE CONSENT CALENDAR**

**F. BOARD OF DIRECTORS GENERAL BUSINESS**

1. Resolution Revising Budgetary Policy to Allow Ongoing Funding for Pension and Other Post-Employment Benefits Unfunded Liabilities  
**ADOPT RESOLUTION**
2. Resolution Adopting the Budget for Fiscal year 2022-2023  
**ADOPT RESOLUTION**

3. Resolution Adopting an Amended Statement of Investment Policy and Rescinding Resolution No. 341

**ADOPT RESOLUTION**

**G. EXECUTIVE COMMITTEE CONSENT CALENDAR**

1. Minutes from February 15, 2021  
**APPROVE**
2. Check Register - February 2022  
**RECEIVE AND FILE**
3. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings  
**MAKE FINDINGS PURSUANT TO AB 361**
4. Approve a Change Purchase order to Commline Incorporated in the Amount of \$50,000 for a Total Not-To-Exceed Amount of \$65,000 for Supplies and Equipment  
**APPROVE**
5. Agreement with the City of Culver City for Emergency Police and Fire Dispatch Services  
**APPROVE AND AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE AUTHORITY**

**H. ITEMS REMOVED FROM THE CONSENT CALENDAR**

**I. EXECUTIVE COMMITTEE GENERAL BUSINESS**

1. Memorandum of Understanding with the Communications of Workers of America  
**APPROVE AND AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTE THE MEMORANDUM OF UNDERSTANDING ON BEHALF OF THE AUTHORITY**

**J. USER COMMITTEE CONSENT CALENDAR**

1. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings  
**MAKE FINDINGS PURSUANT TO AB 361**
2. Minutes from February 15, 2021  
**APPROVE**

**K. ITEMS REMOVED FROM THE CONSENT CALENDAR**

**L. EXECUTIVE DIRECTOR'S REPORT**

**M. BOARD OF DIRECTORS, EXECUTIVE, AND USER COMMITTEES' COMMENTS**

**N. EXECUTIVE COMMITTEE CLOSED SESSION AGENDA**

1. CONFERENCE WITH LABOR NEGOTIATOR  
Pursuant to Government Code Section 54957.6  
Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore  
Employee Organization: The California Teamsters Public, Professional and Medical Employees Union Local 911

**O. ADJOURNMENT**

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Posting Date/Time:

March 10, 2022 5:00PM

Signature:



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Executive Director

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**REGULAR MEETING OF THE BOARD OF DIRECTORS,  
THE EXECUTIVE COMMITTEE, AND THE USER COMMITTEE**

**JANUARY 18, 2022**

**A. CALL TO ORDER**

The Board of Directors, Executive and User Committees convened in a regular joint meeting on January 18, 2022 at 2:01PM by teleconference.

**B. ROLL CALL**

Present: Mayor Hildy Stern, City of Manhattan Beach  
Mayor Pro Tem Rodney Tanaka, City of Gardena  
Councilmember Alex Monteiro, City of Hawthorne  
City Manager Clint Osorio, City of Gardena  
City Manager Bruce Moe, City of Manhattan Beach  
Chief Mike Ishii, Hawthorne Police Department  
Chief Mike Saffell, Gardena Police Department  
Chief Mike Lang, Manhattan Beach Fire Department  
Chief Derrick Abell, Manhattan Beach Police Department

Also Present: Chief Ken Powell, Culver City Fire Department  
Shannon Kauffman, Operations Manager  
Jennifer Petrusis, Richards Gershon Watson  
Laura Kalty, Liebert Cassidy Whitmore  
Vanessa Alfaro, Finance & Performance Audit Manager  
Mary Beth Redding, Bartel Associates  
Kateryna Doroshenko, Bartel Associates  
Ross Klun, Executive Director

**C. PUBLIC DISCUSSION**

None.

**D. EXECUTIVE COMMITTEE CONSENT CALENDAR**

Motion: Vice-Chair Moe moved to approve Consent Calendar Items #1-3. The motion was seconded by Chief Ishii and passed by unanimous voice vote.

1. Minutes from November 16, 2021  
**APPROVE**
2. Check Register - December 2021  
**RECEIVE AND FILE**
3. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings  
**MAKE FINDINGS PURSUANT TO AB 361**

**E. ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

**F. EXECUTIVE COMMITTEE GENERAL BUSINESS**

1. Fiscal Year 2020-2021 Annual Financial Report  
**RECEIVE AND FILE**

Mr. Klun provided summary of the staff report for the FY 2020-2021 Annual Financial report.

Motion: Chief Ishii moved to receive and file the Fiscal Year 2020-2021 Annual Financial Report. The motion was seconded by Vice-Chair Moe and passed by voice vote.

2. FY22 Payment of the Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits in the amount of ~~\$192,692~~ **\$192,679**  
**RECOMMEND THE BOARD OF DIRECTORS APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT**

Chair Osorio discussed the initial funding of \$250,000. Finance Manager Alfaro recapped how the board previously delegated investment strategy selection to the Authority Treasurer, whom elected CERBT Strategy 2. Vice-Chair Moe recommended to have consulted the Authority's Treasurer. Chair Osorio would like to see how the trust investments perform over time and suggested that a funding strategy could involve making the entire contribution to the trust and at the end of the year, reimburse pay-as-you-go costs to maximize interest earnings. Finance Manager Alfaro clarified that the initial OPEB reserve was an earmarked amount for OPEB in the Enterprise Fund until June 2021 when it was transferred to the OPEB trust, thus only six months of investment earnings available. Ms. Redding commented that Chair Osorio's strategy could earn additional interest but some years may lose; long run should be positive.

Motion: Vice-Chair Moe moved to recommend to the Board of Directors to approve payment and appropriate funds from the Enterprise Fund. The motion was seconded by Chief Ishii and passed by voice vote.

3. FY22 Additional Discretionary Payment in the amount of \$281,864 towards Authority's CalPERS Pension Unfunded Actuarial Liability  
**RECOMMEND THE BOARD OF DIRECTORS APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT**

Chair Osorio inquired after which base the ADP would be paying down or off. Finance Manager Alfaro confirmed two bases were selected by working with designated CalPERS actuary.

Motion: Vice-Chair Moe moved to approve and appropriate funds from the Enterprise Fund. The motion was seconded by Chair Osorio and passed by voice vote.

#### **G. BOARD OF DIRECTORS CONSENT CALENDAR**

Motion: Mayor Stern moved to approve Consent Calendar, Items #1-4. The motion was seconded by Vice-Chair Tanaka and passed by voice vote.

1. Minutes from September 21, 2021  
**APPROVE**
2. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings  
**MAKE FINDINGS PURSUANT TO AB 361**
3. FY22 Payment of the Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits in the amount of ~~\$192,692~~ **\$192,679**  
**APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT**
4. FY22 Additional Discretionary Payment in the amount of \$281,864 towards Authority's CalPERS Pension Unfunded Actuarial Liability  
**APPROPRIATE FUNDS FROM THE ENTERPRISE FUND AND APPROVE THE PAYMENT**

#### **H. ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

#### **I. BOARD OF DIRECTORS GENERAL BUSINESS**

1. Fiscal Year 2021-2022 Mid-Year Budget Report

## **RECEIVE AND FILE**

Mr. Klun summarized the report on the Mid-Year Budget for fiscal year 2021-2022. Vice-Chair Moe expressed frustration with Mark43 for the past four years with no progress. Chair Monteiro requested more detailed information and recommendations at the next meeting.

### **J. USER COMMITTEE GENERAL BUSINESS**

1. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings  
**MAKE FINDINGS PURSUANT TO AB 361**

Motion: Chief Lang moved to approve AB362 Findings for Special Brown Act Requirements for teleconference meetings. The motion was seconded by Chief Ishii and passed by voice vote.

2. Minutes from September 21, 2021  
**APPROVE**

Motion: Chief Ishii moved to approve the minutes from September 21, 2021. The motion was seconded by Chief Abell and passed by voice vote.

### **K. BOARD OF DIRECTORS, EXECUTIVE AND USER COMMITTEES' COMMENTS**

None.

### **L. EXECUTIVE COMMITTEE CLOSED SESSION AGENDA**

The Executive Committee entered into closed session at 2:55PM to discuss the following items.

1. CONFERENCE WITH LABOR NEGOTIATOR  
Pursuant to Government Code Section 54957.6

Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore  
Employee Organization: The California Teamsters Public, Professional and Medical Employees Union Local 911

2. CONFERENCE WITH LABOR NEGOTIATOR  
Pursuant to Government Code Section 54957.6

Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore  
Employee Organization: The Communication Workers of America

The Executive Committee returned from closed session at 3:31PM with no actions taken.

### **M. ADJOURNMENT**

The meeting adjourned at 3:31PM.

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# Staff Report

South Bay Regional Public Communications Authority

**MEETING DATE:** March 15, 2022

**ITEM:** D-2

**TO:** Board of Directors

**FROM:** M. Ross Klun, Executive Director

**SUBJECT:** AB 361 FINDINGS FOR SPECIAL BROWN ACT  
REQUIREMENTS FOR TELECONFERENCE MEETINGS

## **SUMMARY:**

Staff has placed this item on the agenda to give the Board of Directors an opportunity to make findings specific in AB 361 (2021) for special Brown Act requirements for teleconference meetings. These special requirements give local public agencies greater flexibility to conduct teleconference meetings when there is a declared state of emergency and either social distancing is mandated or recommended, or an in-person meeting would present imminent risks to the health and safety of attendees.

## **RECOMMENDATION:**

Staff recommends that the Board of Directors make the following findings so that meetings of the Board of Directors will be subject to the AB 361 special Brown Act requirements for teleconference meetings: 1) the Board of Directors has reconsidered the circumstances of the COVID-19 state of emergency; and 2) state and local officials continue to recommend measures to promote social distancing.

## **BACKGROUND**

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings. The special rules included provisions allowing local public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment, without having to use teleconference locations that are publicly accessible, and without having to identify teleconference locations on the agenda. Those special rules expired September 30, 2021.

On September 16, 2021, in anticipation of the then-imminent expiration of his special rules for teleconference meetings, the Governor signed AB 361. In key part, this bill amends the Brown Act to establish special requirements for teleconference meetings if a legislative



body of a local public agency makes two findings pursuant to Government Code section 54953(e)(3). Like the special rules in the Governor's executive orders, the special Brown Act requirements in AB 361 include provisions allowing public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment, without having to use teleconference locations that are public accessible, and without having to identify teleconference locations on the agenda. The AB 361 special Brown Act requirements are scheduled to be repealed on January 1, 2024.

In order for a local public agency to be subject to the AB 361 Brown Act requirements for teleconference meetings, a legislative body of a local public agency first must make a finding that it has "reconsidered" the circumstances of a declared state of emergency. Second, the legislative body must find that such emergency continues to directly impact the ability of the legislative body's members to meet in person. Alternatively, for the second finding, the legislative body must find that state or local officials continue to impose or recommend social distancing measures. These findings must be made within 30 days after the legislative body teleconferences for the first time under AB 361 and every 30 days thereafter.

The COVID-19 state of emergency declaration is still in effect. Furthermore, the State of California and the County of Los Angeles have recommended measures to promote social distancing. Thus, the California Division of Occupational Safety and Health still requires that employers provide training on the effectiveness of physical distancing in the workplace. Additionally, the Los Angeles County Department of Public Health still encourages people at risk for severe illness or death from COVID-19 to take protective measures such as social distancing and, for those not yet fully vaccinated, to physically distance from others whose vaccination status is unknown. The County Health Department also continues to recommend that employers take steps to support physical distancing.

#### **FISCAL IMPACT**

None.

D-3



# Staff Report

## South Bay Regional Public Communications Authority

**MEETING DATE:** February 15, 2022

**ITEM NUMBER:** D-3

**TO:** Board of Directors

**COPY TO:** Tim Lilligren, Treasurer

**FROM:** Vanessa Alfaro, Finance & Performance Audit Manager

**SUBJECT:** Cash & Investments Report/December 31, 2021

**ATTACHMENTS:**

1. Cash & Investments Report for December 31, 2021
2. LAIF Month End Statement for December 31, 2021
3. PMIA Performance Report as of December 31, 2021

### **RECOMMENDATION**

Staff recommends that the Board of Directors receive and file the Cash & Investments Report for December 31, 2021.

### **BACKGROUND**

Section 53646 (a) (2) of the Government Code, states that the treasurer or chief fiscal officer may render a quarterly report (regarding the local agency's cash and investments) to the chief executive officer, the internal auditor, and the legislative body of the local agency. The quarterly report shall be so submitted within 30 days following the end of the quarter covered by the report. The legislative body of a local agency may elect to require the report specified in subdivision (b) to be made on a monthly basis instead of quarterly.

At the November 21, 2006 meeting, the Executive Committee elected to receive the Cash & Investments Report on a quarterly basis. The Board of Directors receives the Cash & Investments Report annually.

### **DISCUSSION**

Staff has completed the bank reconciliation for December 31, 2021. Attached is the Cash & Investments Report for the period.

All idle cash of the Authority is invested 100% with the State's Local Agency Investment Fund (LAIF). This complies with the Statement of Investment Policy. LAIF's monthly performance exhibits a decrease from the monthly average yields in 2020.

### **FISCAL IMPACT**

None.

D-3

Attachment 1



## Cash and Investments Report As of December 31, 2021

Funding Source	Bank Balance	Deposits in Transit	Outstanding Checks	Book Balance
<b><u>Active Accounts</u></b>				
MUFG Union Bank (General/Payroll)	\$ 820,603.03		\$ (73,236.04)	\$ 747,366.99
<b><u>Investments</u></b>				
LAIF	\$ 5,760,983.47		\$ -	\$ 5,760,983.47
Total Investments	\$ 5,760,983.47	\$ -	\$ -	\$ 5,760,983.47
<b><u>Other Cash on Hand</u></b>				
Petty Cash	\$ -	\$ -	\$ -	\$ 500.00
				\$ 500.00
<b>Total Cash &amp; Investments</b>				<b>\$ 6,508,850.46</b>
<b><u>Breakdown of cash by fund:</u></b>				
Fund 10 (Enterprise Fund)				\$ 6,479,100.46
Fund 30 (Enterprise Fund)				-
Fund 20 (SHSGP Grant Fund)				29,750.00
Total				<b>\$ 6,508,850.46</b>

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Attachment 2

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

January 04, 2022

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS  
AUTHORITY  
TREASURER  
4440 WEST BROADWAY  
HAWTHORNE, CA 90250

[Tran Type Definitions](#)

**Account Number:** 15-19-001

December 2021 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
12/8/2021	12/8/2021	RW	1691575	1651816	VANESSA ALFARO	-360,000.00
12/21/2021	12/21/2021	RD	1692320	1652557	VANESSA ALFARO	1,300,000.00
12/31/2021	12/30/2021	RW	1692902	1653157	VANESSA ALFARO	-350,000.00

**Account Summary**

Total Deposit:	1,300,000.00	Beginning Balance:	5,170,983.47
Total Withdrawal:	-710,000.00	Ending Balance:	5,760,983.47

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Attachment 3





# PMIA/LAIF Performance Report as of 01/13/22



## PMIA Average Monthly Effective Yields<sup>(1)</sup>

Dec	0.212
Nov	0.203
Oct	0.203

## Quarterly Performance Quarter Ended 12/31/21

LAIF Apportionment Rate <sup>(2)</sup> :	0.23
LAIF Earnings Ratio <sup>(2)</sup> :	0.00000625812849570
LAIF Fair Value Factor <sup>(1)</sup> :	0.997439120
PMIA Daily <sup>(1)</sup> :	0.22%
PMIA Quarter to Date <sup>(1)</sup> :	0.21%
PMIA Average Life <sup>(1)</sup> :	340

## Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 12/31/21 \$181.4 billion

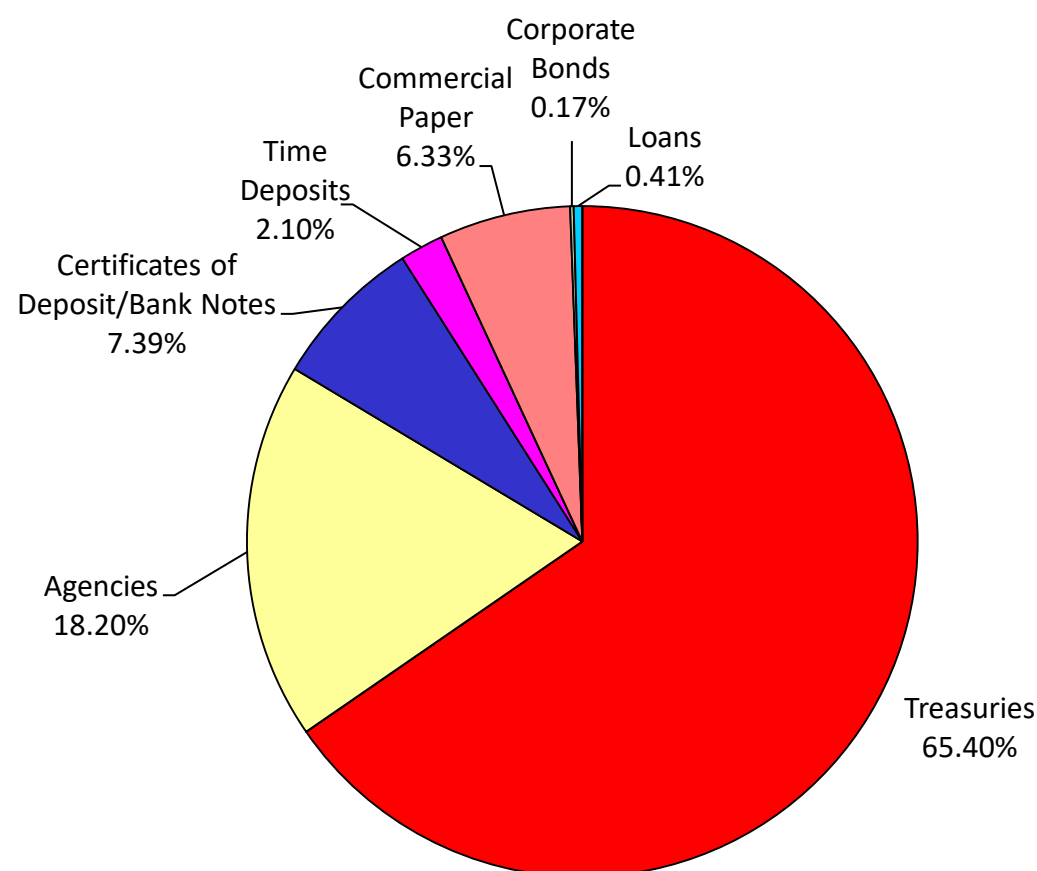


Chart does not include \$6,716,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller

F-1



# Staff Report

## South Bay Regional Public Communications Authority

**MEETING DATE:** March 15, 2022

**ITEM NUMBER:** F-1

**TO:** Board of Directors

**FROM:** Ross Klun, Executive Director  
Vanessa Alfaro, Finance & Performance Audit Manager

**SUBJECT:** Resolution Revising Budgetary Policy to Allow Ongoing Funding for Pension and Other Post-Employment Benefits Unfunded Liabilities

**ATTACHMENTS:** 1. Resolution  
2. Resolution No. 321 - Redlined

### **RECOMMENDATION**

Staff recommends the Board of Directors adopt a resolution establishing a budgetary policy that allows ongoing funding for pension and Other Post-employment Benefits ("OPEB") unfunded actuarial liabilities ("UAL").

### **BACKGROUND**

- 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.
- February 2020: During the Executive Committee meeting, staff was directed to provide additional information about Section 115 trust providers for OPEB liabilities and to implement strategies to reduce the Authority's pension UAL.
- July 2020: Staff presented options for Section 115 trust providers to the Executive Committee and committee 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.
- September 2020: The Board of Directors approved a resolution to establish a Section 115 trust for OPEB liabilities with the CERBT program with an initial

transfer of \$250,000 and delegated selection of the investment strategy to the Authority Treasurer.

- June 2021: The Section 115 trust was established and funded as of June 30, 2021.
- January 2022: After recommendation from the Executive Committee, the Board of Directors appropriated funds from the Enterprise Fund and approved:
  - 1) a payment of the Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for OPEB in the amount of \$192,679, and
  - 2) an Additional Discretionary Payment ("ADP") in the amount of \$281,864 towards the Authority's CalPERS pension UAL.

## **DISCUSSION**

The Authority's Budgetary Policy has been revised to include the ability to make ongoing contributions to the Authority's Section 115 Trust for OPEB and ADPs towards the Authority's pension liability.

Section 6 – Excess Funds of the Budgetary Policy now includes Section 6.C. and 6.D. as follows:

6.C. Following each year there is a budgetary surplus, surplus funds will be used towards an Additional Discretionary Payment to the CalPERS pension Unfunded Actuarial Liability until the plan reaches and maintains a 90% funded ratio. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Additional Discretionary Payment. The appropriation must be approved by the Board of Directors.

6.D. Following each year there is a budgetary surplus, surplus funds will be used towards an Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits for a period of 20 years or until the trust is fully funded, whichever occurs first. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Actuarially Determined Net Trust Contribution. The appropriation must be approved by the Board of Directors.

Additionally, the revision to the policy repeals all previous budget resolutions, includes minor edits and formatting improvements, as well as clarification language recommended by legal counsel and the Authority Treasurer.

The revision to the Budgetary Policy was reviewed and recommended by the Executive Committee.

## **FISCAL IMPACT**

None. The Enterprise Fund balance may decrease in years where a budget surplus is not sufficient to cover the trust contribution or ADP.

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Attachment 1

**RESOLUTION NO. \_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH  
BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY  
ESTABLISHING A BUDGETARY POLICY**

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

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

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

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

**WHEREAS**, this Resolution is intended to repeal any previous Resolution establishing a budgetary policy that was adopted by the Board of Directors or by the Executive Committee.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors hereby adopts the following budgetary policy:

**SECTION 1: DEFINITIONS/SCOPE OF THE BUDGET**

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

## **SECTION 2: POLICY**

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

## **SECTION 3: LEGAL LEVEL OF BUDGETARY CONTROL**

- A. The legal level of budgetary control for management purposes is set by the Board of Directors at the fund level.

## **SECTION 4: BUDGET AMENDMENTS**

- A. The Executive Director may execute operating budget transfers between object codes within the budget categories and between departments provided that such transfers do not result in an increase to the overall budget.
- B. Changes to the capital improvement projects budget will require pre-approval by the Board of Directors.
- C. Budget amendments that are between budget categories or increase the total amount of the budget will require pre-approval by the Board of Directors.
- D. Appropriations from the Reserve will require pre-approval by the Board of Directors.
- E. Unencumbered appropriations lapse at year-end. Any carryover appropriations will require approval by the Board of Directors.

## **SECTION 5 - FINANCIAL REPORTING**

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

## **SECTION 6 – EXCESS FUNDS**

- A. Based on the fiscal year-end audited financial statements, the unreserved Fund 10 Enterprise Fund balance shall be eligible to be remitted to each member in proportion to each member's ownership share in the Authority, in accordance with its Bylaws.
- B. The actual amount to be remitted shall be determined by the Board of Directors.
- C. Following each year there is a budgetary surplus, surplus funds will be used towards an Additional Discretionary Payment to the CalPERS pension Unfunded Actuarial Liability until the plan reaches and maintains a 90% funded ratio. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Additional Discretionary Payment. The appropriation must be approved by the Board of Directors.
- D. Following each year there is a budgetary surplus, surplus funds will be used towards an Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits for a period of 20 years or until the trust is fully funded, whichever occurs first. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Actuarially Determined Net Trust Contribution. The appropriation must be approved by the Board of Directors.

**BE IT FURTHER RESOLVED**, that any previous Resolution establishing a budgetary policy that was adopted by the Board of Directors or by the Executive Committee is hereby repealed.

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



Passed, approved, and adopted in a meeting held on the 15<sup>th</sup> day of March, 2022 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

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Alex Monteiro, Councilmember  
Chairman, Board of Directors

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M. Ross Klun, Executive Director  
Secretary, Board of Directors

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Attachment 2

RESOLUTION NO. ~~321~~\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS ~~EXECUTIVE COMMITTEE~~ OF THE SOUTH  
BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY  
ESTABLISHING A BUDGETARY POLICY

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

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

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

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

WHEREAS, this Resolution is intended to repeal any previous Resolution establishing a budgetary policy that was adopted by the Board of Directors or by the Executive Committee. previously adopted Resolution 321 as the Authority's budgetary policy and the Board of Directors desires to repeal Resolution 321., on August 21, 2007, established the Authority's budgetary policy by repealing Section 1.0 and 4.0 of Resolution No. 69 and Sections 1 and 2 of Resolution 194 and adopting Resolution No. 256.

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

**SECTION 1: DEFINITIONS/SCOPE OF THE BUDGET**

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

## **SECTION 2: POLICY**

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

## **SECTION 3: LEGAL LEVEL OF BUDGETARY CONTROL**

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

## **SECTION 4: BUDGET AMENDMENTS**

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

- D. Appropriations from the Reserve will require pre-approval by the Board of Directors ~~and/or the Executive Committee.~~
- E. Unencumbered appropriations lapse at year-end. ~~Any carryover appropriations will require approval by the Board of Directors and/or the Executive Committee.~~

## **SECTION 5 - FINANCIAL REPORTING**

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

## **SECTION 6 – EXCESS FUNDS**

- A. Based on the fiscal year-end audited financial statements, the unreserved Fund 10 Enterprise Fund balance shall be eligible to be remitted to each member in proportion to each member's ownership share in the Authority, in accordance with its Bylaws.
- B. The actual amount to be remitted shall be determined by the Board of Directors ~~and/or the Executive Committee.~~
- C. Following each year there is a budgetary surplus, surplus funds will be used towards an Additional Discretionary Payment to the CalPERS pension Unfunded Actuarial Liability until the plan reaches and maintains a 90% funded ratio. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Additional Discretionary Payment. The appropriation must be approved by the Board of Directors.
- D. Following each year there is a budgetary surplus, surplus funds will be used towards an Actuarially Determined Net Trust Contribution to the Authority's Section 115 Trust for Other Post-Employment Benefits for a period of 20 years or until the trust is fully funded, whichever occurs first. In the event no budgetary surplus exists in a given fiscal year, or it is insufficient, unreserved available balance will be used to make the Actuarially Determined Net Trust Contribution. The appropriation must be approved by the Board of Directors.

**BE IT FURTHER RESOLVED,** that any previous Resolution establishing a budgetary policy that was adopted by the Board of Directors or by the Executive Committee

Resolution 321 is Sections 1 through 4 of Resolution No. 256 adopted on August 21, 2007  
are hereby repealed.

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

Passed, approved, and adopted in a meeting held on the 15<sup>th</sup> day of  
MarchDecember, 202218 by the following vote:

Ayes: Medrano, Moe, Shadbehr.

Noes: None.

Absent: None.

Abstain: None.

---

Alex Monteiro, CouncilmemberEdward Medrano, Chair  
Executive DirectorErick B. Lee, Secretary  
Chairman, Board of DirectorsExecutive Committee  
Board of DirectorsExecutive Committee

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M. Ross Klun,  
Secretary,

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# Staff Report

## South Bay Regional Public Communications Authority

**MEETING DATE:** March 15, 2022

**ITEM NUMBER:** F-2

**TO:** Board of Directors

**FROM:** Ross Klun, Executive Director  
Vanessa Alfaro, Finance & Performance Audit Manager

**SUBJECT:** RESOLUTION ADOPTING THE BUDGET FOR FISCAL YEAR  
2022-2023

**ATTACHMENTS:** 1. Resolution  
2. Fiscal Year 2022-2023 Recommended Budget

### **RECOMMENDATION**

Staff recommends the Board of Directors approve the resolution adopting the recommended budget for Fiscal Year 2022-2023.

### **DISCUSSION**

The Authority derives its revenue from five main sources:

1. Member City Assessments
2. Contract City Assessments
3. Technical Services Division Workload Support Charges
4. Reimbursements from Member and Contract Agencies and Other Revenues
5. Investment Earnings

### ***Member Cost Allocation Assessment***

Assessments for Member Cities are based on the Cost Allocation Policy adopted by the Board of Directors in September 2019 and as updated in Fiscal Year 2020-21, and includes a 3.98% discount for the City of Manhattan Beach and premiums for the City of Gardena and the City of Hawthorne of 1.69% and 1.73%, respectively. A summary of the Fiscal Year 2022-2023 assessments is as follows:

Member City	FY21-22 Assessment	FY22-23 Assessment	Increase (Decrease)
-------------	-----------------------	-----------------------	------------------------



Hawthorne	2,619,842	2,729,338	109,496
Manhattan Beach	1,461,578	1,606,565	144,987
<b>Totals</b>	<b>\$6,222,755</b>	<b>\$6,569,714</b>	<b>\$346,959</b>

The above Member City assessment amounts do not include Technical Services Division Workload Support charges. These amounts are described below in the section titled "Technical Services Division Workload Support Charges."

#### ***Contract City Cost Allocation Assessment***

The assessment for the cities of El Segundo and Hermosa Beach are based on the Cost Allocation Policy with discounts for El Segundo to allow cost increases to be phased-in over a four-year period through FY23-24. A new five-year agreement effective March 1, 2022, which transitions Culver City to the Cost Allocation Policy, was approved in February 2022. Therefore, the assessment is also derived using the Cost Allocation Policy.

<b>Contract City</b>	<b>FY21-22 Assessment</b>	<b>FY22-23 Assessment</b>	<b>Increase (Decrease)</b>
Culver City	\$2,691,169	\$2,762,991	\$71,822
El Segundo	1,699,634	1,869,811	170,177
Hermosa Beach	758,305	798,138	39,833
<b>Totals</b>	<b>\$5,149,108</b>	<b>\$5,430,940</b>	<b>\$281,832</b>

The above Contract City assessment amounts do not include Technical Services Division Workload Support charges. These amounts are described below in the section titled "Technical Services Division Workload Support Charges."

#### ***Technical Services Division Workload Support Charges***

In accordance with the Cost Allocation Policy adopted by the Board of Directors, an additional \$565,791 in costs related to vehicle upfitting services provided by the Technical Services Division will be billed back to the Member Cities and Contract Cities throughout the year. Workload Support charges are 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.

#### ***Revenue Summary***

Total revenues are estimated to increase by 5.08% to \$13,470,762 compared to the revenue projections in the Fiscal Year 2021-2022 Adopted Budget.

#### ***Expense Summary***

The preliminary expenditure budget is \$12,841,154, which represents an increase of \$538,798 or 4.38% in expenses compared to the Fiscal Year 2021-2022 Adopted Budget.

REVENUE SUMMARY BY CATEGORY – ENTERPRISE FUND (FUND 10)						
	FY20-21 Adopted	FY20-21 Amended	FY21-22 Adopted	FY22-23 Proposed	Inc/(Dec) \$	Inc/(Dec) %
<b>Assessments</b>						
Member Cities	\$6,558,300	\$6,023,386	\$6,222,755	\$6,569,714	\$346,959	5.58%
Contract Cities	5,291,029	4,901,495	5,149,108	5,430,940	281,832	5.47%
<b>Subtotal Assessments</b>	<b>\$11,849,329</b>	<b>\$10,924,881</b>	<b>\$11,371,863</b>	<b>\$12,000,654</b>	<b>\$628,791</b>	<b>5.53%</b>
Non-Assessment Revenue	\$1,299,929	\$1,321,169	\$1,448,004	\$1,470,108	22,104	1.53%
<b>Grand Total</b>	<b>\$13,149,258</b>	<b>\$12,246,050</b>	<b>\$12,819,867</b>	<b>\$13,470,762</b>	<b>\$650,895</b>	<b>5.08%</b>
<b>EXPENSE SUMMARY BY CATEGORY – ENTERPRISE FUND (FUND 10)</b>						
	FY20-21 Adopted	FY20-21 Amended	FY21-22 Adopted	FY22-23 Proposed	Inc/(Dec) \$	Inc/(Dec) %
Operating Budget	\$12,688,443	\$11,834,095	\$12,102,356	\$12,641,154	\$538,798	4.45%
Capital Outlay	250,000	252,500	200,000	200,000	0	0.00%
<b>Total</b>	<b>\$12,938,443</b>	<b>\$12,086,595</b>	<b>\$12,302,356</b>	<b>\$12,841,154</b>	<b>\$538,798</b>	<b>4.38%</b>
Salaries & Benefits	\$10,170,486	\$9,359,304	\$9,582,138	10,045,152	463,014	4.83%
Supplies/Svcs/Equip	2,517,957	2,474,791	2,520,218	2,596,002	75,784	3.01%
Capital Outlay	250,000	252,500	200,000	200,000	0	0.00%
<b>Total</b>	<b>\$12,938,443</b>	<b>\$12,086,595</b>	<b>\$12,302,356</b>	<b>\$12,841,154</b>	<b>\$538,798</b>	<b>4.38%</b>
<b>Revenues Over (Under) Expenses</b>	<b>\$210,815</b>	<b>\$159,455</b>	<b>\$517,511</b>	<b>\$629,608</b>		

### ***Changes from Prior Year***

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

Salaries/Full-Time (\$201,974): Includes contracted and estimated increases from MOUs and agreements with employee groups.

PERS Contribution-UAL (\$82,605): Increase relates to a rise in the Unfunded Actuarial Liability required payment for pension benefits.

Deferred Comp Matching (\$60,600): Includes contracted and estimated increases from MOUs and agreements with employee groups.

General Liability Insurance (\$43,500): Increase relates to industry-wide increases due to current market conditions.

Salaries (Part-Time) (\$30,000): Increase relates to upcoming project-based needs.

Overtime (\$26,111): Increase relates to updated projection for team schedule built-in overtime hours. The team schedule stabilizes overtime compared to prior years.

Holiday Payoff (\$25,000): Increase relates to projected rise in use of benefit provided to certain labor groups.

Legal Services (\$25,000): Increase relates to anticipated needs for upcoming labor and contracts negotiations.

Electricity – HQ (\$25,000): Increase relates to industry-wide increases due to current market conditions.

Dental Insurance (\$19,781): Increase relates to premium increases and updated benefit projections.

#### Work Plans for Fiscal Year 2022-2023

Some of the notable work plans staff anticipates accomplishing in Fiscal Year 2022-2023 include:

1. Implement Mark43 Computer Aided Dispatch (“CAD”)  
Work with Mark43 to complete development and Go-Live on the CAD system.
2. Develop a 5-Year Capital Improvement Plan (CIP)  
Conduct a needs assessment and then create a 5-year CIP plan for the Authority.
3. Review Technical Services Division Billing Methodology  
Review current cost allocation methodology for Technical Services Workload Support and develop recommendations for improvements.
4. Management and Confidential Successor Agreement  
Negotiate a successor agreement with the Management and Confidential Employees. Their current MOU expires on June 30, 2022.
5. Initiatives to Improve Fire Dispatching  
Continue working with the Fire Task Force to refine call processing and dispatch procedures, reduce dispatch and overall response times, and explore other improvements to emergency service delivery.
6. Compliance with National Fire Protection Association (NFPA) Standard 1221  
Continue to monitor dispatching procedures to ensure event processing time for emergency fire events is in compliance with NFPA Standard 1221. Work with Mark43 to ensure the CAD system will produce reports that document compliance with the standard.
7. City Contracts for Services and Regional Fire Dispatching  
Continue to monitor developments in the region regarding dispatch services. If requested, develop a Phase Two Feasibility study for the City of Redondo Beach. Work with fire departments and related stakeholders in the area, as appropriate, in determining the feasibility of establishing a regional fire dispatch center.

8. Records Retention Policy

Develop a Records Retention Schedule for the Authority per Government Code Section 60201.

Attachment #1 (Fiscal Year 2022-2023 Recommended Budget) details staff's proposed use of budgeted funds along with descriptions of the Authority's programs, associated work plan objectives, and performance measure data with the overall goal of providing an outstanding level of service to the communities it serves.

The recommended budget was presented to the Executive Committee during the February 15, 2022 meeting and was approved for presentation to the Board of Directors.

**FISCAL IMPACT**

As proposed, revenues are anticipated to exceed expenditures by \$629,608 as indicated below:

<b>Estimated Cash Available (Fund 10) as of June 30, 2022</b>	<b>\$5,026,334</b>
FY 2022-23 Revenues	13,470,762
FY 2022-23 Expenditures	12,841,154
Revenues Over Expenditures	629,608
Pension and OPEB Funding	(454,254)
<b>Estimated Cash Available (Fund 10) as of June 30, 2023</b>	<b>\$5,201,688</b>
Operating and Capital Reserve	(1,344,009)
Available Balance after Reserve Allocation	\$3,857,679

<b>Allocation of Estimated Cash Available after Reserve Allocation</b>		
<b>Member</b>	<b>June 30, 2022</b>	<b>June 30, 2023</b>
City of Gardena	\$1,200,504	\$1,237,544
City of Hawthorne	1,686,618	1,738,656
City of Manhattan Beach	855,097	881,480
<b>Total</b>	<b>\$3,742,219</b>	<b>\$3,857,679</b>

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Attachment 1

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS  
AUTHORITY ADOPTING THE BUDGET FOR FISCAL YEAR  
2022-2023**

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

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

**WHEREAS**, in a public session, on March 15, 2022, the Board of Directors examined and adopted the budget for Fiscal Year 2022-2023 as outlined below;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of said Authority has adopted a budget in the amount of \$12,841,154 for the period of July 1, 2021 through June 30, 2023 in accordance with the following allocations:

Administration Department	\$2,482,407
Operations Department	8,135,530
Technical Services Division	2,023,217
Capital Outlay	200,000
<b>Total Budget</b>	<b>\$12,841,154</b>

**BE IT FURTHER RESOLVED** that the Finance & Performance Audit Manager of the Authority is authorized to issue assessments and quarterly billings for Technical Services Workload Support charges to the Member Cities in accordance with the terms, conditions, and formulas contained in Article X of the Authority Bylaws, and as shown on page 25 of the budget.

**WE HEREBY CERTIFY** that the foregoing is a true copy of the resolution adopted by the Board of Directors of the South Bay Regional Public Communications Authority in a meeting thereof held on the 15th day of March 2022, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

---

Alex Monteiro, Councilmember  
Chairman, Board of Directors

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Ross Klun, Executive Director  
Secretary, Board of Directors

F-2

Attachment 2

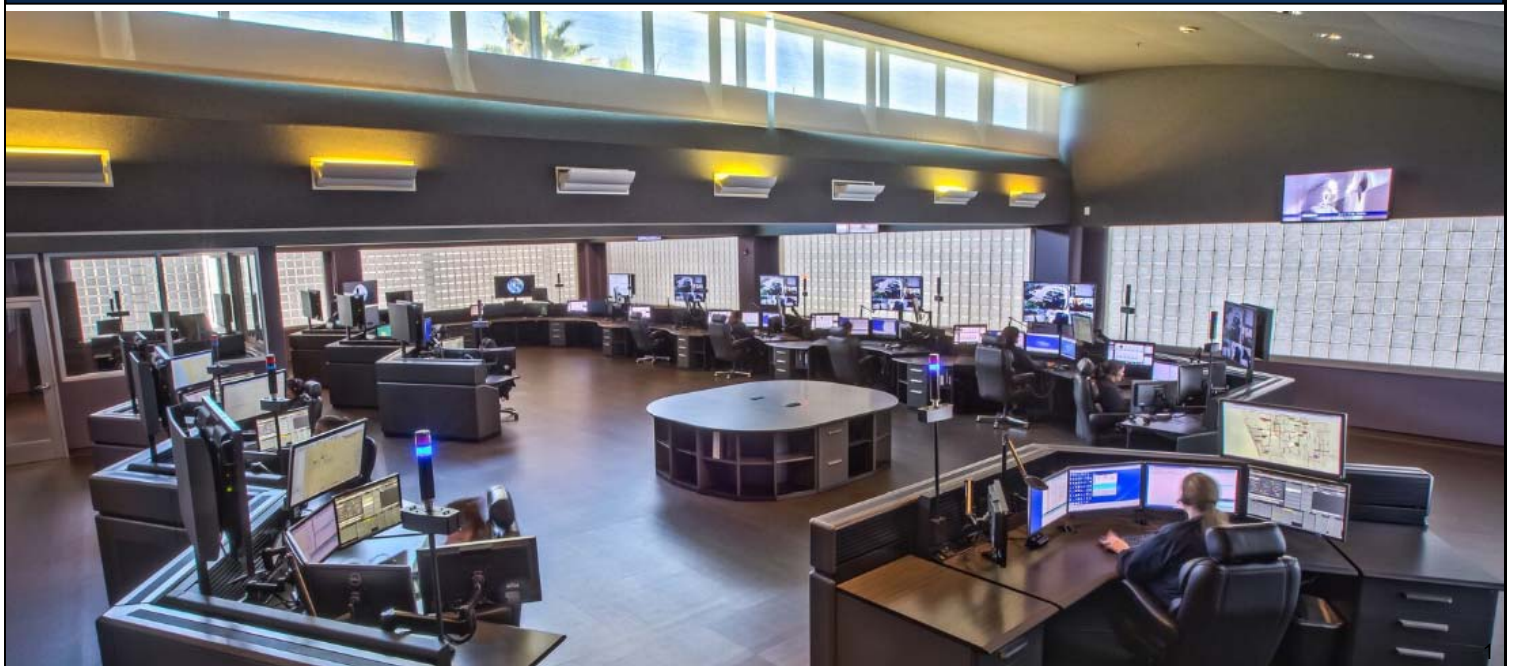


# SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY



**SBRPCA**

**Fiscal Year 2022-2023  
Recommended Budget**





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## **AUTHORITY OFFICIALS**

### **Board of Directors**

**Rodney Tanaka**  
*Mayor Pro Tem*  
City of Gardena

**Alex Monteiro**  
*Councilmember*  
City of Hawthorne

**Hildy Stern**  
*Mayor*  
City of Manhattan Beach

### **Executive Committee**

**Clint Osorio**  
*City Manager*  
City of Gardena

**Vontray Norris**  
*City Manager*  
City of Hawthorne

**Bruce Moe**  
*City Manager*  
City of Manhattan Beach

### **User Committee**

**Michael Saffell**  
*Chief of Police*  
City of Gardena

**Michael Ishii**  
*Chief of Police*  
City of Hawthorne

**Derrick Abell**  
*Chief of Police*  
City of Manhattan Beach

**Mike Lang**  
*Fire Chief*  
City of Manhattan Beach

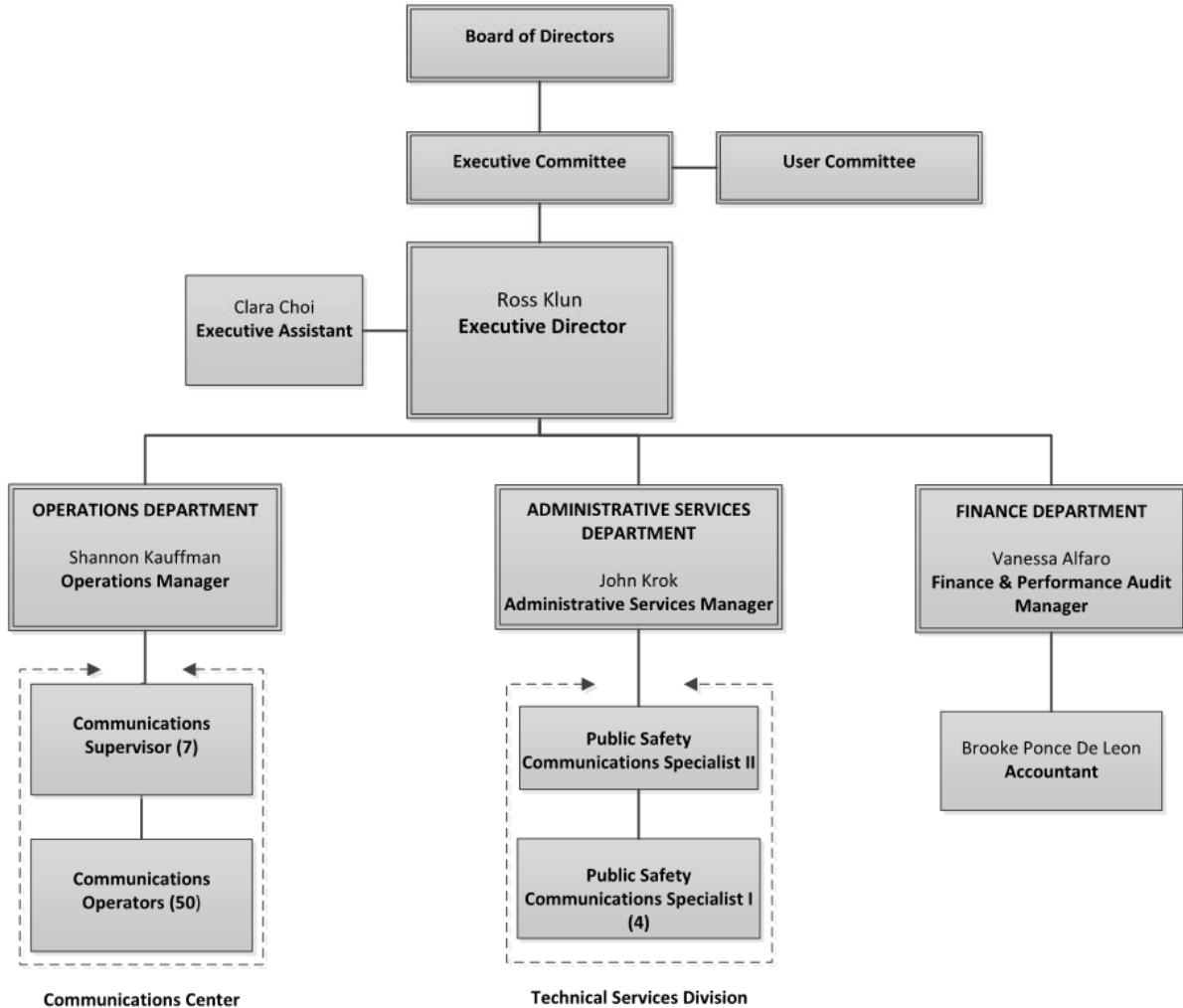
### **SBRPCA Staff**

Ross Klun, *Executive Director*  
Shannon Kauffman, *Operations Manager*  
John Krok, *Administrative Services Manager*  
Vanessa Alfaro, *Finance & Performance Audit Manager*  
Brooke Ponce De Leon, *Accountant*  
Clara Choi, *Executive Assistant*



# Organization Chart

Fiscal Year 2022-2023



# VISION

To lead the way in regional emergency communications and shape the future of public safety through collaboration with our communities.

# MISSION

We are dedicated to professionalism and excellence in public safety communications.

# VALUES

## TEAMWORK

We collaborate with one another and with our fire and police departments to manage incidents in the field and ensure the safety of the first responders and the public.

## PROFESSIONALISM

With our actions and our demeanor, we provide the highest levels of service to our communities.

## EMPATHY

A tangible display of empathy to callers shows respect to the people we serve and can help diffuse stressful situations for police officers and firefighters.

## INNOVATION

We embrace continuous improvement as the cornerstone of continued service excellence and sustained fiscal viability.



# Budget Message

March 15, 2022

Members of the Board of Directors:

This past calendar year has been another eventful year for the Authority. I am pleased to report some of the agency's accomplishments in 2021 as follows:

- Phone calls received: 354,088
  - 911 Calls: 132,512
  - 7 Digit Calls: 221,576
- Calls for Service dispatched: 319,858
  - Police: 307,806
  - Fire: 12,052
- Technical Services Division completed 399 work orders of various equipment used in Police, Fire, and Public Works vehicles in CY2021.
- Processed 259 applications, which is more than double last year's number, subsequently hired 6 new Communications Operators, and expanded the Authority's recruitment program and hiring process to online platforms as a result of pandemic social-distancing.
- Celebrated the retirement of four Communications Operators, each with 25+ years with the Authority. Recognized an additional six employees with career service awards for reaching milestones of 20 or 25 years.
- Integrated a new executive director into the Authority's management team and continued to build relationships with Authority's key stakeholders.
- Engaged with the Authority's Police Task Force and Fire Task Force to resume regular monthly meetings and increase overall dialog between the Authority and our public safety partners.
- Reduced dispatch Call Entry Time for fire and medical calls by an average of 8 seconds advancing the Authority's goal to meet and exceed national dispatch call processing standards.
- Established and funded a Section 115 Trust for Other Post-Employment Benefits (OPEB).

- Negotiated a new agreement with MissionSquare Retirement, and an agreement with Shuster Advisory Group, LLC., that resulted in a reduction in plan fees along with superior investment options for our employees in the 457(b) retirement plan.
- Completed talks on a successor 5-year contract for police and fire dispatch services with the City of Culver City. The city approved the agreement during their February 2022 city council meeting. This will incorporate the last city into the Authority's Cost Allocation Policy.
- Continued to utilize the Authority's Continuity of Operations Plan, and COVID-19 Prevention Program, to provide employees a healthy and safe workplace. As such, the Authority has experienced no disruption to the critical services we provide.
- Collaborated with Interoperability Network of the South Bay (INSB) to determine the final location of the sixth INSB radio site in Manhattan Beach.
- Completed a capital improvement upgrade to the Authority's computer systems agency-wide.
- Entered into an agreement with the Teamsters Public, Professional and Medical Employees Union Local 911 to extend the MOU for one (1) year.

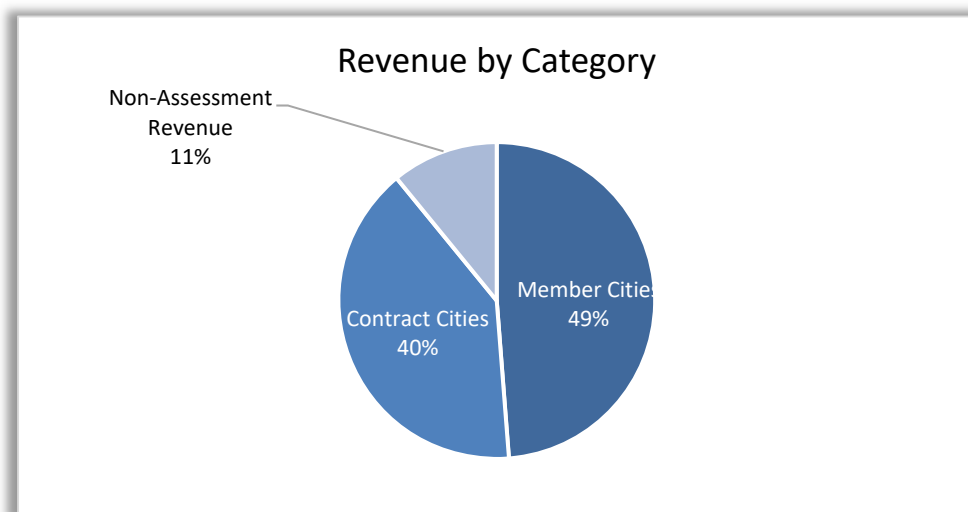
Having these accomplishments in mind, staff is ready to build on these successes and respectfully submits the Fiscal Year 2022-2023 Recommended Budget. In developing this budget, staff was mindful of the financial impact to the Member Cities, while maintaining the Authority's goal of continuing to provide an outstanding level of service to the communities served.

Assessments for Member Cities are based on the Cost Allocation Policy adopted by the Board of Directors in Fiscal Year 2019-20 and include a 3.98% discount for the City of Manhattan Beach and premiums for the City of Gardena and the City of Hawthorne of 1.69% and 1.73%, respectively.

The assessments for the cities of Culver City, Hermosa Beach, El Segundo are based on the Cost Allocation Policy with discounts for the City of El Segundo to allow cost increases to be phased-in through FY2023-2024.

Total revenues are estimated to increase by 5.08% to \$13,470,762. Assessment amounts do not include Technical Services Division Workload Support charges, which total \$565,791 for Fiscal Year 2022-2023. These charges will be billed to member and contract cities on a quarterly basis in accordance with the Cost Allocation Policy and the Authority's agreements with the cities of Culver City, El Segundo and Hermosa Beach.

REVENUE SUMMARY BY CATEGORY – ENTERPRISE FUND (FUND 10)						
	FY20-21 Adopted	FY20-21 Amended	FY21-22 Adopted	FY22-23 Proposed	\$ Inc (Dec)	% Inc (Dec)
<b>Assessments</b>						
Member Cities	\$6,558,300	\$6,023,386	\$6,222,755	\$6,569,714	\$346,959	5.58%
Contract Cities	5,291,029	4,901,495	5,149,108	5,430,940	281,832	5.47%
<b>Subtotal Assessments</b>	<b>\$11,849,329</b>	<b>\$10,924,881</b>	<b>\$11,371,863</b>	<b>\$12,000,654</b>	<b>\$628,791</b>	<b>5.53%</b>
Non-Assessment Revenue	\$1,299,929	\$1,321,169	\$1,448,004	\$1,470,108	\$22,104	1.53%
<b>Grand Total</b>	<b>\$13,149,258</b>	<b>\$12,246,050</b>	<b>\$12,819,867</b>	<b>\$13,470,762</b>	<b>\$650,895</b>	<b>5.08%</b>

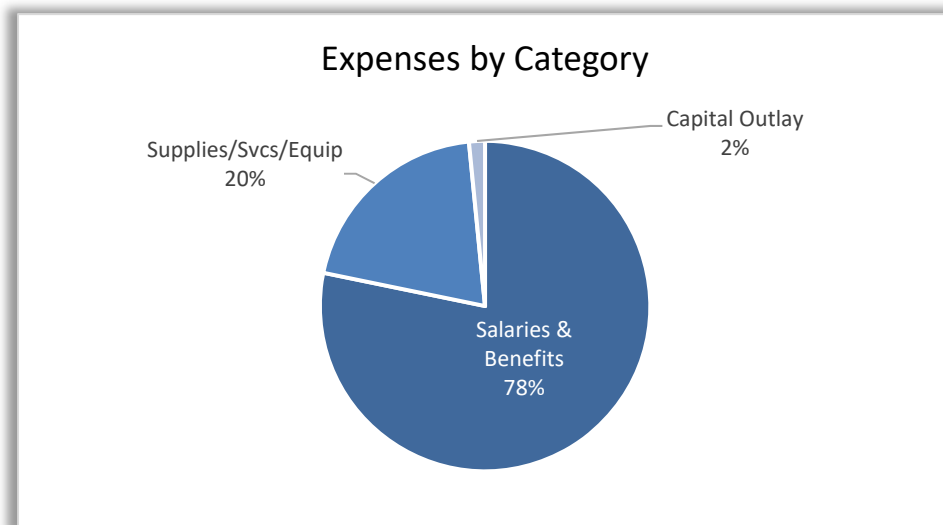


The proposed expenditure budget is \$12,841,154, which represents an increase of \$538,798 or 4.38% in expenses compared to the adopted budget for Fiscal Year 2021-2022. Due to the COVID-19 pandemic, the FY20-21 Adopted Budget of \$12,938,443 decreased to \$12,086,595 through a

budget amendment recommended by the Executive Committee and approved by the Board of Directors. Accordingly, the budget adopted for FY21-22 was designed to provide consistency for our member and contract cities during uncertain financial times while maintaining sufficient operating resources for the Authority. The FY22-23 Recommended Budget remains below pre-pandemic levels.

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

EXPENSE SUMMARY BY CATEGORY – ENTERPRISE FUND (FUND 10)						
	FY20-21 Adopted	FY20-21 Amended	FY21-22 Adopted	FY22-23 Proposed	\$ Inc (Dec)	% Inc (Dec)
Operating Budget	\$12,688,443	\$11,834,095	\$12,102,356	\$12,641,154	\$538,798	4.45%
Capital Outlay	250,000	252,500	200,000	200,000	0	0.00%
<b>Total</b>	<b>\$12,938,443</b>	<b>\$12,086,595</b>	<b>\$12,302,356</b>	<b>\$12,841,154</b>	<b>\$538,798</b>	<b>4.38%</b>
Salaries & Benefits	\$10,170,486	\$9,359,304	\$9,582,138	\$10,045,152	\$463,014	4.83%
Supplies/Svcs/Equip	2,517,957	2,474,791	2,520,218	2,596,002	75,784	3.01%
Capital Outlay	250,000	252,500	200,000	200,000	0	0.00%
<b>Total</b>	<b>\$12,938,443</b>	<b>\$12,086,595</b>	<b>\$12,302,356</b>	<b>\$12,841,154</b>	<b>\$538,798</b>	<b>4.38%</b>





**Changes from the Prior Year:**

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

Summary of Top 10 Expenditure Increases				
Line Item	FY21-22 Adopted	FY22-23 Proposed	Inc (Dec) \$	Inc (Dec) %
Salaries (Full-Time)	\$ 6,365,776	\$ 6,567,750	\$ 201,974	3.17%
PERS Contribution-UAL	593,961	676,566	82,605	13.91%
Deferred Comp Matching	37,500	98,100	60,600	161.60%
General Liability Insurance	216,000	259,500	43,500	20.14%
Salaries (Part-Time)	-	30,000	30,000	0.00%
Overtime	202,389	228,500	26,111	12.90%
Holiday Payoff	75,000	100,000	25,000	33.33%
Legal Services	75,000	100,000	25,000	33.33%
Electricity - HQ	110,000	135,000	25,000	22.73%
Dental Insurance	52,673	72,454	19,781	37.55%

1. Salaries/Full-Time (\$201,974): Includes contracted and estimated increases from MOUs and agreements with employee groups.
2. PERS Contribution-UAL (\$82,605): Increase relates to a rise in the Unfunded Actuarial Liability required payment for pension benefits.
3. Deferred Comp Matching (\$60,600): Includes contracted and estimated increases from MOUs and agreements with employee groups.
4. General Liability Insurance (\$43,500): Increase relates to industry-wide increases due to current market conditions.
5. Salaries (Part-Time) (\$30,000): Increase relates to upcoming project-based needs.
6. Overtime (\$26,111): Increase relates to updated projection for team schedule built-in overtime hours. The team schedule stabilizes overtime compared to prior years.
7. Holiday Payoff (\$25,000): Increase relates to projected rise in use of benefit provided to certain labor groups.
8. Legal Services (\$25,000): Increase relates to anticipated needs for upcoming labor and contracts negotiations.

9. Electricity – HQ (\$25,000): Increase relates to industry-wide increases due to current market conditions.
10. Dental Insurance (\$19,781): Increase relates to premium increases and updated benefit projections.

### ***Additional Budget Information***

Beginning in Fiscal Year 2015-2016, CalPERS began to require payment for each agency's unfunded actuarial liability (UAL) as a separate payment for each coverage plan. These payments are based on each plan's total liability rather than by plan individual payroll to allow employers to track their own UAL and pay it down faster if they choose. Normal Cost rates for FY2022-23 for Tier 1, Tier 2, and PEPRAs employee groups are 10.87%, 8.63%, and 7.47%, respectively. All employees pay at least one half of the employee contribution previously paid by the Authority. UAL payments for Tier 1, Tier 2, and PEPRAs employee groups are \$660,966, \$8,552, and \$7,048, respectively. The total increase in retirement costs for Fiscal Year 2022-2023 is \$67,910.

Additionally, costs for step increases earned by newer employees who have not yet reached the top of the approved salary range for their positions are included. Total costs for salary and benefit increases in the proposed budget for Fiscal Year 2022-2023 are \$463,014.

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

### ***Capital Outlay for Fiscal Year 2022-2023:***

The capital outlay project request is for \$200,000 for communications, technology, and infrastructure replacement purchases.

***Members' Assessments for Fiscal Year 2022-2023:*** The calculation of the assessments is found in the Financial Summaries section of the document. The budget, as presented, uses the Cost Allocation Policy adopted in FY2019-20 and as updated in FY2020-21, and applies discounts and premiums outlined in the Authority's ByLaws through Fiscal Year 2022-23.

### ***Assessments for Contract Cities:***

A new five-year agreement effective March 1, 2022, which transitions Culver City to the Cost Allocation Policy, was approved February 2022. Culver City's assessment based on the Cost Allocation Policy is \$2,762,991, an increase of \$71,822.

El Segundo's assessment is \$1,869,811, an increase of \$170,177. A new agreement was finalized in January 2020, which transitioned El Segundo to the Cost Allocation Policy over a four-year period. The agreement provides a discount of \$92,762 for the FY22-23 assessment. The current agreement expires on June 30, 2030.

Hermosa Beach's assessment is \$798,138, an increase of \$39,833. A new agreement was finalized in Fall 2020 effective July 1, 2020, which transitioned Hermosa Beach to the Cost Allocation Policy and combined police dispatching services with the City of Manhattan Beach. The current agreement expires on June 30, 2030.

### ***Technical Services Division Workload Support Charges***

Under the Cost Allocation Policy, Technical Services Division costs are allocated to the following two functional areas:

<b>Function</b>	<b>Allocation of Technical Services Division Costs</b>	<b>Fiscal Year 2022-2023 Cost Allocation</b>
Dedicated Support	50%	\$565,791
Workload Support	50%	\$565,791
<b>Total</b>	<b>100%</b>	<b>\$1,131,582</b>

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. All such vehicles are listed on each agency's "Active Vehicle Inventory List" and certified annually by its Chief of Police or Fire Chief. The Dedicated Support portion of Technical Services Division costs is included as part of each city's annual assessment.

Effective Fiscal Year 2020-2021, Workload Support charges are 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 for member and contract cities.

### ***Operations Department***

As part of the annual budget development process, staff has reviewed the current staffing allocation plan that allocates Communications Operator staffing between the Operations Department's three functional areas of Call-Taking, Police Dispatch and Fire Dispatch and recommends no modification to the existing allocation plan illustrated below:

Function	Position Allocations	Allocation of Operations Department Costs
Call-Taking	3.5	35%
Police Dispatch	5.0	50%
Fire Dispatch	1.5	15%
<b>Total</b>	<b>10.00</b>	<b>100%</b>

***Other Revenues:***

These include interest income from the Authority's investment with the Local Agency Investment Fund (LAIF), and reimbursements from participating agencies for wireless services, GST software maintenance, and other reimbursable services.

***Work Plan Objectives for Fiscal Year 2022-2023:***

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

1. Implement Mark43 Computer Aided Dispatch ("CAD")  
Work with Mark43 to complete development and Go-Live on the CAD system.
2. Develop a 5-Year Capital Improvement Plan (CIP)  
Conduct a needs assessment and then create a 5-year CIP plan for the Authority.
3. Review Technical Services Division Billing Methodology  
Review current cost allocation methodology for Technical Services Workload Support and develop recommendations for improvements.
4. Management and Confidential Successor Agreement  
Negotiate a successor agreement with the Management and Confidential Employees. Their current MOU expires on June 30, 2022.
5. Initiatives to Improve Fire Dispatching  
Continue working with the Fire Task Force to refine call processing and dispatch procedures, reduce dispatch and overall response times, and explore other improvements to emergency service delivery.
6. Compliance with National Fire Protection Association (NFPA) Standard 1221  
Continue to monitor dispatching procedures to ensure event processing time for emergency fire events is in compliance with NFPA Standard 1221. Work with Mark43

to ensure the CAD system will produce reports that document compliance with the standard.

7. City Contracts for Services and Regional Fire Dispatching

Continue to monitor developments in the region regarding dispatch services. If requested, develop a Phase Two Feasibility study for the City of Redondo Beach. Work with fire departments and related stakeholders in the area, as appropriate, in determining the feasibility of establishing a regional fire dispatch center.

8. Records Retention Policy

Develop a Records Retention Schedule for the Authority per Government Code Section 60201.

***Fund Balance/Reserves:***

In accordance with the Executive Committee's Budget Policy, as established by Resolution No. 321, the recommended Fiscal Year 2022-2023 budget includes a 10% Operational and Capital Reserve of \$1,284,115.

In October 2011 the Executive Committee established a reserve in the amount of \$250,000 for future funding of OPEB liabilities. In September 2020, the Board of Directors approved a resolution to establish a Section 115 Trust for pre-funding OPEB obligations and the \$250,000 reserve was transferred to the Trust in June 2021.

Additionally, in January 2022, the Board of Directors approved an Additional Discretionary Payment (ADP) towards the Authority's pension liability and a contribution to the Section 115 Trust for OPEB of \$281,864 and \$192,679, respectively. A revision to the Budget Policy is being presented simultaneously to allow ongoing funding of pension and OPEB unfunded liabilities using budgetary surplus and unrestricted available fund balance each fiscal year. Therefore, fund balance projections include tentative ADPs and trust contributions over the next several years.

The available Enterprise Fund cash balance is projected to be \$3,742,219 by June 30, 2022 and \$3,857,219 by June 30, 2023, and has been allocated to each member based on its ownership percentage of the Authority.

***Acknowledgement:***

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Ross Klun". The signature is fluid and cursive, with the first name "Ross" and last name "Klun" clearly distinguishable.

Ross Klun, Executive Director

## **Authority Profile**

### ***Mission***

The South Bay Regional Public Communications Authority (SBRPCA) is dedicated to professionalism and excellence in public safety communications.

### ***Overview***

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

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

The Authority annually processes approximately 320,000 police and fire incidents in the Southern California region of Los Angeles County commonly referred to as the "South Bay."

The Authority is budgeted for 68 full-time positions. Five (5) Technical Services staff members install radio communications equipment, light bars, mobile cameras, computer systems, and all necessary equipment for full-service, emergency vehicles. Staff also coordinates capital projects and provides technical services to the following external agencies: El Camino College Campus Police Department; Gardena Public Works Department; Hermosa Beach Public Works Department; L.A. Impact; Manhattan Beach Public Works Department; and Palos Verdes Estates.

### ***Brief Profiles of Member/Client Cities***

City of Gardena – incorporated on September 11, 1930 as a general law city with a Council-Manager form of government; located 13 miles south of metropolitan Los Angeles in the South Bay area of Los Angeles County; full service city including its own municipal bus lines; 5.9 square miles; population of 59,713; 6 parks, 1 community center, 1 municipal pool, 1 parkette, and 2 gymnasiums. The City provides police protection and contracts with Los Angeles County for fire and emergency medical services. The City has approximately 300 full time employees.

City of Hawthorne – incorporated in 1922 as a general law city with a Council-Manager form of government; ideally located near the Los Angeles International Airport, connected by rail to the Port of Los Angeles and downtown Los Angeles, and surrounded by the San Diego (I-405), Harbor (I-110), and Glenn M. Anderson (I-105) Freeways; the City of Hawthorne could easily be termed the “Hub of the South Bay”; 6 square miles; population of nearly 87,000; 10 parks including 1 skate park; 1 pool; 1 sports center; 1 memorial center; and 1 senior center. The City provides police protection and contracts with Los Angeles County for fire and emergency medical services. The City has approximately 260 full time employees.

City of Manhattan Beach – incorporated on December 7, 1912 as a general law city with a Council-Manager form of government; located 19 miles southwest of downtown Los Angeles on the southerly end of Santa Monica Bay; 3.88 square miles; population of 35,183; full service city with its own police, fire/emergency services personnel; 2.1 miles of beach front and a 928-foot long pier; a 9-hole golf course; 2 community centers; 54 acres of developed parks; 21 acres parkway; and 40 acres of recreational beach. The City has approximately 305 full time employees.

City of Culver City – incorporated in 1917 as a general law city and transitioned to a charter city in 1947. The City operates under a Mayor/City Council-City Manager form of government; located 5 miles north of Los Angeles International Airport; 5.2 square miles; population of 39,437 full service city with its own police and fire/emergency services personnel; 18 parks.

City of El Segundo – incorporated on January 18, 1917 as a general law city with a Council-Manager form of government; located 14 miles southwest of downtown Los Angeles, adjacent to the City of Los Angeles International Airport and borders the Century Freeway (105) on the north and the San Diego Freeway (405) on the east, both of which provide linkages to other major freeways traveling north, south and east; 5.5 square miles; population of 17,500; full service city with its own police, fire/emergency services personnel; 1 police station, 2 fire stations, 22 parks,



13 recreational facilities and 91.2 acres of parks. The city has approximately 285 full time employees.

City of Hermosa Beach – incorporated on January 14, 1907 as a general law city with a Council-Manager form of government; located 4 miles south of Los Angeles International Airport; 1.43 square miles; population of 19,614 full service city with its own police and fire protection; emergency medical services; 20 parks; 36.52 acres of beach; 19.50 acres of open space park; 1 community theatre. The City has approximately 136 full time employees.

### ***Description of Funds***

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

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

Grant Fund (Fund 20) – During Fiscal Year 2009-2010, the Authority received a State Homeland Security Grant to equip the “new” Punta Place Radio Site. Revenues and expenses for this grant were accounted for in this Fund. The project was completed in Fiscal Year 2010-2011 and all revenues were received during Fiscal Year 2011-2012. Additionally, the Authority received a grant under the 2016 Urban Area Security Initiative (UASI) program to build out the Interoperability Network of the South Bay. This project was completed in Fiscal Year 2018-2019. Purchases associated with this grant were also made from Fund 20. The fund remains open to account for the equipment (capital assets) purchased with these grants.

### ***Basis of Accounting and Budgeting***

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

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

### ***Budget Process***

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

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

### ***Budget Amendments***

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

### ***Revenue Estimates***

Assessments: Revenues that support the Authority's operations come from assessments to its Members.

Prior to the Fiscal Year 2008-2009 budget, assessments were developed based on the percentage of system utilization and the communications equipment maintained. On January 15, 2008, the Board amended the Bylaws to change the assessment formula based on the Member Cities' ownership share instead of system usage. The ownership share was based on the Members' share of the bonds issued in 2001 to finance the Authority's headquarters.

In September 2019, the Board amended the Bylaws to adopt a new Cost Allocation Policy based on a Comprehensive Cost of Service and Allocation Study that was completed in August 2019. This policy ties assessments as closely as possible to the services provided to its Member and Contract Cities. The amended Bylaws provide for Manhattan Beach's assessments to gradually increase to the full amount under the Cost Allocation Policy over a four year period. In order to accomplish this phasing of assessment increases, the City of Manhattan Beach's assessment is calculated according to the Cost Allocation Policy, but it receives a series of diminishing discounts over a three-year period. During this same period, assessments for the City of Gardena and the City of Hawthorne are calculated according to the policy, but a premium is added on top of the calculated amounts to make-up for the discount provided to the City of Manhattan Beach. For Fiscal Year 2022-2023, Manhattan Beach receives a 3.98% discount on its assessment. Gardena and Hawthorne pay premiums of 1.69% and 1.73% on their assessments, respectively.

The Authority entered into a new agreement for dispatching services with the City of El Segundo, effective July 1, 2020. Under the new agreement, the City's assessment is based on the Cost Allocation Policy after a four-year phasing-in of significant increases. The agreement caps the assessment for Fiscal Year 2022-2023 at \$1,869,811.

The Authority entered into a new agreement for dispatching services with the City of Hermosa Beach, effective July 1, 2020. Under the new agreement, the City has combined police dispatching services with the City of Manhattan Beach and is subject to the Cost Allocation Policy.

The current agreement with Culver City expires on March 1, 2022. A new five-year agreement, which transitions Culver City to the Cost Allocation Policy, is pending City Council approval.

***Other Revenues:***

These include interest income from the Authority's investment with the State's Local Agency Investment Fund (LAIF); and reimbursements from participating agencies for wireless services, GST software maintenance, and other reimbursable services.

***Operating Departments***

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

Operations – Seven (7) Communications Supervisors and fifty (50) Communications Operators provide 911 services to the Member Cities, the City of Culver City, City of El Segundo and the City of Hermosa Beach. The combined resident population served for all six (6) cities is approximately 261,000 people.

Technical Services – Provides installation, repairs, and maintenance of telecommunications equipment services to the Members Cities and other clients, as well as maintenance of the Authority's facilities. The department is staffed with one (1) Public Safety Communications Specialist II and four (4) Public Safety Communications Specialist I positions.

## Personnel Summary (Full-Time Employees Only)

Department/Position Title	FY 19-20 Adopted	FY 20-21 Adopted	FY 20-21 Amended	FY 21-22 Adopted	FY 22-23 Proposed
<b>Administration Department</b>					
Executive Director	1	1	1	1	1
Operations Manager	1	1	1	1	1
Administration Manager <sup>1</sup>	0	0	0	0	0
Finance & Performance Audit Manager <sup>2</sup>	1	1	1	1	1
Information Technology Manager <sup>1</sup>	0	0	0	0	0
Executive Assistant <sup>3</sup>	1	1	1	1	1
Administrative Services Manager <sup>4</sup>	1	1	1	1	1
Accountant	1	1	1	1	1
<b>Subtotal</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>Operations Department</b>					
Communications Supervisor <sup>5</sup>	7	8	7	7	7
Communications Operator <sup>6,7</sup>	54	55	50	50	50
<b>Subtotal</b>	<b>61</b>	<b>63</b>	<b>57</b>	<b>57</b>	<b>57</b>
<b>Technical Services Division</b>					
Lead Communications Technician	0	0	0	0	0
Communications Technician <sup>1</sup>	0	0	0	0	0
Public Safety Communications Specialist II	1	1	1	1	1
Public Safety Communications Specialist I	4	4	4	4	4
<b>Subtotal</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Grand Total</b>	<b>72</b>	<b>74</b>	<b>68</b>	<b>68</b>	<b>68</b>

### 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 in FY21 to provide adequate support in special assignments; eliminated in FY21 amendment to budget.
6. One (1) additional position proposed in FY21 to provide adequate support in Communications Center; eliminated in FY21 amendment to budget.
7. Four (4) positions eliminated in FY21 due to combined police dispatching between Hermosa Beach and Manhattan Beach

## FINANCIAL SUMMARIES



## Fund Balance Estimates

Fund 10 - Enterprise Fund	
<b>Beginning Balance</b>	
<b>Cash Available as of June 30, 2021</b>	<b>\$ 4,983,367</b>
Operating and Capital Reserve	(1,230,236)
<b>Available Cash</b>	<b>\$ 3,753,131</b>
Gardena - 32.08%	1,204,004
Hawthorne - 45.07%	1,691,536
Manhattan Beach - 22.85%	857,590
<b>Fiscal Year 2021-22 Estimated Revenues &amp; Expenditures</b>	
Revenues	12,819,867
Expenditures	12,302,356
<b>Revenues Over (Under) Expenditures</b>	<b>\$ 517,511</b>
<b>Estimated Balance - End of FY2021-22</b>	
Pension and OPEB Funding	(474,543)
Estimated Cash Available on June 30, 2022	5,026,334
Operating and Capital Reserve (10% of Budget)	(1,284,115)
<b>Estimated Available Cash After Reserve Allocations</b>	<b>\$ 3,742,219</b>
Gardena - 32.08%	1,200,504
Hawthorne - 45.07%	1,686,618
Manhattan Beach - 22.85%	855,097
<b>Fiscal Year 2022-23 Budget Resources</b>	
<b>Assessments</b>	
Gardena	2,233,811
Hawthorne	2,729,338
Manhattan Beach	1,606,565
<b>Member City Subtotal</b>	<b>6,569,714</b>
Culver City	2,762,991
El Segundo	1,869,811
Hermosa Beach	798,138
<b>Contract City Subtotal</b>	<b>5,430,940</b>
Non-Assessment Revenues	1,470,108
<b>Total Budget Resources</b>	<b>13,470,762</b>
<b>Fiscal Year 2022-23 Budget Expenses</b>	
Operating	12,641,154
Capital	200,000
<b>Total Budget Expenses</b>	<b>12,841,154</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$ 629,608</b>
<b>Estimated Balance - End of FY2022-23</b>	
Pension and OPEB Funding	(454,254)
Estimated Cash Available on June 30, 2023	5,201,688
Operating and Capital Reserve	(1,344,009)
<b>Estimated Available Cash After Reserve Allocations</b>	<b>\$ 3,857,679</b>
Gardena - 32.08%	1,237,544
Hawthorne - 45.07%	1,738,656
Manhattan Beach - 22.85%	881,480

## Assessments & Methodologies

Assessments	FY21-22 Assessment	FY22-23 Base	FY22-23 Bylaws Adjustments	Contract Adjustments	Other Adjustments	FY22-23 Assessment	Increase (Decrease) Amount
<b>Member Cities</b>							
Gardena	\$ 2,141,335	\$ 2,196,687	\$ 37,124			\$ 2,233,811	92,476
Hawthorne	2,619,842	2,682,923	46,415			2,729,338	109,496
Manhattan Beach	1,461,578	1,673,156	(66,592)			1,606,565	144,987
<b>Subtotal</b>	<b>6,222,755</b>	<b>6,552,766</b>		-		<b>6,569,714</b>	<b>346,959</b>
<b>Contract Cities</b>							
Culver City	\$ 2,691,169	2,762,991		-		2,762,991	\$ 71,822
El Segundo	1,699,634	1,962,573		(92,762)		1,869,811	170,177
Hermosa Beach	758,305	798,138		-		798,138	39,833
<b>Subtotal</b>	<b>\$ 5,149,108</b>	<b>5,523,702</b>		<b>\$ (92,762)</b>		<b>\$ 5,430,940</b>	<b>\$ 281,832</b>
<b>Total Assessments</b>	<b>\$ 11,371,863</b>	<b>\$ 12,076,468</b>				<b>\$ 12,000,654</b>	<b>\$ 628,791</b>

METHODOLOGIES	
<b>Member Cities</b>	<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>Assessment does not include Technical Services Division Workload Support Charges. 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.</p>
<b>Contract Cities</b>	
Culver City	<p>Starting FY22-23, assessment based on Authority's Cost Allocation Policy. Agreement pending approval as of February 2022.</p> <p>Assessment does not include Technical Services Division Workload Support Charges. 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.</p>
El Segundo	<p>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.</p> <p>Assessment does not include Technical Services Division Workload Support Charges. 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.</p>
Hermosa Beach	<p>Starting FY20-21, assessment based on Authority's Cost Allocation Policy and shared dispatching services with the City of Manhattan Beach. Agreement expires 06/30/2030.</p> <p>Assessment does not include Technical Services Division Workload Support Charges. 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.</p>



## Assessments & Methodologies - Supplemental Information

### Unadjusted Assessment Calculations per Cost Allocation Policy - FOR INFORMATION ONLY

Assessments	Gardena	Hawthorne	Manhattan Beach	Culver City	El Segundo	Hermosa Beach	TOTAL
<b>OPERATIONS</b>							
Call-Taking Emergency Calls	\$ 613,289	\$ 908,828	\$ 184,575	\$ 396,444	\$ 199,913	\$ 111,546	\$ 2,414,595
Call-Taking Non-Emergency Support	297,620	339,412	239,846	487,377	131,102	114,372	1,609,730
Police - Dedicated Dispatch Support	806,630	806,630	403,315	806,630	806,630	403,315	4,033,150
Police - Calls for Service Readiness Support	387,090	523,584	205,703	271,249	212,303	128,564	1,728,493
Fire - Dedicated Dispatch Support	-	-	402,432	402,432	402,432	-	1,207,297
Fire - Calls for Service Readiness Support	-	-	128,678	258,187	130,548	-	517,413
<b>TECHNICAL SERVICES</b>							
Technical Support - Dedicated Support	92,057	104,470	108,607	140,672	79,645	40,340	565,791
<b>Total Calculated</b>	<b>\$ 2,196,687</b>	<b>\$ 2,682,923</b>	<b>\$ 1,673,156</b>	<b>\$ 2,762,991</b>	<b>\$ 1,962,573</b>	<b>\$ 798,138</b>	<b>\$ 12,076,468</b>

### Cost Allocation Data

City	3 Year Average			
	911 Calls	Non-Emergency Calls	Police Calls for Service	Fire Calls for Service
Gardena	28,469	42,252	68,151	-
Hawthorne	42,188	48,185	92,182	-
Manhattan Beach	8,568	34,050	36,216	3,716
Culver City	18,403	69,191	47,756	7,456
El Segundo	9,280	18,612	37,378	3,770
Hermosa Beach	5,178	16,237	22,635	-
<b>3 Year Average</b>	<b>112,086</b>	<b>228,527</b>	<b>304,318</b>	<b>14,942</b>

City	Vehicle Inventories		
	Police	Fire	Total
Gardena	89	-	89
Hawthorne	101	-	101
Manhattan Beach	89	16	105
Culver City	108	28	136
El Segundo	64	13	77
Hermosa Beach	39	-	39
<b>Total</b>	<b>490</b>	<b>57</b>	<b>547</b>

## Revenues by Account

Account Number & Title	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
<b>Enterprise Fund (Fund 10)</b>								
10-50-111-4110 Gardena	\$ 2,391,301	\$ 2,174,993	\$ 2,083,118	\$ 1,666,078	\$ 2,141,335	\$ 2,233,811	\$ 92,476	4.32%
10-50-111-4120 Hawthorne	3,359,598	2,664,597	2,552,293	1,966,383	2,619,842	2,729,338	109,496	4.18%
10-50-111-4130 Manhattan Beach	1,703,280	1,718,710	1,387,975	1,045,475	1,461,578	1,606,565	144,987	9.92%
<b>Member City Subtotal</b>	<b>7,454,179</b>	<b>6,558,300</b>	<b>6,023,386</b>	<b>4,677,936</b>	<b>6,222,755</b>	<b>6,569,714</b>	<b>346,959</b>	<b>5.58%</b>
10-50-111-4140 Hermosa Beach	975,208	1,132,062	742,528	742,528	758,305	798,138	39,833	5.25%
10-50-111-4145 El Segundo	1,372,870	1,493,738	1,493,738	1,493,738	1,699,634	1,869,811	170,177	10.01%
10-50-111-4146 Culver City	2,587,601	2,665,229	2,665,229	2,665,229	2,691,169	2,762,991	71,822	2.67%
<b>Contract City Subtotal</b>	<b>4,935,679</b>	<b>5,291,029</b>	<b>4,901,495</b>	<b>4,901,495</b>	<b>5,149,108</b>	<b>5,430,940</b>	<b>281,832</b>	<b>5.47%</b>
<b>Subtotal Assessments</b>	<b>\$ 12,389,858</b>	<b>\$ 11,849,329</b>	<b>\$ 10,924,881</b>	<b>\$ 9,579,431</b>	<b>\$ 11,371,863</b>	<b>\$ 12,000,654</b>	<b>\$ 628,791</b>	<b>5.53%</b>
10-50-111-4150 El Camino Community College	653	790	790	-	790	790	-	0.00%
10-50-111-4151 Annual Maint-MDC - Director	-	-	-	-	-	-	-	0.00%
10-50-111-4152 Medical Director/Hermosa Beach	-	-	-	-	-	-	-	0.00%
10-50-111-4153 Medical Director/Manhattan Beach	30,250	30,500	30,500	30,500	30,500	30,500	-	0.00%
10-50-111-4154 Medical Director/El Segundo	27,708	30,500	30,500	-	-	-	-	0.00%
10-50-111-4210 Investment Earnings (LAIF)	85,856	50,000	50,000	30,381	50,000	30,000	(20,000)	-40.00%
10-50-111-4220 POST Reimbursements	3,495	1,400	1,400	360	6,450	5,000	(1,450)	-22.48%
10-50-111-4255 Unrealized Gain/Loss on Investments	16,746	-	-	(21,872)	-	-	-	0.00%
10-50-111-4410 Vending Machine Revenue	-	-	-	-	-	-	-	0.00%
10-50-111-4430 Other Miscellaneous Revenue	68,955	2,500	2,500	977	2,500	2,500	-	0.00%
10-50-111-4240 911 Reimbursements	3,000	8,000	8,000	-	8,000	5,000	(3,000)	-37.50%
10-50-111-4241 Redondo Beach Maint Agreement	-	13,000	13,000	10,238	13,000	13,000	-	0.00%
<b>Subtotal Administration - Other</b>	<b>\$ 236,663</b>	<b>\$ 136,690</b>	<b>\$ 136,690</b>	<b>\$ 50,584</b>	<b>\$ 111,240</b>	<b>\$ 86,790</b>	<b>\$ (24,450)</b>	<b>-21.98%</b>
10-60-211-4215 DUI Reimbursement-Overtime	544	2,000	2,000	-	2,000	1,000	(1,000)	-50.00%
10-60-211-4435 Reimbursements Sprint Wireless	53,602	70,000	70,000	44,537	70,000	1,200	(68,800)	-98.29%
10-60-211-4440 Reimbursements/Verizon Wireless	42,805	25,000	25,000	50,035	50,000	60,000	10,000	20.00%
10-60-211-4460 Pink Patch Project	250	-	-	-	-	-	-	0.00%
<b>Subtotal Operations</b>	<b>\$ 97,201</b>	<b>\$ 97,000</b>	<b>\$ 97,000</b>	<b>\$ 94,572</b>	<b>\$ 122,000</b>	<b>\$ 62,200</b>	<b>\$ (59,800)</b>	<b>-49.02%</b>
10-70-311-4310 Labor-Installation-Member	125	320,991	309,477	354,342	290,910	305,134	14,224	4.89%
10-70-311-4320 Labor-Installation-NonMember	436	92,556	125,310	93,617	171,162	260,657	89,495	52.29%
10-70-311-4360 Reimbursements for Billable Parts	687,720	600,000	600,000	508,851	700,000	700,000	-	0.00%
10-70-311-4370 Reimbursements for GST Software	52,692	52,692	52,692	52,692	52,692	55,327	2,635	5.00%
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 Reimb	-	-	-	-	-	-	-	0.00%
<b>Subtotal Technical Services</b>	<b>\$ 740,973</b>	<b>\$ 1,066,239</b>	<b>\$ 1,087,479</b>	<b>\$ 1,009,501</b>	<b>\$ 1,214,764</b>	<b>\$ 1,321,118</b>	<b>\$ 106,354</b>	<b>8.76%</b>
<b>Subtotal Non-Assessment Revenues</b>	<b>\$ 1,074,837</b>	<b>\$ 1,299,929</b>	<b>\$ 1,321,169</b>	<b>\$ 1,154,657</b>	<b>\$ 1,448,004</b>	<b>\$ 1,470,108</b>	<b>\$ 22,104</b>	<b>1.53%</b>
<b>Total Enterprise Fund (Fund 10) Revenues</b>	<b>\$ 13,464,695</b>	<b>\$ 13,149,258</b>	<b>\$ 12,246,050</b>	<b>\$ 10,734,088</b>	<b>\$ 12,819,867</b>	<b>\$ 13,470,762</b>	<b>\$ 650,895</b>	<b>5.08%</b>
<b>Grant Fund (Fund 20)</b>								
20-80-433-4270 Grant Reimb	-	-	-	5,670	-	-	-	-
<b>Total Grant Fund (Fund 20) Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,670</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Grand Total All Funds</b>	<b>\$ 13,464,695</b>	<b>\$ 13,149,258</b>	<b>\$ 12,246,050</b>	<b>\$ 10,739,758</b>	<b>\$ 12,819,867</b>	<b>\$ 13,470,762</b>	<b>\$ 650,895</b>	<b>5.08%</b>

## Expenses by Department - Enterprise Fund (10)

Department/Description	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
<b>Administration</b>								
Salaries & Benefits	\$ 1,133,162	\$ 1,278,828	\$ 1,169,105	\$ 979,631	\$ 1,274,756	\$ 1,349,947	\$ 75,191	5.90%
Supplies/Services/Equip	1,061,824	1,068,710	1,028,014	924,279	983,917	1,132,460	148,543	15.10%
<b>Subtotal Administration</b>	<b>\$ 2,194,986</b>	<b>\$ 2,347,538</b>	<b>\$ 2,197,119</b>	<b>\$ 1,903,910</b>	<b>\$ 2,258,673</b>	<b>\$ 2,482,407</b>	<b>\$ 223,734</b>	<b>9.91%</b>
<b>Operations</b>								
Salaries & Benefits	\$ 7,513,253	\$ 8,121,218	\$ 7,447,274	\$ 7,151,895	\$ 7,544,742	\$ 7,922,665	\$ 377,923	5.01%
Supplies/Services/Equip	216,130	271,205	268,735	252,891	288,259	212,865	(75,394)	-26.15%
<b>Subtotal Operations</b>	<b>\$ 7,729,383</b>	<b>\$ 8,392,423</b>	<b>\$ 7,716,009</b>	<b>\$ 7,404,785</b>	<b>\$ 7,833,001</b>	<b>\$ 8,135,530</b>	<b>\$ 302,529</b>	<b>3.86%</b>
<b>Technical Services</b>								
Salaries & Benefits	\$ 721,996	\$ 770,440	\$ 742,925	\$ 719,830	\$ 762,640	\$ 772,540	\$ 9,900	1.30%
Supplies/Services/Equip	1,330,831	1,178,042	1,178,042	982,346	1,248,042	1,250,677	2,635	0.21%
<b>Subtotal Technical Services</b>	<b>\$ 2,052,827</b>	<b>\$ 1,948,482</b>	<b>\$ 1,920,967</b>	<b>\$ 1,702,177</b>	<b>\$ 2,010,682</b>	<b>\$ 2,023,217</b>	<b>\$ 12,535</b>	<b>0.62%</b>
<b>Total Operating Expenses</b>	<b>\$ 11,977,196</b>	<b>\$ 12,688,443</b>	<b>\$ 11,834,095</b>	<b>\$ 11,010,872</b>	<b>\$ 12,102,356</b>	<b>\$ 12,641,154</b>	<b>\$ 538,798</b>	<b>4.45%</b>
<b>Total Capital Outlay</b>	<b>\$ 119,398</b>	<b>\$ 250,000</b>	<b>\$ 252,500</b>	<b>\$ 219,402</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Grand Total</b>	<b>\$ 12,096,594</b>	<b>\$ 12,938,443</b>	<b>\$ 12,086,595</b>	<b>\$ 11,230,274</b>	<b>\$ 12,302,356</b>	<b>\$ 12,841,154</b>	<b>\$ 538,798</b>	<b>4.38%</b>
<b>Department Summary</b>								
Administration	\$ 2,194,986	\$ 2,347,538	\$ 2,197,119	\$ 1,903,910	\$ 2,258,673	\$ 2,482,407	\$ 223,734	9.91%
Operations	7,729,383	8,392,423	7,716,009	7,404,785	7,833,001	8,135,530	302,529	3.86%
Technical Services	2,052,827	1,948,482	1,920,967	1,702,177	2,010,682	2,023,217	12,535	0.62%
Capital Outlay	119,398	250,000	252,500	219,402	200,000	200,000	-	0.00%
<b>Grand Total</b>	<b>\$ 12,096,594</b>	<b>\$ 12,938,443</b>	<b>\$ 12,086,595</b>	<b>\$ 11,230,274</b>	<b>\$ 12,302,356</b>	<b>\$ 12,841,154</b>	<b>\$ 538,798</b>	<b>4.38%</b>
<b>Major Category Summary</b>								
Salaries & Benefits	\$ 9,368,411	\$ 10,170,486	\$ 9,359,304	\$ 8,851,356	\$ 9,582,138	\$ 10,045,152	\$ 463,014	4.83%
Supplies/Services/Equip	2,608,785	2,517,957	2,474,791	2,159,516	2,520,218	2,596,002	75,784	3.01%
Capital Outlay	119,398	250,000	252,500	219,402	200,000	200,000	-	0.00%
<b>Grand Total</b>	<b>\$ 12,096,594</b>	<b>\$ 12,938,443</b>	<b>\$ 12,086,595</b>	<b>\$ 11,230,274</b>	<b>\$ 12,302,356</b>	<b>\$ 12,841,154</b>	<b>\$ 538,798</b>	<b>4.38%</b>

## Expenses by Account

ACCT	DESCRIPTION	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
5101	Salaries (Full-Time)	\$ 5,660,114	\$ 6,871,132	\$ 6,291,684	\$ 5,818,587	\$ 6,365,776	\$ 6,567,750	\$ 201,974	3.17%
5102	Salaries (Part-Time)	112,833	40,000	-	85,095	-	30,000	30,000	0.00%
5103	Overtime	930,141	202,389	202,389	242,502	202,389	228,500	26,111	12.90%
5104	Acting Pay	13,855	10,000	13,682	17,322	11,243	16,218	4,975	44.25%
5105	Bilingual Pay	6,629	8,400	8,400	7,271	8,400	9,600	1,200	14.29%
5107	Merit Pay	73,995	4,350	4,350	3,864	4,350	3,200	(1,150)	-26.44%
5108	Sick Leave Payoff	124,376	157,451	157,451	130,185	159,401	155,819	(3,582)	-2.25%
5109	Vacation Leave Payoff	130,176	93,472	93,472	128,639	101,628	109,939	8,311	8.18%
5110	Training Pay	14,285	15,000	15,000	13,122	15,000	15,000	-	0.00%
5112	Other Pay	6,300	34,680	29,790	14,117	17,200	13,000	(4,200)	-24.42%
5114	Holiday Payoff	132,890	75,000	75,000	102,600	75,000	100,000	25,000	33.33%
5115	Education Incentive	104,682	104,300	104,300	110,227	116,900	122,605	5,705	4.88%
5116	Overtime-Ridealongs	-	-	-	-	-	-	-	0.00%
5201	Medical Insurance	587,380	809,989	730,654	625,720	758,957	738,469	(20,488)	-2.70%
5202	Dental Insurance	39,848	46,807	46,198	47,394	52,673	72,454	19,781	37.55%
5203	Vision Care	15,034	21,795	19,833	17,015	19,124	22,108	2,984	15.60%
5204	Life Insurance	7,021	9,768	8,943	7,528	8,976	10,609	1,633	18.19%
5205	Medicare	105,694	110,819	102,399	93,732	102,344	107,312	4,968	4.85%
5206	Unemployment Insurance	22,401	5,000	5,000	20,279	10,000	20,000	10,000	100.00%
5207	Workers' Compensation	101,068	132,500	91,488	91,488	100,637	105,669	5,032	5.00%
5208	PERS Contribution	662,510	810,996	757,258	700,101	744,679	729,984	(14,695)	-1.97%
5209	Retirees' Medical Insurance	62,145	76,000	76,000	60,588	76,000	88,000	12,000	15.79%
5211	Social Security	-	-	-	-	-	-	-	0.00%
5212	Deferred Comp Matching	33,908	36,500	31,875	18,750	37,500	98,100	60,600	161.60%
5219	PERS Contribution-UAL	421,122	494,138	494,138	494,138	593,961	676,566	82,605	13.91%
5220	Deferred Comp Matching	-	-	-	1,091	-	4,250	4,250	0.00%
<b>Subtotal Salaries &amp; Benefits</b>		<b>\$ 9,368,411</b>	<b>\$ 10,170,486</b>	<b>\$ 9,359,304</b>	<b>\$ 8,851,356</b>	<b>\$ 9,582,138</b>	<b>\$ 10,045,152</b>	<b>\$ 463,014</b>	<b>4.83%</b>
5300	Maintenance & Operations	-	-	-	-	-	-	-	0.00%
5301	Communications Contract Svcs	35,580	54,000	48,000	46,422	48,000	48,000	-	0.00%
5302	IT Computer Contract Services	200,000	200,000	200,000	200,000	200,000	200,000	-	0.00%
5304	Accountant/Auditing Services	20,850	33,000	46,000	23,496	33,000	33,000	-	0.00%
5305	Legal Services	170,978	95,000	75,000	81,311	75,000	100,000	25,000	33.33%
5306	Recruitment Costs	69,086	68,530	34,000	23,854	46,750	61,645	14,895	31.86%
5307	Software Maintenance Services	49,996	77,537	61,037	57,100	64,652	76,550	11,898	18.40%
5308	Banking Services (Fees)	5,336	6,000	6,000	7,110	6,000	7,500	1,500	25.00%
5309	Website Maintenance Service	2,075	7,500	7,500	3,233	7,500	7,500	-	0.00%
5311	GST Software Reimbursable	52,692	52,692	52,692	52,692	52,692	55,327	2,635	5.00%
5312	Medical Director Services	57,958	61,000	61,000	30,500	30,500	30,500	-	0.00%
5313	Temporary Staffing	54,049	50,000	40,000	-	20,000	20,000	-	0.00%
5401	Membership Dues	1,479	3,220	2,680	689	2,680	3,130	450	16.79%
5402	Publications	784	2,060	2,060	550	2,460	2,460	-	0.00%
5403	Conferences, Meeting & Travel	21,135	51,675	38,202	13,296	38,526	42,932	4,406	11.44%
5404	Employee Services/EC-BOD	4,465	13,000	8,000	37,432	8,000	8,000	-	0.00%
5405	Employee Awards	-	500	500	972	500	1,500	1,000	200.00%
5406	POST Training	1,744	24,865	11,908	3,185	12,608	12,608	-	0.00%
5407	Tuition Reimbursement	251	18,000	18,000	3,680	16,000	16,000	-	0.00%
5501	Office Supplies	15,324	9,000	9,000	5,634	9,000	10,000	1,000	11.11%
5502	Janitorial Supplies	19,328	9,100	9,100	13,016	12,100	12,100	-	0.00%
5503	General Technical Supplies	5,883	7,500	7,500	9,527	7,500	7,500	-	0.00%
5504	Vending Machine Supplies	240	-	-	-	-	-	-	0.00%
5505	Voice Recording Tapes	-	-	-	-	-	-	-	0.00%
5506	Uniforms/Safety Equipment	4,474	10,500	15,000	12,170	10,500	10,500	-	0.00%
5507	Postage	610	1,600	2,800	209	2,800	2,800	-	0.00%
5508	Shipping Costs	169	1,200	-	-	-	-	-	0.00%
5509	Reproduction	25	2,000	2,000	7	2,000	2,000	-	0.00%
5511	Office Equipment Lease	14,606	15,750	15,750	12,839	15,750	15,750	-	0.00%
5513	General Liability Insurance	159,707	175,678	198,512	194,067	216,000	259,500	43,500	20.14%
5514	Parts - Billing	789,466	600,000	600,000	428,581	700,000	700,000	-	0.00%
5515	Parts - Telecommunications	-	-	-	-	-	-	-	0.00%
5516	Install Wire, Loom & Hardware	-	30,000	30,000	-	-	-	-	0.00%
5517	Vehicle Operations	3,465	6,500	6,500	4,629	6,500	6,500	-	0.00%
5520	Equipment Repair	-	5,000	5,000	-	5,000	5,000	-	0.00%
5521	Outside Tech Serv-Towers/Equip	324,761	325,000	325,000	309,658	325,000	325,000	-	0.00%
5524	GETAC Project	-	-	-	-	-	-	-	0.00%

## Expenses by Account

ACCT	DESCRIPTION	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
5525	Culver City Infrastructure Trans	-	-	-	-	-	-	-	0.00%
5601	Telephone - Administration	13,450	15,000	15,000	15,475	15,000	17,000	2,000	13.33%
5603	Telephone - El Segundo	2,472	3,000	3,000	2,287	3,000	3,000	-	0.00%
5604	Telephone - Gardena	15,649	3,000	3,000	1,003	15,000	3,000	(12,000)	-80.00%
5606	Telephone - Hawthorne	7,647	6,000	6,000	9,358	6,000	14,500	8,500	141.67%
5607	Telephone - Hermosa Beach	33,158	27,000	27,000	28,392	30,000	12,000	(18,000)	-60.00%
5608	Telephone - Manhattan Beach	4,744	6,000	6,000	4,183	6,000	6,000	-	0.00%
5611	Telephone - Punta Place	3,502	4,500	4,500	1,115	4,500	4,500	-	0.00%
5612	Telephone - RCC	10,652	11,000	11,000	10,049	11,000	11,000	-	0.00%
5613	Sprint Wireless Reimbursable	51,567	70,000	70,000	42,567	70,000	1,200	(68,800)	-98.29%
5614	Verizon Wireless Reimbursable	47,264	25,000	25,000	53,063	50,000	60,000	10,000	20.00%
5615	Telephone-Culver City	14,480	14,500	14,500	10,178	14,500	14,500	-	0.00%
5701	Maintenance/HQ	164,381	164,150	194,650	148,648	161,650	164,150	2,500	1.55%
5702	Maintenance/Other	-	-	-	-	-	-	-	0.00%
5703	Electricity - HQ	109,008	98,000	98,000	127,190	110,000	135,000	25,000	22.73%
5704	Electricity - Grandview	1,652	2,200	2,200	2,183	2,200	3,000	800	36.36%
5705	Electricity - Punta	8,526	6,600	6,600	9,561	9,000	10,000	1,000	11.11%
5706	Gas - HQ	9,459	11,000	11,000	11,492	11,000	16,000	5,000	45.45%
5707	Water - HQ	3,722	3,850	3,850	3,005	3,850	4,850	1,000	25.97%
5715	Electricity - MB Water Tower	5,625	2,750	2,750	1,630	3,500	3,500	-	0.00%
5810	Office Equipment	13,906	12,000	2,000	69,933	2,000	12,000	10,000	500.00%
5820	Other Equipment	610	15,000	30,000	31,351	15,000	15,000	-	0.00%
5830	Furniture & Fixtures	796	-	-	996	-	2,500	2,500	0.00%
5840	Vehicles	-	-	-	-	-	-	-	0.00%
<b>Subtotal Supplies/Services/Equip</b>		<b>\$ 2,608,785</b>	<b>\$ 2,517,957</b>	<b>\$ 2,474,791</b>	<b>\$ 2,159,516</b>	<b>\$ 2,520,218</b>	<b>\$ 2,596,002</b>	<b>\$ 75,784</b>	<b>3.01%</b>
<b>Total Operating Expenses</b>		<b>\$ 11,977,196</b>	<b>\$ 12,688,443</b>	<b>\$ 11,834,095</b>	<b>\$ 11,010,872</b>	<b>\$ 12,102,356</b>	<b>\$ 12,641,154</b>	<b>\$ 538,798</b>	<b>4.45%</b>
5901	<b>Total Capital Outlay</b>	<b>119,398</b>	<b>250,000</b>	<b>252,500</b>	<b>213,732</b>	<b>200,000</b>	<b>200,000</b>	<b>-</b>	<b>0.00%</b>
<b>Total Enterprise Fund (Fund 10)</b>		<b>\$ 12,096,594</b>	<b>\$ 12,938,443</b>	<b>\$ 12,086,595</b>	<b>\$ 11,224,604</b>	<b>\$ 12,302,356</b>	<b>\$ 12,841,154</b>	<b>\$ 538,798</b>	<b>4.38%</b>
5901	Grant Fund (20)	-	-	-	5,670	-	-	-	0.00%
<b>Grand Total All Funds</b>		<b>12,096,594</b>	<b>12,938,443</b>	<b>12,086,595</b>	<b>11,230,274</b>	<b>12,302,356</b>	<b>12,841,154</b>	<b>538,798</b>	<b>4.38%</b>

### Notes:

Proposed budget excludes non-cash expenses such as accrued leave, depreciation, and gain (loss) on disposal of fixed assets  
FY 2020-21 Amended budget includes appropriations after budget adoption

## 5 Year Revenue Projections - Enterprise Fund (10)

Account Number & Title	FY21-22 Adopted	FY22-23 Proposed	FY23-24 Projected	FY24-25 Projected	FY25-26 Projected	FY26-27 Projected
<b>Enterprise Fund (Fund 10)</b>						
10-50-111-4110 Gardena	\$ 2,141,335	\$ 2,233,811	\$ 2,298,725	\$ 2,351,000	\$ 2,404,995	\$ 2,462,213
10-50-111-4120 Hawthorne	2,619,842	2,729,338	2,807,710	2,871,532	2,937,448	3,007,292
10-50-111-4130 Manhattan Beach	1,461,578	1,606,565	1,750,099	1,789,987	1,831,198	1,874,886
<b>Member City Subtotal</b>	<b>\$ 6,222,755</b>	<b>\$ 6,569,714</b>	<b>\$ 6,856,534</b>	<b>\$ 7,012,519</b>	<b>\$ 7,173,641</b>	<b>\$ 7,344,391</b>
10-50-111-4140 Hermosa Beach	758,305	798,138	835,071	854,086	873,730	894,552
10-50-111-4145 El Segundo	1,699,634	1,869,811	2,053,789	2,100,485	2,148,715	2,199,821
10-50-111-4146 Culver City	2,691,169	2,762,991	2,890,835	2,956,620	3,024,574	3,096,591
<b>Contract City Subtotal</b>	<b>\$ 5,149,108</b>	<b>\$ 5,430,940</b>	<b>\$ 5,779,695</b>	<b>\$ 5,911,191</b>	<b>\$ 6,047,019</b>	<b>\$ 6,190,964</b>
<b>Subtotal Assessments</b>	<b>\$ 11,371,863</b>	<b>\$ 12,000,654</b>	<b>\$ 12,636,229</b>	<b>\$ 12,923,709</b>	<b>\$ 13,220,660</b>	<b>\$ 13,535,355</b>
10-50-111-4150 El Camino Community College	\$ 790	\$ 790	\$ 823	\$ 862	\$ 907	\$ 958
10-50-111-4152 Medical Director Service/Hermosa Beach	-	-	-	-	-	-
10-50-111-4153 Medical Director Service/Manhattan Beach	30,500	30,500	31,781	33,275	35,005	37,000
10-50-111-4154 Medical Director Services/El Segundo	-	-	-	-	-	-
10-50-111-4210 Investment Earnings (LAIF)	50,000	30,000	31,260	32,729	34,431	36,394
10-50-111-4220 POST Reimbursements	6,450	5,000	5,210	5,455	5,739	6,066
10-50-111-4255 Unrealized Gain/Loss on Investments	-	-	-	-	-	-
10-50-111-4410 Vending Machine Revenue	-	-	-	-	-	-
10-50-111-4430 Other Miscellaneous Revenue	2,500	2,500	2,605	2,727	2,869	3,033
10-50-111-4240 911 Reimbursements	8,000	5,000	5,210	5,455	5,739	6,066
10-50-111-4241 Redondo Beach Maint Agreement	13,000	13,000	13,546	14,183	14,920	15,771
<b>Subtotal Administration - Other</b>	<b>\$ 111,240</b>	<b>\$ 86,790</b>	<b>\$ 90,435</b>	<b>\$ 94,686</b>	<b>\$ 99,609</b>	<b>\$ 105,287</b>
10-60-211-4215 DUI Reimbursement-Overtime	2,000	1,000	1,042	1,091	1,148	1,213
10-60-211-4435 Reimbursements Sprint Wireless	70,000	1,200	1,250	1,309	1,377	1,456
10-60-211-4440 Reimbursements/Verizon Wireless	50,000	60,000	62,520	65,458	68,862	72,787
10-60-211-4460 Pink Patch Project	-	-	-	-	-	-
<b>Subtotal Operations</b>	<b>\$ 122,000</b>	<b>\$ 62,200</b>	<b>\$ 64,812</b>	<b>\$ 67,859</b>	<b>\$ 71,387</b>	<b>\$ 75,456</b>
10-70-311-4310 Labor-Installation-Member	290,910	305,134	313,386	321,303	329,597	338,542
10-70-311-4320 Labor-Installation-NonMember	171,162	260,657	267,706	274,469	281,554	289,195
10-70-311-4360 Reimbursements for Billable Parts	700,000	700,000	729,400	763,682	803,393	849,187
10-70-311-4370 Reimbursements for GST Software	52,692	55,327	57,651	60,360	63,499	67,119
10-70-311-4371 Reimbursement ES Chat Software	-	-	-	-	-	-
10-70-311-4375 Reimb Net Motion Licenses & Maint.	-	-	-	-	-	-
10-70-311-4445 GETAC Project Reimbursements	-	-	-	-	-	-
10-70-311-4455 Culver City Transition Reimbursement	-	-	-	-	-	-
<b>Subtotal Technical Services</b>	<b>\$ 1,214,764</b>	<b>\$ 1,321,118</b>	<b>\$ 1,368,143</b>	<b>\$ 1,419,814</b>	<b>\$ 1,478,043</b>	<b>\$ 1,544,042</b>
<b>Subtotal Non-Assessment Revenues</b>	<b>\$ 1,448,004</b>	<b>\$ 1,470,108</b>	<b>\$ 1,523,390</b>	<b>\$ 1,582,358</b>	<b>\$ 1,649,040</b>	<b>\$ 1,724,785</b>
<b>Total Enterprise Fund Revenues</b>	<b>\$ 12,819,867</b>	<b>\$ 13,470,762</b>	<b>\$ 14,159,619</b>	<b>\$ 14,506,067</b>	<b>\$ 14,869,700</b>	<b>\$ 15,260,140</b>
<b>Grant Fund (Fund 20)</b>						
20-80-433-4270 Grant Fund	-	-	-	-	-	-
<b>Total Grant Fund Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand Total All Funds</b>	<b>\$ 12,819,867</b>	<b>\$ 13,470,762</b>	<b>\$ 14,159,619</b>	<b>\$ 14,506,067</b>	<b>\$ 14,869,700</b>	<b>\$ 15,260,140</b>

**Notes:**

1. Member City assessments are based on the Cost Allocation Policy and adjustments provided through FY22-23 in the Bylaws.
2. El Segundo is based on the Cost Allocation Policy with phase-in discounts through FY23-24.
3. CPIU Projection is the three (3) year average CPIU, escalated by 50 basis points per year

## 5 Year Expense Projections - Enterprise Fund (10)

Department/Description	FY21-22 Adopted	FY22-23 Proposed	FY23-24 Projected	FY24-25 Projected	FY25-26 Projected	FY26-27 Projected
<b>Administration</b>						
Salaries & Benefits	\$ 1,274,756	\$ 1,349,947	\$ 1,376,946	\$ 1,404,485	\$ 1,432,575	\$ 1,461,226
Supplies/Services/Equipment	983,917	1,132,460	1,180,023	1,235,484	1,299,730	1,373,814
<b>Subtotal Administration</b>	<b>\$ 2,258,673</b>	<b>\$ 2,482,407</b>	<b>\$ 2,556,969</b>	<b>\$ 2,639,969</b>	<b>\$ 2,732,304</b>	<b>\$ 2,835,040</b>
<b>Operations</b>						
Salaries & Benefits	\$ 7,544,742	\$ 7,922,665	\$ 8,081,118	\$ 8,242,741	\$ 8,407,595	\$ 8,575,747
Supplies/Services/Equipment	288,259	212,865	460,805	471,230	483,306	497,232
<b>Subtotal Operations</b>	<b>\$ 7,833,001</b>	<b>\$ 8,135,530</b>	<b>\$ 8,541,924</b>	<b>\$ 8,713,971</b>	<b>\$ 8,890,902</b>	<b>\$ 9,072,979</b>
<b>Technical Services</b>						
Salaries & Benefits	\$ 762,640	\$ 772,540	\$ 787,991	\$ 803,751	\$ 819,826	\$ 836,222
Supplies/Services/Equipment	1,248,042	1,250,677	1,303,205	1,364,456	1,435,408	1,517,226
<b>Subtotal Technical Services</b>	<b>\$ 2,010,682</b>	<b>\$ 2,023,217</b>	<b>\$ 2,091,196</b>	<b>\$ 2,168,207</b>	<b>\$ 2,255,233</b>	<b>\$ 2,353,448</b>
<b>Total Operating Expenses</b>	<b>\$ 12,102,356</b>	<b>\$ 12,641,154</b>	<b>\$ 13,190,089</b>	<b>\$ 13,522,147</b>	<b>\$ 13,878,439</b>	<b>\$ 14,261,467</b>
<b>Total Capital Outlay</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>
<b>Grand Total</b>	<b>\$ 12,302,356</b>	<b>\$ 12,841,154</b>	<b>\$ 13,440,089</b>	<b>\$ 13,772,147</b>	<b>\$ 14,128,439</b>	<b>\$ 14,511,467</b>
<b>Department Summary</b>						
Administration	\$ 2,258,673	\$ 2,482,407	\$ 2,556,969	\$ 2,639,969	\$ 2,732,304	\$ 2,835,040
Operations	7,833,001	8,135,530	8,541,924	8,713,971	8,890,902	9,072,979
Technical Services	2,010,682	2,023,217	2,091,196	2,168,207	2,255,233	2,353,448
Capital Outlay	200,000	200,000	250,000	250,000	250,000	250,000
<b>Grand Total</b>	<b>\$ 12,302,356</b>	<b>\$ 12,841,154</b>	<b>\$ 13,440,089</b>	<b>\$ 13,772,147</b>	<b>\$ 14,128,439</b>	<b>\$ 14,511,467</b>
<b>Major Category Summary</b>						
Salaries & Benefits	\$ 9,582,138	\$ 10,045,152	\$ 10,246,055	\$ 10,450,976	\$ 10,659,996	\$ 10,873,196
Supplies/Services/Equipment	2,520,218	2,596,002	2,944,034	3,071,171	3,218,444	3,388,272
Capital Outlay	200,000	200,000	250,000	250,000	250,000	250,000
<b>Grand Total</b>	<b>\$ 12,302,356</b>	<b>\$ 12,841,154</b>	<b>\$ 13,440,089</b>	<b>\$ 13,772,147</b>	<b>\$ 14,128,439</b>	<b>\$ 14,511,467</b>

**Notes:**

- Salaries and benefits projections are based upon known and anticipated increases in employee compensation per MOUs
- CalPERS increases are based upon projections provided by CalPERS for the normal cost and the UAL.
- Supplies/Services/Equipment are increased by the three (3) year average CPIU, escalated by 50 basis points per year.

## 5 Year Fund Balance Projections - Enterprise Fund (10)

	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Cash Balance Projections	Estimate	Projected	Projected	Projected	Projected	Projected
Beginning Balance	\$ 4,983,367	\$ 5,026,334	\$ 5,201,688	\$ 5,514,405	\$ 6,083,325	\$ 6,659,586
Operating and Capital Reserve	(1,230,236)	(1,284,115)	(1,344,009)	(1,377,215)	(1,412,844)	(1,451,147)
<b>Available Cash</b>	<b>\$ 3,753,131</b>	<b>\$ 3,742,219</b>	<b>\$ 3,857,679</b>	<b>\$ 4,137,190</b>	<b>\$ 4,670,481</b>	<b>\$ 5,208,440</b>
<b>Budget Resources</b>						
<b>Assessments</b>						
Gardena	\$ 2,141,335	\$ 2,233,811	\$ 2,298,725	\$ 2,351,000	\$ 2,404,995	\$ 2,462,213
Hawthorne	2,619,842	2,729,338	2,807,710	2,871,532	2,937,448	3,007,292
Manhattan Beach	1,461,578	1,606,565	1,750,099	1,789,987	1,831,198	1,874,886
<b>Member City Subtotal</b>	<b>\$ 6,222,755</b>	<b>\$ 6,569,714</b>	<b>\$ 6,856,534</b>	<b>\$ 7,012,519</b>	<b>\$ 7,173,641</b>	<b>\$ 7,344,391</b>
Culver City	2,691,169	2,762,991	2,890,835	2,956,620	3,024,574	3,096,591
El Segundo	1,699,634	1,869,811	2,053,789	2,100,485	2,148,715	2,199,821
Hermosa Beach	758,305	798,138	835,071	854,086	873,730	894,552
<b>Contract City Subtotal</b>	<b>\$ 5,149,108</b>	<b>\$ 5,430,940</b>	<b>\$ 5,779,695</b>	<b>\$ 5,911,191</b>	<b>\$ 6,047,019</b>	<b>\$ 6,190,964</b>
Non-Assessment Revenues	1,448,004	1,470,108	1,523,390	1,582,358	1,649,040	1,724,785
<b>Total Budget Resources</b>	<b>\$ 12,819,867</b>	<b>\$ 13,470,762</b>	<b>\$ 14,159,619</b>	<b>\$ 14,506,067</b>	<b>\$ 14,869,700</b>	<b>\$ 15,260,140</b>
<b>Budget Expenses</b>						
Operating	\$ 12,102,356	\$ 12,641,154	\$ 13,190,089	\$ 13,522,147	\$ 13,878,439	\$ 14,261,467
Capital	200,000	200,000	250,000	250,000	250,000	250,000
<b>Total Budget Expenses</b>	<b>\$ 12,302,356</b>	<b>\$ 12,841,154</b>	<b>\$ 13,440,089</b>	<b>\$ 13,772,147</b>	<b>\$ 14,128,439</b>	<b>\$ 14,511,467</b>
<b>Revenues Over (Under) Expenditures</b>	<b>\$ 517,511</b>	<b>\$ 629,608</b>	<b>\$ 719,530</b>	<b>\$ 733,921</b>	<b>\$ 741,261</b>	<b>\$ 748,673</b>
<b>Ending Estimated Balance</b>						
Pension and OPEB Funding	(474,543)	(454,254)	(406,814)	(165,000)	(165,000)	(172,000)
Ending Balance	\$ 5,026,334	\$ 5,201,688	\$ 5,514,405	\$ 6,083,325	\$ 6,659,586	\$ 7,236,259
Operating and Capital Reserve	(1,284,115)	(1,344,009)	(1,377,215)	(1,412,844)	(1,451,147)	(1,486,859)
OPEB Reserve	-	-	-	-	-	-
<b>Available Balance After Reserve Allocations</b>	<b>\$ 3,742,219</b>	<b>\$ 3,857,679</b>	<b>\$ 4,137,190</b>	<b>\$ 4,670,481</b>	<b>\$ 5,208,440</b>	<b>\$ 5,749,400</b>
Gardena - 32.08%	1,200,504	1,237,544	1,327,211	1,498,290	1,670,867	1,844,407
Hawthorne - 45.07%	1,686,618	1,738,656	1,864,632	2,104,986	2,347,444	2,591,254
Manhattan Beach - 22.85%	855,097	881,480	945,348	1,067,205	1,190,128	1,313,738

Note: 5 year projections include tentative long-term plans to address pension & OPEB unfunded liabilities but not long-term plans for Capital Improvements.



## ADMINISTRATION DEPARTMENT



## **Administration Department**

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

### ***Management***

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

### ***Operations***

The Operations Manager oversees the Communications Center's daily operations, policies and procedures, and technology and equipment, including the activities performed by the Communications Center's 57 employees; and may act as the Executive Director during the Executive Director's absence.

### ***Administrative Services***

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

### ***Accounting & Finance***

The Finance & Performance Audit Manager manages the overall accounting functions; prepares the annual budget; monitors cash flow; invests idle cash; prepares monthly budget performance reports and quarterly cash and investments reports; coordinates the annual financial audit; and advises the Executive Director in financial matters. Payroll, accounts payable, cash receipts, accounts receivable, journal entries; preparation of the Annual Report for Special Districts and Government Compensation Report to the State Controller, federal and state payroll tax returns and the quarterly Sales & Use Tax Report; and other related accounting functions are also performed by the Finance & Performance Audit Manager and an Accountant assigned to the Department.

## Expenses by Account - Administration Department

ACCT	DESCRIPTION	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
5101	Salaries (Full-Time)	\$ 792,872	\$ 847,612	\$ 794,052	\$ 691,889	\$ 870,626	\$ 906,839	\$ 36,213	4.16%
5102	Salaries (Part-Time)	-	40,000	-	-	-	30,000	30,000	0.00%
5104	Acting Pay	1,341	-	3,682	11,574	1,243	6,218	4,975	400.24%
5107	Longevity Pay	2,150	2,350	2,350	2,250	2,350	2,450	100	4.26%
5108	Sick Leave Payoff	30,492	33,358	33,358	23,997	35,271	35,969	698	1.98%
5109	Vacation Leave Payoff	60,534	24,086	24,086	32,327	32,242	32,939	697	2.16%
5112	Other Pay	6,300	34,680	29,790	14,117	17,200	13,000	(4,200)	-24.42%
5114	Holiday Payoff	-	-	-	-	-	-	-	0.00%
5201	Medical Insurance	57,808	88,393	87,658	35,587	94,993	95,812	819	0.86%
5202	Dental Insurance	6,184	7,607	6,998	6,131	7,607	8,988	1,381	18.15%
5203	Vision Care	1,543	1,726	1,597	1,308	1,726	2,226	500	28.97%
5204	Life Insurance	637	792	759	706	792	936	144	18.18%
5205	Medicare	13,093	13,660	12,866	11,792	14,448	14,461	13	0.09%
5206	Unemployment Insurance	-	-	-	-	-	-	-	0.00%
5207	Workers' Compensation	8,181	10,725	7,405	7,405	8,051	8,454	403	5.01%
5208	PERS Contribution	79,563	90,317	85,607	74,724	91,601	92,307	706	0.77%
5209	Retirees' Medical Insurance	4,986	6,000	6,000	5,108	6,000	6,000	-	0.00%
5212	Deferred Comp Matching	33,908	36,500	31,875	18,750	37,500	21,600	(15,900)	-42.40%
5219	PERS Contribution-UAL	33,569	41,022	41,022	41,968	53,106	71,748	18,642	35.10%
<b>Subtotal Salaries &amp; Benefits</b>		<b>\$ 1,133,162</b>	<b>\$ 1,278,828</b>	<b>\$ 1,169,105</b>	<b>\$ 979,631</b>	<b>\$ 1,274,756</b>	<b>\$ 1,349,947</b>	<b>\$ 75,191</b>	<b>5.90%</b>
5301	Communications Contract Svcs	35,580	54,000	48,000	46,422	48,000	48,000	-	0.00%
5302	IT Computer Contract Services	55,000	55,000	55,000	55,000	55,000	55,000	-	0.00%
5304	Accountant/Auditing Services	20,850	33,000	46,000	23,496	33,000	33,000	-	0.00%
5305	Legal Services	170,978	95,000	75,000	81,311	75,000	100,000	25,000	33.33%
5306	Recruitment Costs	69,086	68,530	34,000	23,854	46,750	61,645	14,895	31.86%
5307	Software Maintenance Services	49,996	77,537	61,037	57,100	64,652	76,550	11,898	18.40%
5308	Banking Services (Fees)	5,336	6,000	6,000	7,110	6,000	7,500	1,500	25.00%
5309	Website Maintenance Service	2,075	7,500	7,500	3,233	7,500	7,500	-	0.00%
5312	Medical Director Services	57,958	61,000	61,000	30,500	30,500	30,500	-	0.00%
5313	Temporary Staffing	54,049	50,000	40,000	-	20,000	20,000	-	0.00%
5401	Membership Dues	779	390	390	689	390	840	450	115.38%
5402	Publications	784	350	350	550	750	750	-	0.00%
5403	Conferences, Meeting & Travel	10,058	21,725	16,725	6,266	16,725	16,725	-	0.00%
5404	Employee Services/EC-BOD	2,977	10,500	5,500	34,926	5,500	5,500	-	0.00%
5405	Employee Awards	-	-	-	141	-	500	-	0.00%
5407	Tuition Reimbursement	-	-	-	-	-	-	-	0.00%
5501	Office Supplies	15,324	9,000	9,000	5,634	9,000	10,000	1,000	11.11%
5502	Janitorial Supplies	19,328	9,100	9,100	13,016	12,100	12,100	-	0.00%
5504	Vending Machine Supplies	240	-	-	-	-	-	-	0.00%
5507	Postage & Shipping	610	1,600	1,600	209	1,600	1,600	-	0.00%
5509	Reproduction	25	1,500	1,500	7	1,500	1,500	-	0.00%
5511	Office Equipment Lease	14,606	15,750	15,750	12,839	15,750	15,750	-	0.00%
5513	General Liability Insurance	159,707	175,678	198,512	194,067	216,000	259,500	43,500	20.14%
5517	Vehicle Operations	50	2,000	2,000	490	2,000	2,000	-	0.00%
5601	Telephone - Administration	13,450	15,000	15,000	15,475	15,000	17,000	2,000	13.33%
5701	Maintenance/HQ	164,381	164,150	194,650	148,648	161,650	164,150	2,500	1.55%
5703	Electricity - HQ	109,008	98,000	98,000	127,190	110,000	135,000	25,000	22.73%
5704	Electricity - Grandview	1,652	2,200	2,200	2,183	2,200	3,000	800	36.36%
5705	Electricity - Punta	8,526	6,600	6,600	9,561	9,000	10,000	1,000	11.11%
5706	Gas - HQ	9,459	11,000	11,000	11,492	11,000	16,000	5,000	45.45%
5707	Water - HQ	3,722	3,850	3,850	3,005	3,850	4,850	1,000	25.97%
5715	Electricity - MB Water Tower	5,625	2,750	2,750	1,630	3,500	3,500	-	0.00%
5810	Office Equipment	132	10,000	-	7,821	-	10,000	10,000	0.00%
5820	Other Equipment	472	-	-	-	-	-	-	0.00%
5830	Furniture & Fixtures	-	-	-	413	-	2,500	2,500	0.00%
<b>Subtotal Supplies/Services/Equip</b>		<b>\$ 1,061,824</b>	<b>\$ 1,068,710</b>	<b>\$ 1,028,014</b>	<b>\$ 924,279</b>	<b>\$ 983,917</b>	<b>\$ 1,132,460</b>	<b>\$ 148,543</b>	<b>15.10%</b>
<b>Total Expenses - Administration</b>		<b>\$ 2,194,986</b>	<b>\$ 2,347,538</b>	<b>\$ 2,197,119</b>	<b>\$ 1,903,910</b>	<b>\$ 2,258,673</b>	<b>\$ 2,482,407</b>	<b>\$ 223,734</b>	<b>9.91%</b>

## Account Detail - Administration Department

Account	Account Description	Comments/Explanation
5101	Salaries (Full-Time)	Includes contracted and estimated increases from MOUs and agreement with employees
5104	Acting Pay	Per MOU with Management & Confidential Employees
5107	Longevity Pay	Based on longevity starting at 10 years of service @ \$250 plus \$50 increase for each additional year
5108	Sick Leave Payoff	Per MOU paid @ 100% of pay rate; max 120 hours paid (twice/year)
5109	Vacation Leave Payoff	Per MOU paid @ 100% of pay rate; max 100 hours paid (twice/year)
5112	Other Pay	Includes automobile allowance and General Leave Payoff
5201	Medical Insurance	Per MOU and employment agreement - cafeteria plan limit
5202	Dental Insurance	Per MOU and employment agreement - cafeteria plan limit
5203	Vision Care	Per MOU and employment agreement - 100% employer paid
5204	Life Insurance	Per MOU \$100,000 employee-only coverage
5205	Medicare	1.45% employer rate
5207	Workers' Compensation	Based on projected increase from prior year premium
5208	PERS Contribution	Rates reflect decrease in the Normal Cost from 10.88% to 10.87% for Tier 1 employees plus 3.5% of employee contributions; decrease from 8.65% to 8.63% for Tier 2 employees hired after October 25, 2011; decrease from 7.59% to 7.47% for PEPRAs employees hired after January 1, 2013. UAL portion is allocated to a different account (see account # 5219).
5209	Retirees' Medical Insurance	Per MOU - retiree benefit
5212	Deferred Comp Matching	Per MOU and employment agreement
5219	PERS Contribution-UAL	Unfunded Accrued Liability determined by CalPERS Actuarial Report
5301	Communications Contract Svcs	Consultant for frequency issues; Monthly charge for internet services
5302	Computer Contract Svcs/CAD	IT support from Hawthorne; CAD consultant
5304	Accountant/Auditing Services	Annual independent audit, GASB75 Valuation (as needed), other consulting services
5305	Legal Services	Authority's legal counsel; ongoing general consulting and labor negotiations consulting
5306	Recruitment Costs	See attached detail sheet
5307	Software Maintenance Services	See attached detail sheet
5308	Banking Services (Fees)	Union Bank services (not offset by earnings allowance)
5309	Website Maintenance Service	Hosting/licensing fees
5312	Medical Director Services	Administrative services for review and provision of input into the development of agencies' fire departments' policies and procedures that impact patient care. State mandated.
5401	Membership Dues	See attached detail sheet
5402	Publications	See attached detail sheet
5403	Conferences, Meetings & Travel	See attached detail sheet
5404	Employee Services/EC-BOD	Includes Exec Comm/Board of Directors' meeting expenses/other employee services
5405	Employee Awards	Employee recognition
5407	Tuition Reimbursement	Reimbursement of college/university class tuition and eligible expenses per MOU
5501	Office Supplies	Pens, paper, envelopes, folders, printer cartridges, and other office supplies
5502	Janitorial Supplies	Cleaning and other supplies
5504	Vending Machine Supplies	Outsourced; Vending machine contractor took over in February 2017.
5507	Postage & Shipping	Postage/UPS/Express mail services
5509	Reproduction	Accounts Payable & Payroll checks; W-2's; 1099's; budget doc, etc.
5511	Office Equipment Lease	Copier and postage meter
5513	General Liability Insurance	Authority's various insurance coverages including cyber, property, earthquake, etc.
5517	Vehicle Operations	Gasoline/maintenance cost
5601	Telephone - Administration	Telephone for Administration
5701	Maintenance/HQ	See attached detail sheet
5702	Maintenance/Other	Fuel tank cleaning, permit fees, and other maintenance costs for other sites
5703	Electricity - HQ	Utilities; Electricity for HQ
5704	Electricity - Grandview	Utilities; Electricity for Grandview site
5705	Electricity - Punta	Utilities; Electricity for Punta Place site
5706	Gas - HQ	Utilities; Gas for HQ
5707	Water - HQ	Utilities; Water for HQ
5810	Office Equipment	Computers, printers, laptops, etc.
5820	Other Equipment	Television, tools, etc.
5830	Furniture & Fixtures	Chairs, work stations, etc.

## Account Detail - Administration Department

<b>Communications Contract Services</b>	
<b>10-50-111-5301</b>	
Spectrum internet	24,800
Crown Castle internet	13,200
Sheriffs Data Network (SDN)	10,000
<b>Total</b>	<b>\$ 48,000</b>
<b>Recruitment</b>	
<b>10-50-111-5306</b>	
Advertising - Daily Breeze and job websites (NeoGov, etc.)	1,250
Job Fairs - Various agencies	1,500
Miscellaneous advertising - Member Cities' newspapers, etc.	1,000
Community events (As Requested)	500
Background investigations (15 @ \$2,000 each)	30,000
Psychological exams (15 @ \$400 each)	6,000
Physical exams	4,770
Polygraph exams	4,125
Credit Report	500
Criticall Annual Subscription	2,000
Marketing Materials	2,500
Fingerprinters/LiveScan/DOJ/SS# check	1,500
Criticall Personality Tests	6,000
<b>Total</b>	<b>\$ 61,645</b>
<b>Software Maintenance Services</b>	
<b>10-50-111-5307</b>	
EDEN annual maintenance cost (software support and licensing updates)	14,600
EDEN Operating Systems & Database Administration - online service to manage server and update EDEN software regularly	6,600
Annual Barracuda Spam updates for Server	2,200
Schedule Express - staff scheduling software maintenance @ \$756/month	9,520
Powerphone annual maintenance (digital system)	1,600
Email certificate renewal	750
ESC shop software annual maintenance cost	1,500
Extreme Routers Annual Maintenance	3,500
Jot Forms	1,200
Solar Winds Annual Maintenance	3,000
Other Software Maintenance	10,000
Fortiguard security software for network	10,000
Box Subscription - Distribution of 9-1-1 and radio recordings	1,080
LEFTA software licensing and maintenance	2,000
Zoom Subscription	
ESRI Annual Maintenance	1,500
Exaq Vision Annual Maintenance - Security System	4,000
Stancil Annual Maintenance - Logging Recorder	2,500
Media Temple Website Annual Maintenance	1,000
<b>Total</b>	<b>\$ 76,550</b>
<b>Memberships</b>	
<b>10-50-111-5401</b>	
Executive Director annual dues	450
CAL Chiefs (Fire Chiefs Communications Section) - Group membership annual dues	50
California Society of Municipal Finance Officers (CSMFO) - Finance Manager/Accountant annual dues	110
California Background Investigators Association (CBIA)	70
Government Finance Officers Association (GFOA) - Finance Manager annual dues	160
<b>Total</b>	<b>\$ 840</b>
<b>Publications</b>	
<b>10-50-111-5402</b>	
Labor Law Compliance Center - Labor Law posters	150
Government Finance Officers Association publications as needed	200
Media Subscriptions	400
<b>Total</b>	<b>\$ 750</b>

## Account Detail - Administration Department

### Conferences, Meetings, & Travel

#### 10-50-111-5403

LA County PSAP quarterly meetings - Operations Manager/Administration Supervisor	225
CSDA Board Secretary/Clerk Conference & Certificate Program	2,000
Labor Law Seminars and Conferences	10,000
California Society of Municipal Finance Officers (CSMFO) - annual conference/ February	1,500
Leadership Retreat	-
CSMFO bi-monthly Chapter meetings	275
CalPERS Ed Forum, Anaheim	1,250
Government Tax Seminar	475
GFOA/CSMFO finance workshops	1,000
<b>Total</b>	<b>\$ 16,725</b>

### Maintenance/HQ

#### 10-50-111-5701

Gardening Service (grounds)	6,000
Janitorial Service	45,000
Tree Trimming Services	6,500
Fuel Tank Cleaning and diesel refills	5,000
Generator Service (contract and repairs) - includes HQ, Punta, MBWT, Grandview, & 1500 Gal Diesel	12,000
Various permit fees - South Coast Air Quality Management District (AQMD) & LA County Fire Hazmat Program	2,500
Fire Alarm, Fire Alarm Inspection & Fire Extinguishers Service and Repairs	7,500
Elevator Maintenance Contract - \$7,600 for contract; \$2,000 for repairs	9,600
Water Treatment (for HVAC closed loop system)	1,200
HVAC Maintenance - Contract plus necessary repairs	33,350
DirectTV Services	2,500
Roll-up door Annual Maintenance - Tech Services Bay	2,500
Floor Mat Cleaning	\$ -
Exterminator Service	3,500
Water Filtration Service	1,000
Uninterrupted Power Supply (UPS) Maintenance - includes Tower Radio Room	12,000
Building Exterior Annual Cleaning	5,000
Plumbing, Security Gate & Other repairs	7,500
Facility replacement light bulbs/hardware	1,500
<b>Total</b>	<b>\$ 164,150</b>

## OPERATIONS DEPARTMENT



## **Operations Department**

The Operations Department is the Communications Center which is staffed with seven (7) Communications Supervisors and 50 Communications Operators. Communications Operators must attend and graduate from an accredited 120-hour Basic Academy hosted by Golden West College, Rio Hondo College, or the Riverside County Sheriffs' Department. The Basic Academy is accredited by the California Commission on Peace Officer Standards and Training (POST).

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

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

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

When functioning as a Police or Fire Dispatcher, the Communications Operator is responsible for prompt and effective transmissions of dispatches as well as the coordination and intercommunication of all field units. The job requires considerable exercise of initiative and independent judgment in determining priorities and coordinating a variety of simultaneous activities of a critical nature. The operator processes requests for other city services and information from outside agencies as well as requests for information from law enforcement databases.



***Prior Year Accomplishments:***

- Received 354,088 calls in CY2021
  - 911 Calls: 132,512
  - 7 Digit Calls: 221,576
- Averaged 37 seconds for Police dispatch (Priority E and 1 calls) and 14 seconds for Fire dispatch in CY2021.
- Answered 97.55% of overall calls and 96.13% at the busiest hour within 10 seconds, and 99.45% of overall calls within 15 seconds in CY2021.
- Responded to 731 Text-to-911 Sessions in CY2021.

## Expenses by Account - Operations Department

ACCT	DESCRIPTION	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
5101	Salaries (Full-Time)	\$ 4,399,312	\$ 5,546,631	\$ 5,025,397	\$ 4,658,826	\$ 5,025,397	\$ 5,176,790	151,393	3.01%
5102	Salaries (Part-Time)	112,833	-	-	85,095	-	-	-	0.00%
5103	Overtime	926,436	195,539	195,539	239,929	195,539	225,000	29,461	15.07%
5104	Acting Pay	12,514	10,000	10,000	5,749	10,000	10,000	-	0.00%
5105	Bilingual Pay	6,629	8,400	8,400	7,271	8,400	9,600	1,200	14.29%
5107	Merit Pay	63,000	-	-	-	-	-	-	0.00%
5108	Sick Leave Payoff	80,848	106,313	106,313	95,731	106,350	106,350	-	0.00%
5109	Vacation Leave Payoff	59,557	55,000	55,000	87,100	55,000	65,000	10,000	18.18%
5110	Training Pay	14,285	15,000	15,000	13,122	15,000	15,000	-	0.00%
5114	Holiday Payoff	132,890	75,000	75,000	102,600	75,000	100,000	25,000	33.33%
5115	Education Incentive	104,682	104,300	104,300	110,227	116,900	122,605	5,705	4.88%
5116	Overtime-Ridealongs	-	-	-	-	-	-	-	0.00%
5201	Medical Insurance	482,846	668,836	590,236	538,534	601,964	581,257	(20,707)	-3.44%
5202	Dental Insurance	31,228	36,400	36,400	37,703	42,265	56,062	13,797	32.64%
5203	Vision Care	12,358	18,424	16,591	14,257	16,059	17,837	1,778	11.07%
5204	Life Insurance	5,822	8,316	7,524	6,143	7,524	8,893	1,369	18.20%
5205	Medicare	85,206	89,572	82,014	75,733	80,465	85,313	4,848	6.02%
5206	Unemployment Insurance	22,401	5,000	5,000	20,279	10,000	20,000	10,000	100.00%
5207	Workers' Compensation	38,101	49,951	34,490	34,490	38,242	40,154	1,912	5.00%
5208	PERS Contribution	529,521	662,899	614,433	568,839	596,231	586,430	(9,801)	-1.64%
5209	Retirees' Medical Insurance	37,546	50,000	50,000	34,646	50,000	60,000	10,000	20.00%
5211	Social Security	-	-	-	-	-	-	-	0.00%
5212	Deferred Comp Matching Benefit	-	-	-	-	-	70,500	70,500	0.00%
5219	PERS Contribution-UAL	355,234	415,637	415,637	414,529	494,406	561,624	67,218	13.60%
5220	FSA Expense	-	-	-	1,091	-	4,250	4,250	0.00%
<b>Subtotal Salaries &amp; Benefits</b>		<b>\$ 7,513,253</b>	<b>\$ 8,121,218</b>	<b>\$ 7,447,274</b>	<b>\$ 7,151,895</b>	<b>\$ 7,544,742</b>	<b>\$ 7,922,665</b>	<b>\$ 377,923</b>	<b>5.01%</b>
5300	Maintenance & Operations	-	-	-	-	-	-	-	0.00%
5401	Membership Dues	700	2,830	2,290	-	2,290	2,290	-	0.00%
5402	Publications	-	1,710	1,710	-	1,710	1,710	-	0.00%
5403	Conferences, Meeting & Travel	11,077	27,300	18,827	7,030	19,151	23,557	4,406	23.01%
5404	Employee Services/EC-BOD	1,488	2,500	2,500	2,507	2,500	2,500	-	0.00%
5405	Employee Awards	-	500	500	831	500	1,000	500	100.00%
5406	POST Training	1,744	24,865	11,908	3,185	12,608	12,608	-	0.00%
5407	Tuition Reimbursement	251	18,000	18,000	3,680	16,000	16,000	-	0.00%
5506	Uniforms/Safety Equipment	3,427	8,000	12,500	10,966	8,000	8,000	-	0.00%
5509	Reproduction	-	500	500	-	500	500	-	0.00%
5603	Telephone - El Segundo	2,472	3,000	3,000	2,287	3,000	3,000	-	0.00%
5604	Telephone - Gardena	15,649	3,000	3,000	1,003	15,000	3,000	(12,000)	-80.00%
5606	Telephone - Hawthorne	7,647	6,000	6,000	9,358	6,000	14,500	8,500	141.67%
5607	Telephone - Hermosa Beach	33,158	27,000	27,000	28,392	30,000	12,000	(18,000)	-60.00%
5608	Telephone - Manhattan Beach	4,744	6,000	6,000	4,183	6,000	6,000	-	0.00%
5611	Telephone - Punta Place	3,502	4,500	4,500	1,115	4,500	4,500	-	0.00%
5612	Telephone - RCC	10,652	11,000	11,000	10,049	11,000	11,000	-	0.00%
5613	Sprint Wireless Reimbursable	51,567	70,000	70,000	42,567	70,000	1,200	(68,800)	-98.29%
5614	Verizon Wireless Reimbursable	47,264	25,000	25,000	53,063	50,000	60,000	10,000	20.00%
5615	Telephone-Culver City	14,480	14,500	14,500	10,178	14,500	14,500	-	0.00%
5810	Office Equipment	5,513	-	-	30,567	-	-	-	0.00%
5820	Other Equipment	-	15,000	30,000	31,351	15,000	15,000	-	0.00%
5830	Furniture & Fixtures	796	-	-	582	-	-	-	0.00%
<b>Subtotal Supplies/Services/Equip</b>		<b>\$ 216,130</b>	<b>\$ 271,205</b>	<b>\$ 268,735</b>	<b>\$ 252,891</b>	<b>\$ 288,259</b>	<b>\$ 212,865</b>	<b>\$ (75,394)</b>	<b>-26.15%</b>
<b>Total Expenses - Operations</b>		<b>\$ 7,729,383</b>	<b>\$ 8,392,423</b>	<b>\$ 7,716,009</b>	<b>\$ 7,404,785</b>	<b>\$ 7,833,001</b>	<b>\$ 8,135,530</b>	<b>\$ 302,529</b>	<b>3.86%</b>

## Account Detail - Operations Department

Account	Account Description	Comments/Explanation
5101	Salaries (Full-Time)	Includes contracted and estimated increases from MOUs if applicable
5102	Salaries (Part-Time)	Part-time Communications Operators
5103	Overtime	Covers overtime for staffing, training, and other needs as necessary
5104	Acting Pay	Communications Operators acting as Communications Supervisors per MOU with the Teamsters
5105	Bilingual Pay	Per MOU - \$100/month for eligible employees
5108	Sick Leave Payoff	Per MOU - max Teamsters 120 hours/CWA 120 hours @ 85% of base rate
5109	Vacation Leave Payoff	Per MOU - max 90 hours Teamsters @ 85%; CWA @ 90% of base rate
5110	Training Pay	Per MOU - Incentive pay when Communications Operators train new employees
5114	Holiday Payoff	Payoff for unused holiday time at year-end
5115	Education Incentive	Per MOU - Incentive pay when employees obtain certificates and/or degrees
5116	Overtime - Ridealongs with Cities	Overtime for operators and supervisors to go on ride-alongs with member cities.
5201	Medical Insurance	Per MOUs - cafeteria plan limit
5202	Dental Insurance	Per MOUs - cafeteria plan limit
5203	Vision Insurance	Per MOUs - 100% employer paid
5204	Life Insurance	Per MOU \$100,000 employee-only coverage
5205	Medicare	1.45% employer rate
5206	State Unemployment	Based on estimated reimbursements to EDD for actual claims
5207	Workers' Compensation	Based on projected increase from prior year premium
5208	PERS Contribution	Rates reflect decrease in the Normal Cost from 10.88% to 10.87% for Tier 1 employees plus 3.5% of employee contributions; decrease from 8.65% to 8.63% for Tier 2 employees hired after October 25, 2011; decrease from 7.59% to 7.47% for PEPRA employees hired after January 1, 2013. UAL portion is allocated to a different account (see account # 5219).
5209	Retirees' Medical Insurance	Per MOU - retiree benefit
5219	PERS Contribution-UAL	Unfunded Accrued Liability determined by CalPERS Actuarial Report
5401	Membership Dues	See attached detail
5402	Publications	See attached detail
5403	Conferences, Meetings & Travel	See attached detail
5404	Employee Services/EC-BOD	Employee Assistance Program; miscellaneous employee operations expenses
5405	Employee Awards	Employee recognition
5406	POST Training	Mandated training; some training eligible for reimbursement by State. See attached detail.
5407	Tuition Reimbursement	Per MOU - Reimbursement of college/university class tuition and eligible expenses
5506	Uniforms/Safety Equipment	Uniform purchases for new hires and replacements for existing employees
5509	Reproduction	Training manuals
5603	Telephone - El Segundo	Data and hotline phone circuits
5604	Telephone - Gardena	Data and hotline phone circuits
5606	Telephone - Hawthorne	Data and hotline phone circuits
5607	Telephone - Hermosa Beach	Data and hotline phone circuits
5608	Telephone - Manhattan Beach	Data and hotline phone circuits
5611	Telephone - Punta Place	Data and hotline phone circuits
5612	Telephone - RCC	Data and hotline phone circuits
5613	Sprint Wireless Reimbursable	Data charges that will be reimbursed to the Authority in the 4th qtr Assessment each year.
5614	Verizon Wireless Reimbursable	Data charges that will be reimbursed to the Authority in the 4th qtr Assessment each year.

## Account Detail - Operations Department

<b>Membership Dues</b>	
<b>10-60-211-5401</b>	
Association of Police Communications Officials (APCO) - Group Membership	540
National Emergency Number Association (NENA) - Group Membership	700
CWA Association Memberships	1,050
<b>Total</b>	<b>\$ 2,290</b>
<b>Publications</b>	
<b>10-60-211-5402</b>	
Haines Directory Software (telephone criss-cross directory) for Dispatch Center	800
ACTIVE 9-1-1 Yearly Subscription	850
California Penal Code - annual new book - for Dispatch Center	60
<b>Total</b>	<b>\$ 1,710</b>
<b>Conferences, Meetings &amp; Travel</b>	
<b>10-60-211-5403</b>	
Emergency Medical Dispatch (EMD) 24-hour course - Operators - 10/year @ \$399 each	3,990
EMD Recertification - Operators - 25/year @ \$129 each	3,225
Association of Police Communications Officials (APCO) Conference - Manager/Supervisor - August 7-10, 2022 Anaheim, CA	3,500
ca 9-1-1 Training Allotment for CAL-NENA, NENA and Next Gen 9-1-1 Training (Reimbursed by State)	10,000
Civilian Management Seminars PMW Associates - 2 managers/supervisors @ \$561 registration each for 3 days	1,122
Mandatory Supervisor Harrasment Training 10 @ \$42.00 each	420
Employee Mandatory Harrasment Training 50@ \$26 each	1,300
<b>Total</b>	<b>\$ 23,557</b>
<b>POST Training</b>	
<b>10-60-211-5406</b>	
Public Safety Training Consultants (PSTC) Seminars - Operators - 50/year @ \$125 each; 1-3 days each	6,450
Golden West College - 120 hours POST (reimbursed) training - 10 operators @ \$347.50 each (new hires)	5,458
Golden West College - 80 hour POST Supervisor Training - 2 supervisors @350ea	700
<b>Total</b>	<b>\$ 12,608</b>

## TECHNICAL SERVICES DIVISION



## Technical Services Division

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

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

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

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

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

### ***Prior Year Accomplishments:***

- Completed 399 work orders for installations and repairs of various telecommunications equipment used by Police, Fire and Public Works from members and client agencies in CY2021.

## Expenses by Account - Technical Services Department

ACCT	DESCRIPTION	FY19-20 Actual	FY20-21 Adopted	FY20-21 Amended	FY20-21 Actual	FY21-22 Adopted	FY22-23 Proposed	vs Adopted Inc (Dec) \$	vs Adopted Inc (Dec) %
5101	Salaries (Full-Time)	\$ 467,930	\$ 476,889	\$ 472,235	\$ 467,872	\$ 469,753	\$ 484,121	\$ 14,368	3.06%
5103	Overtime	3,706	6,850	6,850	2,573	6,850	3,500	(3,350)	-48.91%
5104	Acting Pay	-	-	-	-	-	-	-	0.00%
5106	Call Back Pay	-	-	-	-	-	-	-	0.00%
5107	Merit Pay	8,845	2,000	2,000	1,614	2,000	750	(1,250)	-62.50%
5108	Sick Leave Payoff	13,036	17,780	17,780	10,456	17,780	13,500	(4,280)	-24.07%
5109	Vacation Leave Payoff	10,086	14,386	14,386	9,212	14,386	12,000	(2,386)	-16.59%
5114	Holiday Payoff	-	-	-	-	-	-	-	0.00%
5115	Education Incentive	-	-	-	-	-	-	-	0.00%
5201	Medical Insurance	46,726	52,760	52,760	51,600	62,000	61,400	(600)	-0.97%
5202	Dental Insurance	2,436	2,800	2,800	3,561	2,801	7,404	4,603	164.33%
5203	Vision Care	1,133	1,645	1,645	1,450	1,339	2,045	706	52.73%
5204	Life Insurance	562	660	660	680	660	780	120	18.18%
5205	Medicare	7,395	7,587	7,519	6,207	7,431	7,538	107	1.44%
5206	Unemployment Insurance	-	-	-	-	-	-	-	0.00%
5207	Workers' Compensation	54,786	71,824	49,593	49,593	54,344	57,061	2,717	5.00%
5208	PERS Contribution	53,426	57,780	57,218	56,539	56,847	51,247	(5,600)	-9.85%
5209	Retirees' Medical Insurance	19,613	20,000	20,000	20,835	20,000	22,000	2,000	10.00%
5212	Deferred Comp Matching Benefi	-	-	-	-	-	6,000	6,000	0.00%
5219	PERS Contribution-UAL	32,318	37,479	37,479	37,641	46,449	43,194	(3,255)	-7.01%
<b>Subtotal Salaries &amp; Benefits</b>		<b>\$ 721,996</b>	<b>\$ 770,440</b>	<b>\$ 742,925</b>	<b>\$ 719,830</b>	<b>\$ 762,640</b>	<b>\$ 772,540</b>	<b>\$ 9,900</b>	<b>1.30%</b>
5302	IT Computer Contract Services	145,000	145,000	145,000	145,000	145,000	145,000	-	0.00%
5311	GST Software Reimbursable	52,692	52,692	52,692	52,692	52,692	55,327	2,635	5.00%
5403	Conferences, Meeting & Travel	-	2,650	2,650	-	2,650	2,650	-	0.00%
5503	General Technical Supplies	5,883	7,500	7,500	9,527	7,500	7,500	-	0.00%
5506	Uniforms/Safety Equipment	1,047	2,500	2,500	1,204	2,500	2,500	-	0.00%
5507	Postage & Shipping	-	1,200	1,200	-	1,200	1,200	-	0.00%
5508	Shipping Costs	169	-	-	-	-	-	-	0.00%
5514	Parts - Billing	789,466	600,000	600,000	428,581	700,000	700,000	-	0.00%
5516	Install Wire, Loom & Hardware	-	30,000	30,000	-	-	-	-	0.00%
5517	Vehicle Operations	3,415	4,500	4,500	4,139	4,500	4,500	-	0.00%
5520	Equipment Repair	-	5,000	5,000	-	5,000	5,000	-	0.00%
5521	Outside Tech Serv-Towers/Equip	324,761	325,000	325,000	309,658	325,000	325,000	-	0.00%
5524	GETAC Project	-	-	-	-	-	-	-	0.00%
5525	Culver City Infrastructure Trans	-	-	-	-	-	-	-	0.00%
5810	Office Equipment	8,260	2,000	2,000	31,546	2,000	2,000	-	0.00%
5820	Other Equipment	138	-	-	-	-	-	-	0.00%
<b>Subtotal Supplies/Serv/Equip</b>		<b>\$ 1,330,831</b>	<b>\$ 1,178,042</b>	<b>\$ 1,178,042</b>	<b>\$ 982,346</b>	<b>\$ 1,248,042</b>	<b>\$ 1,250,677</b>	<b>\$ 2,635</b>	<b>0.21%</b>
<b>Total Expenses - Tech Services</b>		<b>\$ 2,052,827</b>	<b>\$ 1,948,482</b>	<b>\$ 1,920,967</b>	<b>\$ 1,702,177</b>	<b>\$ 2,010,682</b>	<b>\$ 2,023,217</b>	<b>\$ 12,535</b>	<b>0.62%</b>

## Account Detail - Technical Services Department

Account	Account Description	Comments/Explanation
5101	Salaries (Full-Time)	Includes contracted and estimated increases from MOUs if applicable
5103	Overtime	As needed
5104	Acting Pay	Per MOU
5106	Call Back Pay	If called back to work after hours
5107	Merit Pay	Based on longevity starting @ 7 years of service \$250; \$50 each additional year
5108	Sick Leave Payoff	Max 120 hrs @ 85% of base rate
5109	Vacation Leave Payoff	Max 90 hrs @ 85% of base rate
5201	Medical Insurance	Per MOU - cafeteria plan limit
5202	Dental Insurance	Per MOU - cafeteria plan limit
5203	Vision Insurance	Per MOU - 100% employer paid
5204	Life Insurance	Per MOU \$100,000 employee-only coverage
5205	Medicare	1.45% employer contribution rate
5206	State Unemployment	Based on estimated reimbursements to EDD for actual claims
5207	Workers' Compensation	Based on projected increase from prior year premium
5208	PERS Contribution	Rates reflect decrease in the Normal Cost from 10.88% to 10.87% for Tier 1 employees plus 3.5% of employee contributions; decrease from 8.65% to 8.63% for Tier 2 employees hired after October 25, 2011; decrease from 7.59% to 7.47% for PEPRA employees hired after January 1, 2013. UAL portion is allocated to a different account (see account # 5219).
5209	Retirees' Medical Insurance	Per MOU - retiree benefit
5219	PERS Contribution-UAL	Unfunded Accrued Liability determined by CalPERS Actuarial Report
5302	Comp Contract Services/CAD	IT support from Hawthorne; CAD consultant
5403	Conferences, Meetings & Travel	See attached detail
5503	General Technical Supplies	Chemical cleaners, switches, cables, jumpers, etc.
5506	Uniforms/Safety Equipment	Uniform purchases for new hires and replacements for existing employees
5510	Equipment Rent	Boom lift/test equipment, as needed
5514	Parts - Billing	Reimbursable expense for parts billed to members/customers - revenue offset
5516	Install Wire, Loom & Hardware	Miscellaneous parts used for installations. Now part of Parts - Billing
5517	Vehicle Operations	Fuel/other maintenance for Authority's van/truck
5520	Equipment Repair	Various factory equipment repairs including MDC hardware
5521	Outside Tech Svcs-Towers/Equipment	CommLine contract for servicing radios, microwave and tower equipment
5810	Office Equipment	Computers, printers, laptops, etc.
5820	Other Equipment	Television, tools, etc.
<b>Conferences, Meetings &amp; Travel</b>		
<b>10-70-311-5403</b>		
	Technical Services Software/Support training	2,500
	COPS West - Palm Springs - October 2017	150
	<b>Total</b>	<b>\$ 2,650</b>
<b>Outside Tech Svcs-Towers/Equipment</b>		
<b>10-70-311-5521</b>		
	Annual hardware support for (17) position Avtec/Servers, (106) Tait Base Stations and (9) Sites, microwave support.	180,000
	Avtec Annual Software support - provides 3 updates per year for 17 positions	70,000
	Support for Microwave maintenance	75,000
	<b>Total</b>	<b>\$ 325,000</b>



## APPENDIX



## Acronyms

APCO – Association of Police Communications Officials

AQMD – Air Quality Management District

CAD – Computer Aided Dispatch

CAHN – California Association of Hostage Negotiators

RMS – Records Management System

CalPERS – California Public Employees Retirement System

CLETS - California Law Enforcement Telecommunications System

CPI – Consumer Price Index

CSMFO – California Society of Municipal Finance Officers

CWA – Communications Workers of America

DOJ – Department of Justice

DUI – Driving Under the Influence

EDD – Employment Development Department

EMD – Emergency Medical Dispatch

FCC – Federal Communications Commission

FY – Fiscal Year

GASB – Governmental Accounting Standards Board

GFOA – Government Finance Officers Association

HQ – Headquarters

IFR – Injury Frequency Radio

IP – Internet Protocol

IWCE – International Wireless Communications Expo

LAIF – Local Agency Investment Fund

LASO – Los Angeles Sheriff's Office

MB – Manhattan Beach

MBWT – Manhattan Beach Water Tower

MDC - Mobile Data Computer

MHz – Megahertz

MOU – Memorandum of Understanding

NENA – National Emergency Number Association

OPEB – Other Post-Employment Benefits

OT – Overtime

PERS – Public Employees Retirement System

POST – Police Officer Standards and Training

PSAP – Public Safety Answering Point

PSTC – Public Safety Training Center

TMS – Training Management System

UAAL - Unfunded Actuarial Accrued Liability

UHF – Ultra High Frequency

VOIP - Voice over Internet Protocol

VHF - Very High Frequency

## Glossary

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

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

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

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

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

**ASSESSMENTS:** Based on the Cost Allocation Policy, the annual predetermined charges to the Member Cities (Gardena, Hawthorne, and Manhattan Beach) and for the Contract Cities (Culver City, El Segundo, and Hermosa Beach).

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

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

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

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

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

**CAPITAL ASSETS:** Equipment costing \$5,000 or more, including tax, with a useful life longer than one year, and not qualifying as a capital improvement project. Includes automotive equipment, office equipment, office furniture, acquisitions, landscaping improvements, etc.

**CAPITAL OUTLAY BUDGET:** A budget which focuses on capital projects (e.g., transmission/receiver or radio sites); includes capital assets with a value per item of \$5,000 or more, with a useful life longer than one year.

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

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

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

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

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

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

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

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

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

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

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

**INVESTMENT GRADE:** Bond issues by the three major bond rating agencies, Moody's, Standard & Poor's, and Fitch, rated BBB, Baa or better. Many fiduciaries, trustees, and some mutual fund managers can only invest in securities with an investment grade rating.

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

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

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

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

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

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

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

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

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

**RECOMMENDED BUDGET:** The budget submitted to the Board of Directors for review and approval after review by the Executive Committee.

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

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

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

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

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

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

## BUDGET POLICY



## **RESOLUTION NO. 321**

### **RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY ESTABLISHING A BUDGETARY POLICY**

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

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

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

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

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

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

#### **SECTION 1: DEFINITIONS/SCOPE OF THE BUDGET**

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



## **SECTION 2: POLICY**

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

## **SECTION 3: LEGAL LEVEL OF BUDGETARY CONTROL**

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

## **SECTION 4: BUDGET AMENDMENTS**

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

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

#### **SECTION 5 - FINANCIAL REPORTING**

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

#### **SECTION 6 – EXCESS FUNDS**

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

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

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

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

Ayes: Medrano, Moe, Shadbehr.

Noes: None.

Absent: None.

Abstain: None.



Edward Medrano, Chair  
Executive Committee



Erick B. Lee, Secretary  
Executive Committee

**FISCAL YEAR 2022-2023**

**BUDGET RESOLUTION**



**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS  
AUTHORITY ADOPTING THE BUDGET FOR FISCAL YEAR  
2022-2023**

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

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

**WHEREAS**, in a public session, on March 15, 2022, the Board of Directors examined and adopted the budget for Fiscal Year 2022-2023 as outlined below;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of said Authority has adopted a budget in the amount of \$12,841,154 for the period of July 1, 2021 through June 30, 2023 in accordance with the following allocations:

Administration Department	\$2,482,407
Operations Department	8,135,530
Technical Services Division	2,023,217
Capital Outlay	200,000
<b>Total Budget</b>	<b>\$12,841,154</b>

**BE IT FURTHER RESOLVED** that the Finance & Performance Audit Manager of the Authority is authorized to issue assessments and quarterly billings for Technical Services Workload Support charges to the Member Cities in accordance with the terms, conditions, and formulas contained in Article X of the Authority Bylaws, and as shown on page 25 of the budget.

**WE HEREBY CERTIFY** that the foregoing is a true copy of the resolution adopted by the Board of Directors of the South Bay Regional Public Communications Authority in a meeting thereof held on the 15th day of March 2022, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

\_\_\_\_\_  
Alex Monteiro, Councilmember  
Chairman, Board of Directors

\_\_\_\_\_  
Ross Klun, Executive Director  
Secretary, Board of Directors

F-3



# Staff Report

## South Bay Regional Public Communications Authority

**MEETING DATE:** March 15, 2022

**ITEM NUMBER:** F-3

**TO:** Board of Directors

**FROM:** Ross Klun, Executive Director  
Vanessa Alfaro, Finance & Performance Audit Manager

**SUBJECT:** RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY ADOPTING AN AMENDED STATEMENT OF INVESTMENT POLICY AND RESCINDING RESOLUTION NO. 341

**ATTACHMENTS:** 1. Resolution  
2. Resolution No. 341 - Redlined

### **RECOMMENDATION**

Staff recommends that the Board of Directors approve and adopt the Resolution Adopting an Amended Statement of Investment Policy.

### **BACKGROUND**

Government Code Section 6509.5 authorizes the Authority to invest any money in its treasury pursuant to Government Code Section 6505.5 that is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as permitted to local agencies pursuant to Sections 53601 et seq. of the Government Code.

Pursuant to Government Code Section 53646(a)(2), the treasurer or chief fiscal officer of the local agency may annually, or from time to time as necessary or desirable, render to the legislative body of that local agency a Statement of Investment Policy or proposed changes to an existing investment policy for consideration at a public meeting.

## **DISCUSSION**

The Authority's Finance & Performance Audit Manager, as chief fiscal officer, has prepared an Amended Statement of Investment Policy, which is included as Exhibit A of the Resolution that is Attachment #1 to this report.

Under the Amended Statement of Investment Policy, the Board of Directors delegates its investment authority to the Authority's Treasurer for the period of one year as allowed under Government Code Section 53607. A monthly transaction report will be provided to members of the Board of Directors so long as the delegation of investment authority to the Treasurer is effective. Per the Second Amended and Restated Joint Powers Agreement, the Authority's Treasurer is the Treasurer for the City of Manhattan Beach.

## **LEGAL REVIEW**

The proposed Resolution and Amended Statement of Investment Policy was reviewed by and developed in conjunction with the Authority's General Counsel.

## **FISCAL IMPACT**

There is no direct fiscal impact to the Authority resulting from the adoption of this Amended Statement of Investment Policy. However, if the Board chooses to approve the attached Resolution and delegate its investment authority to the Treasurer pursuant to the proposed Amended Statement of Investment Policy, the Authority will be able to adjust its investment strategy more quickly, as needed, to respond to changing economic and financial circumstances and demands.

F-3

Attachment 1



**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SOUTH BAY REGIONAL PUBLIC  
COMMUNICATIONS AUTHORITY ADOPTING AN  
AMENDED STATEMENT OF INVESTMENT POLICY  
AND RESCINDING RESOLUTION NO. 341**

**WHEREAS**, pursuant to Government Code Section 53646(a)(2), the treasurer or chief fiscal officer of the local agency may annually, or from time to time as necessary or desirable, render to the legislative body of that local agency a Statement of Investment Policy or proposed changes to an existing investment policy for consideration at a public meeting; and

**WHEREAS**, the chief fiscal officer (i.e., the Finance & Performance Audit Manager) of the South Bay Regional Public Communications Authority (the “Authority”) has prepared an Amended Statement of Investment Policy, which is attached hereto as Exhibit A and incorporated herein by this reference (the “Amended Investment Policy”); and

**WHEREAS**, Government Code Section 6509.5 authorizes the Authority to invest any money in its treasury pursuant to Government Code Section 6505.5 that is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as permitted to local agencies pursuant to Sections 53601 et seq. of the Government Code; and

**WHEREAS**, Government Code Section 53607 authorizes the Board of Directors to annually delegate to the Authority’s Treasurer (the “Treasurer”) the Board’s authority to invest or reinvest funds of the Authority, and to sell and exchange securities so purchased; and

**WHEREAS**, Government Code Section 53621 authorizes the Board of Directors to delegate to a designated Authority officer the Board’s authority to invest or to reinvest funds intended for the payment of employee retiree health benefits, and pursuant to Resolution No. 334, adopted by the Board of Directors on September 8, 2020, the Board of Directors previously has delegated to the Treasurer such investment authority with respect to the Authority’s funds intended for the payment of employee retiree health benefits held, pursuant to an agreement with the California Public Employees’ Retirement System (CalPERS), in the California Employers’ Retiree Benefit Trust (CERBT), an irrevocable trust established by CalPERS in compliance with Internal Revenue Code Section 115 to manage other post-employment benefits (OPEB) funds for public agencies;

**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 hereby approves and adopts the Amended Investment Policy in the form attached hereto as Exhibit A.

Section 2. Pursuant to Government Code Section 53607 and as more specifically provided in the attached Amended Investment Policy, the Board of Directors hereby

delegates for one year to the Treasurer the authority to invest and reinvest funds of the Authority, including without limitation the authority to sell and exchange securities, but excluding any deferred compensation or pension plans (which are managed under separate authorization) and subject to Section 3 below which sets forth the Board's separate delegation of authority with respect to the investment of funds in the CERBT, a Section 115 trust established by the Authority for the payment of employee retiree health benefits (the "Section 115 Trust").

Section 3. Pursuant to Government Code Section 53621, the Board of Directors hereby approves, ratifies, and confirms its delegation to the Treasurer of the Board's authority to invest or to reinvest funds deposited into the Section 115 Trust for the payment of employee retiree health benefits by the Treasurer's selection of the investment strategy for the Authority's Section 115 Trust, as set forth in Resolution No. 334 and as further provided in the attached Amended Investment Policy,

Section 4. This Resolution shall be effective immediately upon its adoption, and the Amended Investment Policy shall supersede any prior Statement of Investment Policy for the Authority, including the policy adopted by Resolution No. 341 of the Board of Directors of the Authority.

**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 16th day of March, 2021 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

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Alex Monteiro, Chair  
Board of Directors

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Ross Klun, Secretary  
Board of Directors

## Exhibit A

### South Bay Regional Public Communications Authority Amended Statement of Investment Policy (effective as of \_\_\_\_\_, 2022)

#### **SECTION 1: PURPOSE**

The purpose of these investment policy guidelines is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment process to maximize the use of idle cash in the Authority's treasury. The initial step toward a prudent investment policy is to organize and formalize investment-related activities. Related activities, which comprise good cash management, include accurate cash projection; the expeditious collection of revenue; the control of disbursements; cost-effective banking relationships and, if necessary, short-term borrowing programs pursuant to any applicable state law authority to coordinate working cash requirements; and investment opportunity. In concert with these requirements are the many facets of an appropriate and secure short-term investment program.

#### **SECTION 2: SCOPE**

The intent of this policy is to cover all short-term operating funds and investment activities of the Authority, except as otherwise described in subsections A, B, and C below.

A. Proceeds of Debt Issues. California Government Code Sections 53601 and 5922(d) authorize proceeds of bonds, certificates of participation, notes, and other debt issues to be invested in accordance with the documentation and statutes governing such debt. These statutory sections recognize the unique needs and objectives of such proceeds.

B. Deferred Compensation Plans. In addition to the types of investments authorized in California Government Code Sections 53601 and 53602, California Government Code Section 53609 authorizes deferred compensation funds (i.e., public pension or retirement funds) held by a public agency to be invested in a broad range of other investments, as follows: corporate stocks, bonds, and securities, mutual funds, savings and loan accounts, credit union accounts, life insurance policies, annuities, mortgages, deeds of trust, or other security interests in real or personal property. So long as the deferred compensation or pension plans of the Authority are managed by MissionSquare Retirement or the California Public Employees' Retirement System (CalPERS) under contract with the Authority, this policy does not apply to the deferred compensation or pension plans.

C. Section 115 Retiree Health Benefits Trust. California Government Code Section 53620 et seq. authorizes the Authority to invest funds designated for the payment of employee retiree health benefits in any form or type of investment deemed prudent by the Board of Directors, or by a designated officer to whom the Board of Directors has delegated investment authority with respect to funds intended for the payment of employee retiree health benefits, subject to certain statutory duties specified in Section 3.G. below. Accordingly, Section 6 (Investment Instruments) of this policy does not apply to restrict

the investments for any Section 115 Trust established by the Authority for the payment of the costs of retiree health benefits.

### **SECTION 3: OBJECTIVES**

A. Safety of principal is the foremost objective of the Authority, followed by liquidity, and yield. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from securities, defaults, or erosion of market value.

B. Investment decisions should not incur unreasonable credit or market risks in order to obtain current investment income. "Credit risk," defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in only very safe securities and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm the Authority's cash flow.

"Market risk," defined as the risk of market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by structuring the portfolio so that securities mature at the same time that major cash outflows occur, thus eliminating the need to sell securities prior to their maturity. Market Risk shall also be mitigated by prohibiting the taking of short positions (selling securities that the Authority does not own). The Authority explicitly recognizes that in a diversified portfolio, occasional measured losses are inevitable and must be considered within the context of overall investment return.

C. The Authority's investment portfolio shall remain sufficiently liquid to enable the Authority to meet all operating requirements, which might be reasonably anticipated.

D. The investment portfolio shall be managed to attain a market average rate of return throughout budgetary and economic cycles, taking into account the Authority's investment risk constraints, cash flow requirements, and State and local laws, ordinances, or resolutions that restrict the placement of short-term funds.

E. The Authority shall not make investments for the purpose of trading or speculation as the dominant criterion.

F. The Authority shall adhere to the guidance provided by the "prudent investor standard" established by California Government Code Section 53600.3 and made applicable to the Authority by Section 6509 of the California Government Code, which deems those persons investing public funds to be trustees and fiduciaries, and obligates a trustee and fiduciary of public funds to ensure that investments shall be made with the care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the local agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the local agency. This standard shall be applied in the context of managing an overall portfolio.

G. As provided by California Government Code Section 53622, funds deposited into any Section 115 trust established by the Authority for the payment of employee retiree health benefits shall only be held for the purpose of providing benefits to participants in the retiree health benefit plan and defraying reasonable expenses of

administering that plan. As further provided by Section 53622, when making investments of such funds, the Board of Directors or, so long as the delegation of authority in Section 4.B. below is in full force and effect, the Treasurer shall discharge its duties with respect to the investment of the funds as follows:

1. Solely in the interest of, and for the exclusive purposes of providing benefits to, participants in the retiree health benefit plan, minimizing employer contributions thereto, and defraying reasonable expenses of administering the plan.
2. With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.
3. Shall diversify the investments of the funds so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly prudent not to do so.

#### **SECTION 4: DELEGATION OF INVESTMENT AUTHORITY**

A. Delegation of Investment Authority to Treasurer - Surplus Funds. Except for the Authority's Section 457 deferred compensation plan (which is managed by Mission Square Retirement), the Authority's pension plan (which is managed by CalPERS), and any Section 115 trust established by the Authority for the payment of employee retiree health benefits (which is governing by Section 4.B below), the Board of Directors hereby delegates its authority to invest or reinvest all Authority funds, or to sell or exchange securities so purchased, to the Treasurer for a one-year period pursuant to California Government Code Section 53607. Such delegation may be annually renewed by the City Council pursuant to Government Code Section 53607. So long as such delegated investment authority is in effect, the Treasurer may appoint one or more Deputy Treasurers as the Treasurer deems necessary and convenient for the prompt and faithful discharge of its duties to invest and reinvest the funds of the Authority.

B. Delegation of Investment Authority to Treasurer - Section 115 Retiree Health Benefits Trust. Pursuant to its Resolution No. 334, the Board of Directors has established with CalPERS an irrevocable trust in compliance with Internal Revenue Code Section 115 (the "Section 115 Trust") to fund the payment of employee retiree health benefits and delegated to the Treasurer the authority to select the investment strategy for the Authority's assets held in the Section 115 Trust. Pursuant to California Government Code Section 53621, the Board of Directors hereby approves, ratifies, and confirms the delegation to the Treasurer of the Board's authority to invest or reinvest funds deposited into the Authority's Section 115 Trust for the payment of employee retiree health benefits by the Treasurer's selection of the investment strategy for the Authority's Section 115 Trust and subject to the statutory duties specified above in Section 3.G.

#### **SECTION 5: REPORTING**

A. Monthly Transactions Reports. So long as the Board of Directors' annual delegation of investment authority to the Treasurer pursuant to Section 4.A above and

California Government Code Section 53607 is effective, the Treasurer shall provide a monthly report of all investment transactions of the Authority's funds to the Board of Directors.

B. Quarterly Investment Reports. The Authority's Finance & Performance Audit Manager shall prepare a quarterly investment report and submit it to the Executive Committee of the Authority on quarterly basis and to the Board of Directors of the Authority annually. Schedules of the quarterly report shall itemize the quarter's investment activities' effect on portfolio value, both individually and by investment category. The quarterly investment report shall include the type of investment, issuer, date of maturity, and par and dollar amount invested on all securities, investments, and moneys held by the Authority; provided, for investments that have been placed in LAIF, the County Treasury Pool, or in FDIC-insured accounts, the most recent statements received by the Authority from these institutions may be provided in lieu of the foregoing information.

C. Statement of Investment Policy. From time to time as necessary or desirable, the Finance & Performance Audit Manager shall submit for consideration and approval by the Board of Directors proposed changes to the Investment Policy of the Authority. The Finance & Performance Audit Manager, along with the Executive Director, shall make all filings as required by the State of California.

## **SECTION 6: INVESTMENT INSTRUMENTS**

A. Authorized Investments. Authorized investments for the Authority are listed below and are subject to the restrictions and guidelines set forth in this policy. In any event, eligible instruments must be specifically authorized by California State laws, and to no greater an extent than authorized by those laws. Where this policy specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase.

Subject to the foregoing and the additional investment criteria specified below and in subsection C, investments may be made in the following instruments:

1. U.S. Treasuries. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

2. U.S. Federal Agencies. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

3. Non-negotiable Certificates of Deposit (CDs). Non-negotiable Certificates of Deposit or Time Deposits placed with state or federally chartered commercial banks and/or savings and loan associations. Amounts placed in non-negotiable CDs shall be insured by the Federal Deposit Insurance Corporation or, to the extent the amount exceeds the insured maximum, shall be collateralized per California law and as specified in subsection C.3 below.

4. Negotiable Certificates of Deposit (CDs). Negotiable Certificates of Deposits issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the California Financial Code), a state or federal credit union, or by a state-licensed branch of a foreign bank.

As provided in California Government Code Section 53601, investments in negotiable CDs are not subject to the collateralization requirements of California Government Code Section 53630 et seq. but may not exceed, as applicable, the shareholder's equity of the depository bank, the total of the net worth of the depository savings association (unless the deposit does not exceed \$500,000 and is federally-insured or collateralized per State law), or the total of the unimpaired capital and surplus of the credit union (unless the deposit does not exceed \$500,000 and is federally-insured or collateralized per State law).

5. Local Agency Investment Fund (LAIF). The State of California Local Agency Investment Fund (i.e., state investment pool) established by California Government Code Section 16429.1 in the custody of the State Treasurer.

6. Los Angeles County Treasury Pool. The Los Angeles County Treasury Pool (i.e. county investment pool) established pursuant to California Government Code Section 27130 et seq.

B. Prohibited Investments. Investments which the Authority specifically prohibits:

- Bond Funds
- Money Market Mutual Funds
- Reverse Repurchase Agreements
- Derivatives when possibility of returning no yield such as inverse floaters, range notes or non-Treasury interest-only strips

C. Additional Authority Investment Guidelines. Additional Authority investment guidelines are as follows:

1. Maximum Maturity. No investment shall be purchased which matures more than three years from the date of purchase without the prior approval of the Board of Directors.

2. Portfolio Concentration Limits. Of the total investment portfolio, no more of than the respective percentages specified below may be invested in the applicable categories of authorized investments, as follows:

U.S. Treasuries	No limit
U.S. Federal Agencies	33-1/3% maximum for each agency; 60% maximum overall
Non-Negotiable CDs	20% maximum
Negotiable CDs	20% maximum
LAIF	No limit
County Treasury Pool	50% maximum

3. Portfolio Diversification. Subject to Section 9 (Risk Tolerance), to reduce overall portfolio risk while attempting to attain market value rates of return consistent with the primary objectives of safety and availability of funds, investments shall be diversified across types of investments, maturities of those investments, and institutions in which those investments are made.

4. Collateralization of Deposits of Public Funds. Deposits of public funds shall be made only in qualified public depositories as established by State law (California Government Code Section 53630 et seq.). Deposits shall be insured by the Federal Deposit Insurance Corporation or, to the extent the amount exceeds the insured maximum, shall be collateralized in accordance with State law (California Government Code Section 53630 et seq.).

## **SECTION 7: RELATIONSHIPS WITH FINANCIAL INSTITUTIONS**

A. The Authority may only purchase authorized investments, not purchased directly from the issuer, from either an institution licensed by the State as a broker/dealer, from a national or state chartered bank, from a federal or state savings institution, from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, or a member of a federally regulated securities exchange. For clarification purposes, investments in LAIF or the County Treasury Pool are considered to be purchased directly from the issuer.

B. All financial institutions with which the Authority conducts investment activities must agree in writing to undertake reasonable efforts to prevent illegal and/or imprudent transactions involving Authority funds. Should it come to the attention of the Treasurer and/or the Finance & Performance Audit Manager that the Authority's funds have been involved in illegal and/or imprudent transactions, the Treasurer and/or the Finance & Performance Audit Manager shall report this information to the Executive Committee and the Board of Directors of the Authority along with options for dealing with the situation.

C. Primary government securities dealers who report to the New York Federal Reserve are preferred for conducting transactions of all eligible securities other than non-negotiable certificates of deposit.

## **SECTION 8: INTERNAL CONTROLS**

A. Internal Controls. Internal controls shall be as follows:

1. Written confirmations or statements of account from the parties involved shall evidence all investments, maturities and sales.

2. Each certificate, security or safekeeping receipt shall be compared to a purchase order or log sheet to verify that the securities received are the same as those purchased.

3. Someone shall review all evidence of investment transactions (e.g., certificates, securities, safekeeping receipts, broker/dealer confirmations, statements, etc.) other than the person(s) responsible for making the investments.



B. Custody and safekeeping policies. Pursuant to California Government Code Section 53608, the Board of Directors hereby delegates to the Treasurer the authority to deposit securities and other investments of the Authority for custody and safekeeping of securities. Safekeeping policies for the custody of securities and other investments of the Authority shall be as follows:

1. Negotiable certificates and securities shall be held by a third-party custodian/safekeeping account in a manner that establishes the Authority's right of ownership. Eligible third-party custodians shall meet the requirements of California Government Code Section 53608 and include the following: a federal or state association (as defined in Section 5102 of the California Financial Code), a trust company or a state or national bank located within the State of California, or the Federal Reserve Bank of San Francisco or any branch thereof within the State of California.

2. Non-negotiable certificates of deposit may be stored in the Treasurer's vault.

3. A broker/dealer shall never hold Authority investments.

#### **SECTION 9: RISK TOLERANCE**

The Authority recognizes that investment risks can result from issuer defaults, market price changes, or various technical complications leading to temporary illiquidity. In general, portfolio diversification is employed as a way to control risk, unless under the circumstances and guided by the "prudent investor standard" described in Section 3.F, it is reasonably prudent not to do so. Investment managers are expected to display prudence in the selection of securities as a way to minimize default risk.

No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio. The Treasurer and/or the Finance & Performance Audit Manager shall periodically establish guidelines and strategies to control risks of default, market price changes, and illiquidity. All investment reports shall specifically address whether current investment results have been affected by any of the foregoing risks, and shall explain what actions investment officials have taken to control or correct for such risks.

#### **SECTION 10: INDEMNIFICATION OF INVESTMENT OFFICIALS**

Any investment officer exercising his or her authority with due diligence and prudence, and in accordance with the Authority's Investment Policy, shall not be held personally liable for any individual investment losses or for total portfolio losses.

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Attachment 2

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SOUTH BAY REGIONAL PUBLIC  
COMMUNICATIONS AUTHORITY ADOPTING AN  
AMENDED STATEMENT OF INVESTMENT POLICY  
AND RESCINDING RESOLUTION NO. ~~341~~33**

**WHEREAS**, pursuant to Government Code Section 53646(a)(2), the treasurer or chief fiscal officer of the local agency may annually, or from time to time as necessary or desirable, render to the legislative body of that local agency a Statement of Investment Policy or proposed changes to an existing investment policy for consideration at a public meeting; and

**WHEREAS**, the chief fiscal officer (i.e., the Finance & Performance Audit Manager) of the South Bay Regional Public Communications Authority (the “Authority”) has prepared an Amended Statement of Investment Policy, which is attached hereto as Exhibit A and incorporated herein by this reference (the “Amended Investment Policy”); and

**WHEREAS**, Government Code Section 6509.5 authorizes the Authority to invest any money in its treasury pursuant to Government Code Section 6505.5 that is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as permitted to local agencies pursuant to Sections 53601 et seq. of the Government Code; and

**WHEREAS**, Government Code Section 53607 authorizes the Board of Directors to annually delegate to the Authority’s Treasurer (the “Treasurer”) the Board’s authority to invest or reinvest funds of the Authority, and to sell and exchange securities so purchased; and

**WHEREAS**, Government Code Section 53621 authorizes the Board of Directors to delegate to a designated Authority officer the Board’s authority to invest or to reinvest funds intended for the payment of employee retiree health benefits, and pursuant to Resolution No. 334, adopted by the Board of Directors on September 8, 2020, the Board of Directors previously has delegated to the Treasurer such investment authority with respect to the Authority’s funds intended for the payment of employee retiree health benefits held, pursuant to an agreement with the California Public Employees’ Retirement System (CalPERS), in the California Employers’ Retiree Benefit Trust (CERBT), an irrevocable trust established by CalPERS in compliance with Internal Revenue Code Section 115 to manage other post-employment benefits (OPEB) funds for public agencies;

**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 hereby approves and adopts the Amended Investment Policy in the form attached hereto as Exhibit A.

Section 2. Pursuant to Government Code Section 53607 and as more specifically provided in the attached Amended Investment Policy, the Board of Directors hereby

delegates for one year to the Treasurer the authority to invest and reinvest funds of the Authority, including without limitation the authority to sell and exchange securities, but excluding any deferred compensation or pension plans (which are managed under separate authorization) and subject to Section 3 below which sets forth the Board's separate delegation of authority with respect to the investment of funds in the CERBT, a Section 115 trust established by the Authority for the payment of employee retiree health benefits (the "Section 115 Trust").

Section 3. Pursuant to Government Code Section 53621, the Board of Directors hereby approves, ratifies, and confirms its delegation to the Treasurer of the Board's authority to invest or to reinvest funds deposited into the Section 115 Trust for the payment of employee retiree health benefits by the Treasurer's selection of the investment strategy for the Authority's Section 115 Trust, as set forth in Resolution No. 334 and as further provided in the attached Amended Investment Policy,

Section 4. This Resolution shall be effective immediately upon its adoption, and the Amended Investment Policy shall supersede any prior Statement of Investment Policy for the Authority, including the policy adopted by Resolution No. ~~34133~~ of the Board of Directors of the Authority. ~~Resolution No. 333 is hereby rescinded, and the investment program approved by the Board of Directors on April 14, 2020 in connection with its approval of Resolution No. 333 is hereby terminated to allow the Treasurer to assume full responsibility for investment transactions pursuant to, and during the term of, the delegated investment authority under Section 2 of this Resolution and in accordance with Government Code Section 53607.~~

**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 16th day of March, 2021 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

Alex Monteiro~~Hildy Stern~~, Chair  
~~Kauffman~~, Secretary  
Board of Directors

Ross Klun~~Shannon~~  
Board of Directors

## Exhibit A

### South Bay Regional Public Communications Authority Amended Statement of Investment Policy (effective as of \_\_\_\_\_, 2022~~1~~)

#### **SECTION 1: PURPOSE**

The purpose of these investment policy guidelines is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment process to maximize the use of idle cash in the Authority's treasury. The initial step toward a prudent investment policy is to organize and formalize investment-related activities. Related activities, which comprise good cash management, include accurate cash projection; the expeditious collection of revenue; the control of disbursements; cost-effective banking relationships and, if necessary, short-term borrowing programs pursuant to any applicable state law authority to coordinate working cash requirements; and investment opportunity. In concert with these requirements are the many facets of an appropriate and secure short-term investment program.

#### **SECTION 2: SCOPE**

The intent of this policy is to cover all short-term operating funds and investment activities of the Authority, except as otherwise described in subsections A, B, and C below.

A. Proceeds of Debt Issues. California Government Code Sections 53601 and 5922(d) authorize proceeds of bonds, certificates of participation, notes, and other debt issues to be invested in accordance with the documentation and statutes governing such debt. These statutory sections recognize the unique needs and objectives of such proceeds.

B. Deferred Compensation Plans. In addition to the types of investments authorized in California Government Code Sections 53601 and 53602, California Government Code Section 53609 authorizes deferred compensation funds (i.e., public pension or retirement funds) held by a public agency to be invested in a broad range of other investments, as follows: corporate stocks, bonds, and securities, mutual funds, savings and loan accounts, credit union accounts, life insurance policies, annuities, mortgages, deeds of trust, or other security interests in real or personal property. So long as the deferred compensation or pension plans of the Authority are managed by MissionSquare Retirement ~~ICMA-RC~~ or the California Public Employees' Retirement System (CalPERS) under contract with the Authority, this policy does not apply to the deferred compensation or pension plans.

C. Section 115 Retiree Health Benefits Trust. California Government Code Section 53620 et seq. authorizes the Authority to invest funds designated for the payment of employee retiree health benefits in any form or type of investment deemed prudent by the Board of Directors, or by a designated officer to whom the Board of Directors has delegated investment authority with respect to funds intended for the payment of employee retiree health benefits, subject to certain statutory duties specified in Section 3.G. below. Accordingly, Section 6 (Investment Instruments) of this policy does not apply to restrict

the investments for any Section 115 Trust established by the Authority for the payment of the costs of retiree health benefits.

### **SECTION 3: OBJECTIVES**

A. Safety of principal is the foremost objective of the Authority, followed by liquidity, and yield. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from securities, defaults, or erosion of market value.

B. Investment decisions should not incur unreasonable credit or market risks in order to obtain current investment income. "Credit risk," defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in only very safe securities and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm the Authority's cash flow.

"Market risk," defined as the risk of market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by structuring the portfolio so that securities mature at the same time that major cash outflows occur, thus eliminating the need to sell securities prior to their maturity. Market Risk shall also be mitigated by prohibiting the taking of short positions (selling securities that the Authority does not own). The Authority explicitly recognizes that in a diversified portfolio, occasional measured losses are inevitable and must be considered within the context of overall investment return.

C. The Authority's investment portfolio shall remain sufficiently liquid to enable the Authority to meet all operating requirements, which might be reasonably anticipated.

D. The investment portfolio shall be managed to attain a market average rate of return throughout budgetary and economic cycles, taking into account the Authority's investment risk constraints, cash flow requirements, and State and local laws, ordinances, or resolutions that restrict the placement of short-term funds.

E. The Authority shall not make investments for the purpose of trading or speculation as the dominant criterion.

F. The Authority shall adhere to the guidance provided by the "prudent investor standard" established by California Government Code Section 53600.3 and made applicable to the Authority by Section 6509 of the California Government Code, which deems those persons investing public funds to be trustees and fiduciaries, and obligates a trustee and fiduciary of public funds to ensure that investments shall be made with the care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the local agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the local agency. This standard shall be applied in the context of managing an overall portfolio.

G. As provided by California Government Code Section 53622, funds deposited into any Section 115 trust established by the Authority for the payment of employee retiree health benefits shall only be held for the purpose of providing benefits to participants in the retiree health benefit plan and defraying reasonable expenses of

administering that plan. As further provided by Section 53622, when making investments of such funds, the Board of Directors or, so long as the delegation of authority in Section 4.B. below is in full force and effect, the Treasurer shall discharge its duties with respect to the investment of the funds as follows:

1. Solely in the interest of, and for the exclusive purposes of providing benefits to, participants in the retiree health benefit plan, minimizing employer contributions thereto, and defraying reasonable expenses of administering the plan.
2. With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims.
3. Shall diversify the investments of the funds so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly prudent not to do so.

#### **SECTION 4: DELEGATION OF INVESTMENT AUTHORITY**

A. Delegation of Investment Authority to Treasurer - Surplus Funds. Except for the Authority's Section 457 deferred compensation plan (which is managed by ~~MissionSquare Retirement ICMA-RC~~), the Authority's pension plan (which is managed by CalPERS), and any Section 115 trust established by the Authority for the payment of employee retiree health benefits (which is governing by Section 4.B below), the Board of Directors hereby delegates its authority to invest or reinvest all Authority funds, or to sell or exchange securities so purchased, to the Treasurer for a one-year period pursuant to California Government Code Section 53607. Such delegation may be annually renewed by the City Council pursuant to Government Code Section 53607. So long as such delegated investment authority is in effect, the Treasurer may appoint one or more Deputy Treasurers as the Treasurer deems necessary and convenient for the prompt and faithful discharge of its duties to invest and reinvest the funds of the Authority.

B. Delegation of Investment Authority to Treasurer - Section 115 Retiree Health Benefits Trust. Pursuant to its Resolution No. 334, the Board of Directors has established with CalPERS an irrevocable trust in compliance with Internal Revenue Code Section 115 (the "Section 115 Trust") to fund the payment of employee retiree health benefits and delegated to the Treasurer the authority to select the investment strategy for the Authority's assets held in the Section 115 Trust. Pursuant to California Government Code Section 53621, the Board of Directors hereby approves, ratifies, and confirms the delegation to the Treasurer of the Board's authority to invest or reinvest funds deposited into the Authority's Section 115 Trust for the payment of employee retiree health benefits by the Treasurer's selection of the investment strategy for the Authority's Section 115 Trust and subject to the statutory duties specified above in Section 3.G.

#### **SECTION 5: REPORTING**

A. Monthly Transactions Reports. So long as the Board of Directors' annual delegation of investment authority to the Treasurer pursuant to Section 4.A above and

California Government Code Section 53607 is effective, the Treasurer shall provide a monthly report of all investment transactions of the Authority's funds to the Board of Directors.

B. Quarterly Investment Reports. The Authority's Finance & Performance Audit Manager shall prepare a quarterly investment report and submit it to the Executive Committee of the Authority on quarterly basis and to the Board of Directors of the Authority annually. Schedules of the quarterly report shall itemize the quarter's investment activities' effect on portfolio value, both individually and by investment category. The quarterly investment report shall include the type of investment, issuer, date of maturity, and par and dollar amount invested on all securities, investments, and moneys held by the Authority; provided, for investments that have been placed in LAIF, the County Treasury Pool, or in FDIC-insured accounts, the most recent statements received by the Authority from these institutions may be provided in lieu of the foregoing information.

C. Statement of Investment Policy. From time to time as necessary or desirable, the Finance & Performance Audit Manager shall submit for consideration and approval by the Board of Directors proposed changes to the Investment Policy of the Authority. The Finance & Performance Audit Manager, along with the Executive Director, shall make all filings as required by the State of California.

## **SECTION 6: INVESTMENT INSTRUMENTS**

A. Authorized Investments. Authorized investments for the Authority are listed below and are subject to the restrictions and guidelines set forth in this policy. In any event, eligible instruments must be specifically authorized by California State laws, and to no greater an extent than authorized by those laws. Where this policy specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase.

Subject to the foregoing and the additional investment criteria specified below and in subsection C, investments may be made in the following instruments:

1. U.S. Treasuries. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

2. U.S. Federal Agencies. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

3. Non-negotiable Certificates of Deposit (CDs). Non-negotiable Certificates of Deposit or Time Deposits placed with state or federally chartered commercial banks and/or savings and loan associations. Amounts placed in non-negotiable CDs shall be insured by the Federal Deposit Insurance Corporation or, to the extent the amount exceeds the insured maximum, shall be collateralized per California law and as specified in subsection C.3 below.



4. Negotiable Certificates of Deposit (CDs). Negotiable Certificates of Deposits issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the California Financial Code), a state or federal credit union, or by a state-licensed branch of a foreign bank.

As provided in California Government Code Section 53601, investments in negotiable CDs are not subject to the collateralization requirements of California Government Code Section 53630 et seq. but may not exceed, as applicable, the shareholder's equity of the depository bank, the total of the net worth of the depository savings association (unless the deposit does not exceed \$500,000 and is federally-insured or collateralized per State law), or the total of the unimpaired capital and surplus of the credit union (unless the deposit does not exceed \$500,000 and is federally-insured or collateralized per State law).

5. Local Agency Investment Fund (LAIF). The State of California Local Agency Investment Fund (i.e., state investment pool) established by California Government Code Section 16429.1 in the custody of the State Treasurer.

6. Los Angeles County Treasury Pool. The Los Angeles County Treasury Pool (i.e. county investment pool) established pursuant to California Government Code Section 27130 et seq.

B. Prohibited Investments. Investments which the Authority specifically prohibits:

- Bond Funds
- Money Market Mutual Funds
- Reverse Repurchase Agreements
- Derivatives when possibility of returning no yield such as inverse floaters, range notes or non-Treasury interest-only strips

C. Additional Authority Investment Guidelines. Additional Authority investment guidelines are as follows:

1. Maximum Maturity. No investment shall be purchased which matures more than three years from the date of purchase without the prior approval of the Board of Directors.

2. Portfolio Concentration Limits. Of the total investment portfolio, no more of than the respective percentages specified below may be invested in the applicable categories of authorized investments, as follows:

U.S. Treasuries	No limit
U.S. Federal Agencies	33-1/3% maximum for each agency; 60% maximum overall
Non-Negotiable CDs	20% maximum
Negotiable CDs	20% maximum
LAIF	No limit
County Treasury Pool	50% maximum

3. Portfolio Diversification. Subject to Section 9 (Risk Tolerance), to reduce overall portfolio risk while attempting to attain market value rates of return consistent with the primary objectives of safety and availability of funds, investments shall be diversified across types of investments, maturities of those investments, and institutions in which those investments are made.

4. Collateralization of Deposits of Public Funds. Deposits of public funds shall be made only in qualified public depositories as established by State law (California Government Code Section 53630 et seq.). Deposits shall be insured by the Federal Deposit Insurance Corporation or, to the extent the amount exceeds the insured maximum, shall be collateralized in accordance with State law (California Government Code Section 53630 et seq.).

## **SECTION 7: RELATIONSHIPS WITH FINANCIAL INSTITUTIONS**

A. The Authority may only purchase authorized investments, not purchased directly from the issuer, from either an institution licensed by the State as a broker/dealer, from a national or state chartered bank, from a federal or state savings institution, from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, or a member of a federally regulated securities exchange. For clarification purposes, investments in LAIF or the County Treasury Pool are considered to be purchased directly from the issuer.

B. All financial institutions with which the Authority conducts investment activities must agree in writing to undertake reasonable efforts to prevent illegal and/or imprudent transactions involving Authority funds. Should it come to the attention of the Treasurer and/or the Finance & Performance Audit Manager that the Authority's funds have been involved in illegal and/or imprudent transactions, the Treasurer and/or the Finance & Performance Audit Manager shall report this information to the Executive Committee and the Board of Directors of the Authority along with options for dealing with the situation.

C. Primary government securities dealers who report to the New York Federal Reserve are preferred for conducting transactions of all eligible securities other than non-negotiable certificates of deposit.

## **SECTION 8: INTERNAL CONTROLS**

A. Internal Controls. Internal controls shall be as follows:

1. Written confirmations or statements of account from the parties involved shall evidence all investments, maturities and sales.

2. Each certificate, security or safekeeping receipt shall be compared to a purchase order or log sheet to verify that the securities received are the same as those purchased.

3. Someone shall review all evidence of investment transactions (e.g., certificates, securities, safekeeping receipts, broker/dealer confirmations, statements, etc.) other than the person(s) responsible for making the investments.

B. Custody and safekeeping policies. Pursuant to California Government Code Section 53608, the Board of Directors hereby delegates to the Treasurer the authority to deposit securities and other investments of the Authority for custody and safekeeping of securities. Safekeeping policies for the custody of securities and other investments of the Authority shall be as follows:

1. Negotiable certificates and securities shall be held by a third-party custodian/safekeeping account in a manner that establishes the Authority's right of ownership. Eligible third-party custodians shall meet the requirements of California Government Code Section 53608 and include the following: a federal or state association (as defined in Section 5102 of the California Financial Code), a trust company or a state or national bank located within the State of California, or the Federal Reserve Bank of San Francisco or any branch thereof within the State of California.

2. Non-negotiable certificates of deposit may be stored in the Treasurer's vault.

3. A broker/dealer shall never hold Authority investments.

#### **SECTION 9: RISK TOLERANCE**

The Authority recognizes that investment risks can result from issuer defaults, market price changes, or various technical complications leading to temporary illiquidity. In general, portfolio diversification is employed as a way to control risk, unless under the circumstances and guided by the "prudent investor standard" described in Section 3.F, it is reasonably prudent not to do so. Investment managers are expected to display prudence in the selection of securities as a way to minimize default risk.

No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio. The Treasurer and/or the Finance & Performance Audit Manager shall periodically establish guidelines and strategies to control risks of default, market price changes, and illiquidity. All investment reports shall specifically address whether current investment results have been affected by any of the foregoing risks, and shall explain what actions investment officials have taken to control or correct for such risks.

#### **SECTION 10: INDEMNIFICATION OF INVESTMENT OFFICIALS**

Any investment officer exercising his or her authority with due diligence and prudence, and in accordance with the Authority's Investment Policy, shall not be held personally liable for any individual investment losses or for total portfolio losses.

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

**FEBRUARY 15, 2022**

**A. CALL TO ORDER**

The Executive and User Committees convened in a regular joint meeting on February 15, 2022, at 2:01PM by tele conference.

**B. ROLL CALL**

Present: City Manager Vontray Norris, City of Hawthorne  
City Manager Clint Osorio, City of Gardena  
City Manager Bruce Moe, City of Manhattan Beach  
Chief Mike Ishii, Hawthorne Police Department  
Chief Mike Saffell, Gardena Police Department  
Chief Mike Lang, Manhattan Beach Fire Department  
Chief Derrick Abell, Manhattan Beach Police Department

Also Present: Captain Gary Tomatoni, Hawthorne Police Department  
Captain Eric Lane, Hawthorne Police Department  
Jennifer Petrusis, Richards Gershon Watson  
Laura Kalty, Liebert Cassidy Whitmore  
John Krok, Administrative Services Manager  
Vanessa Alfaro, Finance & Performance Audit Manager  
Megan Cunningham, Communications Supervisor  
Ross Klun, Executive Director  
Shannon Kauffman, Operations Manager

**C. PUBLIC DISCUSSION**

None.

**D. EXECUTIVE COMMITTEE CONSENT CALENDAR**

Motion: Vice-Chair Moe moved to approve the Consent Calendar, Items #1-5 with the amended portion for the minutes. The motion was seconded by City Manager Norris and passed by voice vote.

1. Minutes from January 18, 2022 - **as amended.**  
**APPROVE**
2. Check Register– January 2022  
**RECEIVE AND FILE**
3. Cash & Investments Report/ December 31, 2021  
**RECEIVE AND FILE**
4. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings  
**MAKE FINDINGS PURSUANT TO AB 361**
5. Agreement with the City of Culver City for Emergency Police and Fire Dispatch Services  
**AUTHORIZE AND APPROVE**

**E. ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

**F. EXECUTIVE COMMITTEE GENERAL BUSINESS**

1. Revision to the Budgetary Policy Allowing Ongoing Funding for Pension and Other Post-Employment Benefits Unfunded Liabilities

**RECOMMEND THE BOARD OF DIRECTORS ADOPT RESOLUTION ESTABLISHING A BUDGETARY POLICY THAT ALLOWS ONGOING FUNDING FOR PENSION AND OTHER POST-EMPLOYMENT BENEFITS UNFUNDED ACTUARIAL LIABILITIES**

Mr. Klun provided summary on the revision to the budgetary policy to include ongoing funding for pension and other post-employment benefits unfunded liabilities.

Vice-Chair Moe inquired after the rationale of 90% target instead of 100%. Finance Manager Alfaro reported the intent to maintain in the event CalPERS has investment returns that exceed their target to avoid overfunded plan. Not the same concern with OPEB.

Motion: Vice-Chair Moe moved to recommend the revision to the budgetary policy. The motion was seconded by Chair Osorio and passed by voice vote.

2. Fiscal Year 2022-2023 Preliminary Budget

**PROVIDE DIRECTION**

Finance Manager Alfaro presented the Preliminary Budget for fiscal year 2022-2023. Vice-Chair Moe asked about the unreserved fund balance five-year projection growing to 5.7 million to see if there was a plan for use, such as additional OPEB funding or rebates for the member cities. Chair Osorio inquired about the current policy for the reserve. Finance Manager Alfaro reported policy only requires 10% of annual budget in operating and capital reserves. Chair Osorio questioned whether 10% is adequate. City Manager Norris recommended to see other options for the unreserved fund balance and to compare and contrast the other reserve percentages used regionally. Staff agreed to bring additional information on reserves policy and an additional amendment to update the reserves percentage if needed and use of unreserved funds.

Motion: Chair Osorio moved to approve the Preliminary Budget for fiscal year 2022-2023. The motion was seconded by City Manager Norris and passed by voice vote.

3. Agreement with Mark43 for Computer Aided Dispatch System

**APPROVE**

Vice-Chair Moe inquired after section 6.2 with the termination temporary suspension by mutual consent. The Authority must have minimum days but there is no mention for Mark43. Ms. Petrusis confirmed there is no termination timeline for Mark43. They have the option not to renew the contract. Up to the Authority to renew after three years given with 30 days' notice not to renew for additional 12 months.

Motion: Chair Osorio moved to approve the agreement with Mark43. The motion was seconded by City Manager Norris. Vice Chair Moe voted against the motion and the motion passed by voice vote.

G. **USER COMMITTEE CONSENT CALENDAR**

Motion: Chief Lane to approve the Consent Calendar, Items #1-2. The motion was seconded by Chief Ishii and passed by voice vote.

1. Minutes from January 18, 2022

**APPROVE**

2. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings

**MAKE FINDINGS PURSUANT TO AB 361**

H. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

I. **EXECUTIVE COMMITTEE AND USER COMMITTEE COMMENTS**

Chief Ishii wanted to thank staff for the Superbowl weekend.

J. **EXECUTIVE COMMITTEE CLOSED SESSION AGENDA**

The Executive Committee entered into closed session at 2:50PM to discuss the following items.

1. CONFERENCE WITH LABOR NEGOTIATOR  
Pursuant to Government Code Section 54957.6  
  
Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore  
Employee Organization: The Communications Workers of America
2. CONFERENCE WITH LABOR NEGOTIATOR  
Pursuant to Government Code Section 54957.6  
  
Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore  
Employee Organization: The California Teamsters Public, Professional and Medical  
Employees Union Local 911

The Executive Committee returned from closed session at 3:30PM with no actions taken.

K. **ADJOURNMENT**

The meeting adjourned at 3:30PM.

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## Check Register FY 2021-22

February 2022

<u>Accounts Payable Check Issued Date</u>	<u>Total Check Amount</u>	<u>Notes</u>
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February 4, 2022	\$43,945.15	
February 11, 2022	\$166,796.32	
February 18, 2022	\$90,318.83	
February 25, 2022	<u>\$102,062.20</u>	

Accounts Payable Total	\$403,122.50	
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<u>Payroll Checks Issued Date</u>	
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February 11, 2022	\$156,273.05
February 25, 2022	<u>\$157,377.08</u>

Payroll Total	\$313,650.13
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Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
1888	2/4/2022	00012	CALIFORNIA WATER SERVICE4675328235	1/19/2022	WATER SERV HQ/ 12/16/21 -	196.32	196.32
1889	2/4/2022	00069	SOUTHERN CALIFORNIA EDI\$700383926852	1/20/2022	ELEC SERV PUNTA/ 12/18/21	874.50	874.50
56247	2/4/2022	00810	& ASSOCIATES, MAX PARKER9316	1/31/2022	WEBSITE MAINTENANCE SEI	180.00	180.00
56248	2/4/2022	00867	& INVESTIGATION SERVICES,2022-01-024	1/24/2022	PRE-EMPLOYMENT POLYGR	225.00	
			2022-01-025	1/25/2022	PRE-EMPLOYMENT POLYGR	225.00	450.00
56249	2/4/2022	01018	ALTAMIRA, NADIA 011522	1/15/2022	TUITION REIMB/FY 2021-22	3,577.00	3,577.00
56250	2/4/2022	00670	BARTEL ASSOCIATES, LLC 22-014	1/28/2022	REQUIRED VALUATION OF O	1,416.00	1,416.00
56251	2/4/2022	00014	CDW GOVERNMENT, INC. Q477076	1/5/2022	CDW-G BILLABLE PARTS	810.73	
			Q506220	1/6/2022	CDW-G BILLABLE PARTS	159.53	970.26
56252	2/4/2022	00017	CHEM PRO LABORATORY, IN683460	1/23/2022	WATER TREATMENT SERVIC	91.50	91.50
56253	2/4/2022	00008	FEDERAL SIGNAL CORP 7926982	12/28/2021	FEDERAL SIGNAL CORP BILL	2,047.14	
			7939721	1/18/2022	FEDERAL SIGNAL CORP BILL	289.77	2,336.91
56254	2/4/2022	00148	HAWTHORNE, CITY OF Ref000033490	1/6/2022	Refund receipt #: 001670	1,827.21	1,827.21
56255	2/4/2022	00880	JUAN CHAVEZ LANDSCAPINGINV0788	2/1/2022	HQ MAINTENANCE - LANDSC	450.00	450.00
56256	2/4/2022	00974	LAGUNA 3P PRO 11892	1/19/2022	LAGUNA 3P PRO BILLABLE P	67.00	67.00
56257	2/4/2022	00087	LIEBERT CASSIDY & WHITMO211401	12/31/2021	LEGAL SERVICES	2,097.75	
			211403	12/31/2021	LEGAL SERVICES	1,872.00	
			211402	12/31/2021	LEGAL SERVICES	819.00	4,788.75
56258	2/4/2022	00331	MITSUBISHI ELECTRIC INC 416767	2/1/2022	HQ MAINTENANCE - ELEVATC	761.27	761.27
56259	2/4/2022	00754	OSI HARDWARE, INC INV-US70098	12/22/2021	REPLACEMENT NETWORK S	3,587.55	3,587.55
56260	2/4/2022	00580	PUN GROUP, LLP, THE 113281	12/31/2021	PROFESSIONAL AUDIT SERV	10,000.00	10,000.00
56261	2/4/2022	00818	RICHARDS,WATSON & GERSH235395	1/24/2022	GENERAL COUNSEL & LEGAI	1,951.30	1,951.30
56262	2/4/2022	00145	SETINA MFG CO INC 237344	12/20/2021	SETINA MANUFACTURING CO	3,605.12	3,605.12
56263	2/4/2022	00803	SPARKLETTS 18193479 01212	1/21/2022	HQ MAINTENANCE - WATER I	43.00	43.00
56264	2/4/2022	00302	SPRINT 107177860-128	12/27/2021	WIRELESS MODEMS/11-24 TC	85.98	
			107177860-129	1/27/2022	WIRELESS MODEMS/12-24 TC	85.98	171.96
56265	2/4/2022	00036	TALLEY INCORPORATED 10405048	1/17/2022	TALLEY INC BILLABLE PARTS	346.72	346.72
56266	2/4/2022	00171	VERIZON WIRELESS 9898036938	1/23/2022	GPD DAC CHARGES/ 12/24/2	2,572.16	
			9897974198	1/23/2022	DAC CHARGES HPD/ 12/24/2	2,519.23	
			9897958196	1/23/2022	MODEM SVC. MBPD/ 12/24/21	722.47	
			9897599105	1/18/2022	CELL PH. CHGS: 12/19/21-1/1	360.90	
			9897958197	1/23/2022	MODEM SVC. MBPD/ 12/24/21	78.02	6,252.78

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Sub total for UNION BANK: 43,945.15

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
20394	2/1/2022	00696	GUARDIAN	533654-02	1/20/2022	GUARDIAN - DENTAL,VISION,	7,188.85	7,188.85
20395	2/10/2022	00058	CALPERS	1000000166827	1/14/2022	HEALTH PREMIUMS - FEBRU	60,993.82	60,993.82
20396	2/11/2022	00219	INTERNAL REVENUE SERVICE	Ben33641	2/11/2022	FEDERAL WITHHOLDING TAX	30,839.02	30,839.02
20397	2/11/2022	00223	EMPLOYMENT DEVEL DEPT	Ben33645	2/11/2022	STATE DISABILITY INSURANC	12,203.84	12,203.84
20398	2/11/2022	00222	STATE DISBURSEMENT UNIT	Ben33651	2/11/2022	SUPPORT: PAYMENT	184.62	184.62
20399	2/11/2022	00058	CALPERS	Ben33643	2/11/2022	PERS RETIREMENT: PAYMEN	37,001.77	37,001.77
20400	2/11/2022	00221	MISSIONSQUARE RETIREMENT	Ben33647	2/11/2022	DEFERRED COMPENSATION	16,195.44	16,195.44
56267	2/11/2022	00217	CALIFORNIA TEAMSTERS UN	Ben33637	2/11/2022	UNION DUES TEAMSTERS: P	1,732.50	1,732.50
56268	2/11/2022	00218	CWA LOCAL 9400	Ben33639	2/11/2022	UNION DUES CWA: PAYMENT	260.30	260.30
56269	2/11/2022	00996	WAGEWORKS INC., HEALTHCARE	Ben33649	2/11/2022	HEALTH CARE FSA: PAYMEN	196.16	196.16
Sub total for UNION BANK:							166,796.32	

Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
1890	2/18/2022	00073	STATE BOARD OF EQUALIZAT012-6555960	2/18/2022	SALES & USE TAX 2022 Q1 PI	1,336.00	1,336.00
1891	2/18/2022	00012	CALIFORNIA WATER SERVICE5550731926	1/31/2022	FIRE PROTECTION SERVICE,	101.00	101.00
1892	2/18/2022	00069	SOUTHERN CALIFORNIA EDI\$700440732476	2/11/2022	ELEC SERV /1/4/22 - 2/8/22	10,513.81	
			700610392752	2/3/2022	ELECT SERV GRANDVIEW/ 1,	199.07	10,712.88
1893	2/16/2022	00031	EMPLOYMENT DEVELOPMENL0253340944	2/7/2022	UNEMPLOYMENT INS/OCT-D	558.00	558.00
1894	2/18/2022	00621	FIRST BANKCARD				
		00466	AMAZON MARKETPLACE 112-2282051-04	1/8/2022	PARTS - BILLING	705.52	
		00540	M & M WELDING 1319	1/11/2022	PARTS - BILLING	660.00	
		00199	GOVT FINANCE OFFICERS AS697625	1/26/2022	GFOA FINANCE VIRTUAL TR/	490.00	
		00228	COSTCO MEMBERSHIP 285575033	1/4/2022	JANITORIAL SUPPLIES	465.67	
		00466	AMAZON MARKETPLACE 111-5431415-36	1/26/2022	COVID-19: OFFICE SUPPLIES	396.40	
		00466	AMAZON MARKETPLACE 111-0470988-26	1/28/2022	COVID-19: OFFICE SUPPLIES	396.40	
		00466	AMAZON MARKETPLACE 113-5903733-02	1/24/2022	PARTS - BILLING	352.74	
		00466	AMAZON MARKETPLACE 113-1209365-28	1/26/2022	COVID-19: OFFICE SUPPLIES	240.13	
		00610	DIRECTV 065190124X220	1/5/2022	CABLE SERVICE	231.99	
		00466	AMAZON MARKETPLACE 112-37353748-5	1/10/2022	PARTS - BILLING	220.39	
		00466	AMAZON MARKETPLACE 111-7510132-74	1/15/2022	COVID-19: OFFICE SUPPLIES	218.30	
		00466	AMAZON MARKETPLACE 113-7249963-15	1/20/2022	COVID-19: OFFICE SUPPLIES	218.30	
		00466	AMAZON MARKETPLACE 112-8762157-78	12/31/2021	GENERAL TECH SUPPLIES	175.60	
		01019	SERVER SUPPLY INC 3870802	1/19/2022	OFFICE EQUIPMENT	174.64	
		00199	GOVT FINANCE OFFICERS AS012622	1/26/2022	GFOA ANNUAL MEMBERSHIP	160.00	
		00052	PARADISE AWARDS 002320406	12/29/2021	EMPLOYEE AWARDS - TORRI	142.22	
		00466	AMAZON MARKETPLACE 112-5476306-96	1/21/2022	PARTS - BILLING	131.40	
		00466	AMAZON MARKETPLACE 111-1127785-13	1/23/2022	OFFICE SUPPLIES	122.76	
		00466	AMAZON MARKETPLACE 112-5094543-72	1/5/2022	OFFICE SUPPLIES	109.76	
		00466	AMAZON MARKETPLACE 111-0551136-97	1/4/2022	OFFICE SUPPLIES	101.06	
		00466	AMAZON MARKETPLACE 111-6491202-70	1/17/2022	JANITORIAL SUPPLIES	99.16	
		00466	AMAZON MARKETPLACE 111-2201801-88	1/23/2022	JANITORIAL SUPPLIES	98.72	
		00944	ZOOM VIDEO COMMUNICATICINV126042646	1/3/2022	ZOOM MEMBERSHIP FOR TE	98.31	
		00014	CDW GOVERNMENT, INC. 1C6XQBD	1/26/2022	OFFICE EQUIPMENT	91.82	
		00761	BOX INV09699266	1/26/2022	SOFTWARE SERVICES	90.00	
		00467	LOWES BUSINESS 82102909	1/13/2022	PARTS - BILLING	70.74	
		00795	MEDIA TEMPLE 324775-42	1/23/2022	MONTHLY WEBSITE HOSTIN	55.00	
		00467	LOWES BUSINESS 8616614	1/19/2022	GENERAL TECH SUPPLIES	53.13	

Bank : union UNION BANK		(Continued)						
Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
		00466	AMAZON MARKETPLACE	112-2189769-79	1/8/2022	PARTS - BILLING	51.82	
		00466	AMAZON MARKETPLACE	112-4727261-22	1/26/2022	PARTS - BILLING	44.09	
		00466	AMAZON MARKETPLACE	111-7236566-50	1/7/2022	OFFICE SUPPLIES	38.58	
		00466	AMAZON MARKETPLACE	113-2680095-48	1/3/2022	JANITORIAL SUPPLIES	37.39	
		00466	AMAZON MARKETPLACE	113-9016868-10	1/5/2022	OFFICE SUPPLIES	35.27	
		00466	AMAZON MARKETPLACE	113-7719495-38	1/4/2022	OFFICE SUPPLIES	35.25	
		00466	AMAZON MARKETPLACE	114-8986750-72	1/4/2022	JANITORIAL SUPPLIES	33.57	
		00466	AMAZON MARKETPLACE	114-1222708-91	1/4/2022	OFFICE SUPPLIES	30.95	
		00466	AMAZON MARKETPLACE	111-3984044-64	1/10/2022	OFFICE SUPPLIES	24.81	
		00854	MANHATTAN POSTAL CENTER	020822	12/30/2021	RECRUITMENT	23.50	
		00466	AMAZON MARKETPLACE	112-9074965-98	1/25/2022	OFFICE SUPPLIES	22.04	
		00862	AUTOZONE	656746	1/5/2022	GENERAL TECH SUPPLIES	18.73	
		00466	AMAZON MARKETPLACE	111-4107234-56	1/9/2022	OFFICE SUPPLIES	16.53	
		00826	LA TIMES	020922	1/3/2022	MONTHLY SUBSCRIPTION	15.96	
		00466	AMAZON MARKETPLACE	111-2049357-09	1/14/2022	OFFICE SUPPLIES	14.32	
		00466	AMAZON MARKETPLACE	113-7322253-00	1/21/2022	OFFICE SUPPLIES	14.28	
		00466	AMAZON MARKETPLACE	111-8943582-52	1/6/2022	OFFICE SUPPLIES	13.22	
		00466	AMAZON MARKETPLACE	112-0625356-49	1/5/2022	OFFICE SUPPLIES	13.20	
		00466	AMAZON MARKETPLACE	113-0495877-22	1/7/2022	OFFICE SUPPLIES	12.43	
		00466	AMAZON MARKETPLACE	114-7748401-24	1/25/2022	OFFICE SUPPLIES	11.60	
		00466	AMAZON MARKETPLACE	111-4092867-83	12/31/2021	JANITORIAL SUPPLIES	10.46	
		00466	AMAZON MARKETPLACE	111-6491202-70	1/25/2022	REFUND FOR RETURNED JA	-49.58	
		01016	RED ROBIN	311194-2	12/25/2021	REFUND FOR CANCELED OF	-126.34	6,712.24
1895	2/18/2022	00651	FRONTIER	209-188-0077-04	2/1/2022	PHONE SERVICE 2/1/22 - 2/28	352.96	352.96
56270	2/18/2022	00867	& INVESTIGATION SERVICES	2022-02-002	2/2/2022	PRE-EMPLOYMENT POLYGR	225.00	225.00
56271	2/18/2022	00297	AT&T, ATT CALNET	000017761353	2/13/2022	PHONE SERV 1/13/22-2/12/22	2,778.75	
				000017713653	2/3/2022	PHONE SERVICE 1/03/22-2/02	546.32	
				000017765489	2/13/2022	PHONE SERV 1/13/22-2/12/22	207.50	
				000017768553	2/13/2022	PHONE SERV 1/13/22-2/12/22	200.31	3,732.88
56272	2/18/2022	00064	AT&T, ATT PAYMENT CENTER	960 461-1623 55	2/1/2022	PHONE SERVICE 2/01/2022-2	1,368.84	1,368.84
56273	2/18/2022	00670	BARTEL ASSOCIATES, LLC	22-090	2/14/2022	REQUIRED VALUATION OF O	3,422.00	3,422.00
56274	2/18/2022	00014	CDW GOVERNMENT, INC.	S149038	2/12/2022	CDW-G BILLABLE PARTS	4,051.69	
				S149037	2/12/2022	CDW-G BILLABLE PARTS	1,350.56	
				S149039	2/12/2022	CDW-G BILLABLE PARTS	1,350.56	6,752.81
56275	2/18/2022	00225	COMMLINE INC	0346126-IN	1/28/2022	MONTHLY FEE FOR TECH SE	15,000.00	15,000.00

Bank : union UNION BANK			(Continued)					
Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
56276	2/18/2022	00101	CORDOVA, TONY	021822	2/18/2022	RETIREE MED PREM/MAR 20	601.00	601.00
56277	2/18/2022	00879	CROWN CASTLE	1049201	2/1/2022	REDUNDANT INTERNET SER	1,100.00	1,100.00
56278	2/18/2022	00103	DIVINITY, TANJI	021822	2/18/2022	RETIREE MED PREM/MAR 20	570.78	570.78
56279	2/18/2022	00651	FRONTIER	7002Z664-S-22C	2/5/2022	PHONE SERV 2/05/22-3/04/22	118.55	
				Y002Z665-S-22C	2/5/2022	PHONE SERV 2/05/22-3/04/22	80.94	199.49
56280	2/18/2022	00070	GAS COMPANY, THE	059 194 8982 2	2/7/2022	GAS SERVICE HQ/ 1/4/22-2/3/	1,810.37	
				059 194 8982 2	1/6/2022	GAS SERVICE HQ/ 12/4/21-1/4	1,724.12	3,534.49
56281	2/18/2022	00940	HAWKINS, JAMES	020122	2/1/2022	TUITION REIMB/FY 2021-22	920.00	920.00
56282	2/18/2022	00760	LAWLES ENTERPRISES, INC.	11434	2/8/2022	BACKGROUND INVESTIGATI	600.00	600.00
56283	2/18/2022	00671	MARC R. COHEN, MD	FY21-22-07	2/1/2022	MEDICAL DIRECTOR SERVIC	2,541.67	2,541.67
56284	2/18/2022	00116	MEADORS, LATANYA	021822	2/18/2022	RETIREE MED PREM/MAR 20	527.48	527.48
56285	2/18/2022	00047	MOTOROLA SOLUTIONS, INC.	8281321868	2/4/2022	MOTOROLA SOLUTIONS INC	9,974.01	
				16171955	1/24/2022	MOTOROLA SOLUTIONS INC	6,791.40	16,765.41
56286	2/18/2022	00577	NEW LOOK AUTO DETAIL	2571	1/4/2022	VEHICLE MAINTENANCE & D	105.00	
				2585	2/7/2022	VEHICLE MAINTENANCE & D	105.00	210.00
56287	2/18/2022	00121	PINELA, ELIZABETH	0211822	2/18/2022	RETIREE MED PREM/MAR 20	570.78	570.78
56288	2/18/2022	00060	RIVERA, JOSE	021822	2/18/2022	RETIREE MED PREM/MAR 20	557.02	557.02
56289	2/18/2022	00145	SETINA MFG CO INC	239625	2/7/2022	SETINA MANUFACTURING CO	172.65	172.65
56290	2/18/2022	00824	SMART JANITORIAL, COMPLE	19134	2/1/2022	HQ MAINTENANCE - CLEANIN	3,466.81	3,466.81
56291	2/18/2022	00460	SPECTRUM BUSINESS	1133787020422	2/4/2022	COMMUNICATION CONTRAC	1,900.00	1,900.00
56292	2/18/2022	00034	STEVENS, GARY	021822	2/18/2022	RETIREE MED PREM/MAR 20	601.00	601.00
56293	2/18/2022	00996	WAGeworks INC., HEALTHE	INV3366856	1/24/2022	MONTHLY COMPLIANCE FEE	92.00	92.00
56294	2/18/2022	00150	WATTCO	58299-42676	2/8/2022	WATTCO BILLABLE PARTS	2,995.00	
				58299-42561	1/21/2022	WATTCO BILLABLE PARTS	1,045.00	4,040.00
56295	2/18/2022	00735	XEROX FINANCIAL SERVICES	3076881	2/8/2022	OFFICE EQUIPMENT LEASE	1,073.64	1,073.64
Sub total for UNION BANK:							90,318.83	

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Bank : union UNION BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total	
20401	2/25/2022	00219	INTERNAL REVENUE SERVICE	Ben33758	2/25/2022	FEDERAL WITHHOLDING TAX	31,664.42	31,664.42
20402	2/25/2022	00223	EMPLOYMENT DEVEL DEPT	Ben33762	2/25/2022	STATE DISABILITY INSURANC	12,486.63	12,486.63
20403	2/25/2022	00222	STATE DISBURSEMENT UNIT	Ben33768	2/25/2022	SUPPORT: PAYMENT	184.62	184.62
20404	2/25/2022	00058	CALPERS	Ben33760	2/25/2022	PERS RETIREMENT: PAYMEN	36,562.84	36,562.84
20405	2/25/2022	00221	MISSIONSQUARE RETIREMEI	Ben33764	2/25/2022	DEFERRED COMPENSATION	16,053.79	16,053.79
56296	2/25/2022	00002	AFLAC	Ben33752	2/25/2022	AFLAC INSURANCE: PAYMEN	2,920.94	2,920.94
56297	2/25/2022	00217	CALIFORNIA TEAMSTERS UN	Ben33754	2/25/2022	UNION DUES TEAMSTERS: P	1,732.50	1,732.50
56298	2/25/2022	00218	CWA LOCAL 9400	Ben33756	2/25/2022	UNION DUES CWA: PAYMENT	260.30	260.30
56299	2/25/2022	00996	WAGEWORKS INC., HEALTHE	Ben33766	2/25/2022	HEALTH CARE FSA: PAYMEN	196.16	196.16
Sub total for UNION BANK:							102,062.20	



G-3



# Staff Report

South Bay Regional Public Communications Authority

**MEETING DATE:** March 15, 2022

**ITEM:** G-3

**TO:** Executive Committee

**FROM:** M. Ross Klun, Executive Director

**SUBJECT:** AB 361 FINDINGS FOR SPECIAL BROWN ACT  
REQUIREMENTS FOR TELECONFERENCE MEETINGS

## **SUMMARY:**

Staff has placed this item on the agenda to give the Executive Committee an opportunity to make findings specific in AB 361 (2021) for special Brown Act requirements for teleconference meetings. These special requirements give local public agencies greater flexibility to conduct teleconference meetings when there is a declared state of emergency and either social distancing is mandated or recommended, or an in-person meeting would present imminent risks to the health and safety of attendees.

## **RECOMMENDATION:**

Staff recommends that the Executive Committee make the following findings so that meetings of the Executive Committee will be subject to the AB 361 special Brown Act requirements for teleconference meetings: 1) the Executive Committee has reconsidered the circumstances of the COVID-19 state of emergency; and 2) state and local officials continue to recommend measures to promote social distancing.

## **BACKGROUND**

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings. The special rules included provisions allowing local public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment, without having to use teleconference locations that are publicly accessible, and without having to identify teleconference locations on the agenda. Those special rules expired September 30, 2021.

On September 16, 2021, in anticipation of the then-imminent expiration of his special rules for teleconference meetings, the Governor signed AB 361. In key part, this bill amends the Brown Act to establish special requirements for teleconference meetings if a legislative

body of a local public agency makes two findings pursuant to Government Code section 54953(e)(3). Like the special rules in the Governor's executive orders, the special Brown Act requirements in AB 361 include provisions allowing public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment, without having to use teleconference locations that are public accessible, and without having to identify teleconference locations on the agenda. The AB 361 special Brown Act requirements are scheduled to be repealed on January 1, 2024.

In order for a local public agency to be subject to the AB 361 Brown Act requirements for teleconference meetings, a legislative body of a local public agency first must make a finding that it has "reconsidered" the circumstances of a declared state of emergency. Second, the legislative body must find that such emergency continues to directly impact the ability of the legislative body's members to meet in person. Alternatively, for the second finding, the legislative body must find that state or local officials continue to impose or recommend social distancing measures. These findings must be made within 30 days after the legislative body teleconferences for the first time under AB 361 and every 30 days thereafter.

The COVID-19 state of emergency declaration is still in effect. Furthermore, the State of California and the County of Los Angeles have recommended measures to promote social distancing. Thus, the California Division of Occupational Safety and Health still requires that employers provide training on the effectiveness of physical distancing in the workplace. Additionally, the Los Angeles County Department of Public Health still encourages people at risk for severe illness or death from COVID-19 to take protective measures such as social distancing and, for those not yet fully vaccinated, to physically distance from others whose vaccination status is unknown. The County Health Department also continues to recommend that employers take steps to support physical distancing.

#### **FISCAL IMPACT**

None.

G-4



# Staff Report

## South Bay Regional Public Communications Authority

**MEETING DATE:** March 15, 2022

**ITEM NUMBER:** G-4

**TO:** Executive Committee

**FROM:** John Krok, Administrative Services Manager

**SUBJECT:** APPROVE A CHANGE PURCHASE ORDER TO COMMLINE INCORPORATED IN THE AMOUNT OF \$50,000 FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$65,000 FOR SUPPLIES AND EQUIPMENT

**ATTACHMENT:** None

### **RECOMMENDATION**

Staff recommends the Executive Committee to approve a change purchase order in the amount of \$50,000 to Commline Incorporated for supplies and equipment.

### **BACKGROUND**

The Executive Committee approved a blanket purchase order ("BPO") to Commline Incorporated in the amount of \$15,000 on June 15, 2021. Because year-end expenditures associated with purchases from this vendor are anticipated to total \$65,000, approval of the Executive Committee for this change purchase order is required, per Resolution 316 adopted on August 21, 2018.

### **DISCUSSION**

The Authority maintains an agreement with Commline for all of its radio programming and infrastructure maintenance needs. Additionally, Commline is also an authorized dealer for Motorola, Kenwood, Vertex Standard, Icom and many other leading manufacturers of communications equipment. As such, this vendor is used by the TSD to procure equipment and supplies used for upfitting the Authority's member and contract agencies' public safety vehicles.

### **FISCAL IMPACT**

Funds for the above requested change purchase order, which total \$50,000, are included in the Fiscal Year 2021/22 Adopted Budget. Additionally, all costs associated with the upfitting of vehicles are 100% reimbursable by the member or contract agencies requesting the service.

G-5



# Staff Report

## South Bay Regional Public Communications Authority

**MEETING DATE:** March 15, 2022

**ITEM NUMBER:** G-5

**TO:** Executive Committee

**FROM:** M. Ross Klun, Executive Director

**SUBJECT:** AGREEMENT BETWEEN THE CITY OF CULVER CITY AND THE SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY FOR EMERGENCY POLICE AND FIRE DISPATCH SERVICES

**ATTACHMENTS:** 1. Culver City Police and Fire Dispatch Agreement (Redlined)  
2. Culver City Police and Fire Dispatch Agreement

### **RECOMMENDATION**

Staff recommends that the Executive Committee authorize the Executive Director to execute the attached Agreement with Culver City on behalf of the Authority.

### **DISCUSSION**

On February 15, 2022, The Executive Committee authorized the Authority to enter into a new 5-Year Emergency Police and Fire Dispatch Agreement with Culver City for the period March 1, 2022 to March 1, 2027. The City desired changes to the version of the Agreement that was presented to the Executive Committee on February 15, 2022. First, the City wants to amend the end date of the Agreement from March 1, 2027 and extend it to June 30, 2027 so that the end of the term of the Agreement corresponds with the City's end of fiscal year. Second, the City wants to incorporate their insurance requirements into the Agreement as had been the case in the previous 5-Year Agreement. The Authority currently meets or exceeds all of the City's insurance requirements. Finally, the Authority wants to change the authorizing party for the Agreement to include only the Executive Director rather than the Executive Director and Chairperson of the Executive Committee. This is consistent with other dispatch agreements for the Authority. All of these requested changes have been reviewed and approved of by the Authority's General Counsel.

### **FISCAL IMPACT**

None. The proposed FY22-23 budget incorporates services for the City of Culver City.

G-5

Attachment 1



**AGREEMENT FOR EMERGENCY  
POLICE AND FIRE DISPATCH SERVICES**

THIS AGREEMENT FOR EMERGENCY POLICE AND FIRE DISPATCH SERVICES ("Agreement") is entered into as of the date set forth below by and between the City of Culver City, a charter city and municipal corporation ("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 and fire departments.
- 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.

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 five (5) years commencing from March 1, 2022, and expiring on ~~June 30~~March 4, 2027. Thereafter, the parties may mutually agree to renew this Agreement for additional designated periods by written 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 Culver City 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. The foregoing notwithstanding, Authority acknowledges that City also operates certain of the City Channels pursuant to the FCC authorization bearing their call signs WPRS450 (Cul Access), WPNX959 (Cul Tac 11/12), KR6058 (Med Channels), WQFT346 (Bus Data), WPMP974 (Low Band), WPQF693 (LAAFCA Mutual Aid), and will not interpose an objection to the City's continued use of those City Channels consistent with that authorization, so long as such use causes no harmful interference to Authority's use of the City

Channels on behalf of City. If City obtains the use of additional frequency assignments, those are not subject to this Agreement and are for exclusive use of City unless City otherwise specifies in writing.

- 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 and fire dispatch services on a 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 separate dispatch console for dispatch services to the City's Police Department. City's Fire Department shall be dispatched by the Authority's multi-agency fire dispatch.
  - 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 and fire 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 and Fire 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 and Fire 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 of 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.

~~9.~~

10. 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 broad 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 CGL 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 under Paragraph 11 of this agreement;
- iv. The City of Culver City, members of the City Council, its boards and commissions, officers, agents, and employees will be named as an additional insured in an endorsement to the policy, which shall be provided to the City and approved by the City Attorney.

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.

40-11. 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 Culver City 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.

41-12. 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.

42-13. Entire Agreement. This Agreement contains the full and entire agreement between and among the parties with respect to the entire subject matter hereof and supercedes 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.

43-14. Amendments to Agreement. This Agreement may be amended only by a subsequent agreement in writing signed by all parties to this Agreement.

44-15. 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.

45-16. 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.

46-17. 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.

17-18. 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 Culver City  
9770 Culver Blvd.  
Culver City, CA 90232

CC to:                   City Attorney  
City of Culver City  
9770 Culver Blvd.  
Culver City, CA 90232

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.

18-19. 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.

19-20. 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 \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

CITY OF CULVER CITY

SOUTH BAY REGIONAL PUBLIC  
COMMUNICATIONS AUTHORITY

\_\_\_\_\_  
JOHN NACHBAR, City Manager  
~~CLINT OSORIO, Chairperson~~

\_\_\_\_\_  
M. ROSS KLUN, Executive Director  
~~Executive Committee~~

\_\_\_\_\_  
M. ROSS KLUN, Executive Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
HEATHER BAKER, City Attorney

\_\_\_\_\_  
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%
<b>Total</b>	<b>100%</b>

**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%	<b>100%</b>
Financial support	50%	50%	<b>100%</b>
Personnel and support services support	92%	8%	<b>100%</b>
Operations support	100%	0%	<b>100%</b>

**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%
<b>Total</b>	<b>11.0</b>	<b>100%</b>

**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:

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

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.

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

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.

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

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%
<b>Total</b>	<b>100%</b>

**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%
<b>Total</b>	<b>100%</b>	<b>50%</b>

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%
<b>Total</b>	<b>100%</b>	<b>50%</b>

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.

**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.

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Attachment 2

**AGREEMENT FOR EMERGENCY  
POLICE AND FIRE DISPATCH SERVICES**

THIS AGREEMENT FOR EMERGENCY POLICE AND FIRE DISPATCH SERVICES ("Agreement") is entered into as of the date set forth below by and between the City of Culver City, a charter city and municipal corporation ("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 and fire departments.
- 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.

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 five (5) years commencing from March 1, 2022, and expiring on June 30, 2027. Thereafter, the parties may mutually agree to renew this Agreement for additional designated periods by written 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 Culver City 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. The foregoing notwithstanding, Authority acknowledges that City also operates certain of the City Channels pursuant to the FCC authorization bearing their call signs WPRS450 (Cul Access), WPNX959 (Cul Tac 11/12), KR6058 (Med Channels), WQFT346 (Bus Data), WPMP974 (Low Band), WPQF693 (LAAFCA Mutual Aid), and will not interpose an objection to the City's continued use of those City Channels consistent with that authorization, so long as such use causes no harmful interference to Authority's use of the City

Channels on behalf of City. If City obtains the use of additional frequency assignments, those are not subject to this Agreement and are for exclusive use of City unless City otherwise specifies in writing.

- 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 and fire dispatch services on a 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 separate dispatch console for dispatch services to the City's Police Department. City's Fire Department shall be dispatched by the Authority's multi-agency fire dispatch.
  - 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 and fire 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 and Fire 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 and Fire 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 of 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. 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 broad 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 CGL 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 under Paragraph 11 of this agreement;
    - iv. The City of Culver City, members of the City Council, its boards and commissions, officers, agents, and employees will be named as an additional insured in an endorsement to the policy, which shall be provided to the City and approved by the City Attorney.
  - 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.

11. 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 Culver City 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.

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 supercedes 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.

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 Culver City  
9770 Culver Blvd.  
Culver City, CA 90232

CC to:                   City Attorney  
City of Culver City  
9770 Culver Blvd.  
Culver City, CA 90232

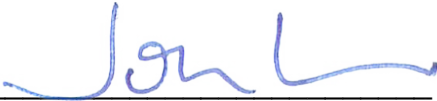
AUTHORITY:           Attention: Executive Director  
South Bay Regional Public Communications Authority  
4440 West Broadway  
Hawthorne, CA 90250

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 \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF CULVER CITY

  
\_\_\_\_\_  
JOHN NACHBAR, City Manager

SOUTH BAY REGIONAL PUBLIC  
COMMUNICATIONS AUTHORITY

\_\_\_\_\_  
M. ROSS KLUN, Executive Director

APPROVED AS TO FORM:

*Lisa Vidra for*  
\_\_\_\_\_  
HEATHER BAKER, City Attorney

APPROVED AS TO FORM:

\_\_\_\_\_  
JENNIFER PETRUSIS, General Counsel

# EXHIBIT “A”

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1. Administrative costs
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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.

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4. Capital Outlay: Any capital improvement program expenses
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3. Revenue Offsets: Reimbursement revenues
4. Incoming Indirect Support: Administrative costs and support received from the Technical Services Division

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<b>Total</b>	<b>100%</b>	<b>32%</b>

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.

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

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

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%
<b>Total</b>	<b>100%</b>

**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%
<b>Total</b>	<b>100%</b>	<b>50%</b>

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%
<b>Total</b>	<b>100%</b>	<b>50%</b>

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.

**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.

I



# Staff Report

## South Bay Regional Public Communications Authority

**MEETING DATE:** March 15, 2022

**ITEM NUMBER:** I-1

**TO:** Executive Committee

**FROM:** John Krok, Administrative Services Manager

**SUBJECT:** MEMORANDUM OF UNDERSTANDING BETWEEN SOUTH BAY REGIONAL PUBLIC COMMUNICATIONS AUTHORITY AND THE COMMUNICATIONS WORKERS OF AMERICA

**ATTACHMENTS:**

1. Tracked Changes Communications Workers of America (CWA) January 1, 2021 – December 31, 2021 Memorandum of Understanding (MOU)
2. Communications Workers of America (CWA) 2022-2025 Memorandum of Understanding

### **RECOMMENDATION**

Staff recommends that the Executive Committee approve and authorize the Executive Director to execute the attached memorandum of understanding between the South Bay Regional Public Communications Authority and the Communications Workers of America.

### **BACKGROUND:**

The Communications Workers of America (CWA) bargaining group represents all communications supervisors within the Authority. The last memorandum of understanding (MOU) for this group expired on December 31, 2021. Representatives of the CWA bargaining group and the Authority, have met and conferred in good faith from the beginning of November 2021 through Mid-February 2022 and have agreed to the terms found in the attached MOU. The new agreement has a term of three (3) and ½ years from January 1, 2022 to June 30, 2025.

### **DISCUSSION**

Significant terms of the proposed MOU are as listed below:

1. Term of Agreement
  - January 1, 2022 – June 30, 2025
2. Salary (Appendix A)

Negotiated salary increases are as follows:

3.50% (effective February 19, 2022) *includes the elimination of floating holidays*  
2.35% (effective January 2023)  
2.00% (effective January 2024)  
1.00% (effective January 2025)

3. Section 10.13 Bilingual Pay

The Authority shall pay each designated employee a bilingual pay of one hundred dollars (\$100) per month payable monthly at the first paycheck of the month.

4. Section 10.14 Deferred Compensation

The Authority will contribute up to \$125 matching funds per month.

5. Section 10.15 – One-Time Payment

Effective the first full pay period following approval and adoption of the MOU each employee will receive a \$1000 one-time payment.

6. Section 11.2 Contribution Amount

Increase in contribution amount toward an employee's medical and dental insurance premiums. Scheduled increases as follows:

Effective March 1, 2022:	\$1400 for employee+1
	\$1500 for family

7. Section 11.15—Flexible Spending Account

The Authority will make an annual \$500 contribution to each employee's FSA account.

8. Section 11.8—Retirees Medical

(a) Minimum fifteen (15) years of service with Authority \$300.00 per month

(b) Minimum twenty (20) years of service with Authority \$500.00 per month

\*Amounts now match Teamster's Retiree Monthly benefit

9. General

- Reorganization of articles and sections.
- Clarifying language to improve the ease of understanding and/or administration of MOU provisions.
- Memorialization of procedures and practices not previously contained in the MOU.
- Removal of language no longer applicable or out of date and addition of new language clarifying current practices.
- Corrections or revisions to language in existing contract terms.

**FISCAL IMPACT**

The projected cost increase for this Memorandum of Understanding over the three (3) and ½ year period is \$242,00 which is equivalent to 2.52% of the total compensation associated with the Communications Workers of America (CWA) bargaining group.

I

Attachment 1

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN**  
**SOUTH BAY REGIONAL PUBLIC**  
**COMMUNICATIONS AUTHORITY**  
**and**  
**THE COMMUNICATIONS WORKERS OF AMERICA**

January 1, ~~2021-2022~~ through June 30, 2025~~December 31, 2021~~

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## PREAMBLE

THIS AGREEMENT is made and entered into by and between the South Bay Regional Public Communications Authority (Authority) and the Communications Workers of America (Union). Agreement is binding upon Authority only upon approval of the Executive Committee and shall apply from January 1, 2022 through ~~December 31, 2021~~ June 30, 2025

## ARTICLE 1 -- CONCLUSIVENESS OF AGREEMENT

Section 1.1 -- Agreement Conclusive. This Agreement contains all of the promises and agreements of the parties. Therefore, for the life of this Agreement, neither party shall be compelled to bargain with the other concerning any mandatory bargaining issue, whether or not that issue was raised at a meet and confer session preceding this Agreement, unless the parties agree to bargain about it. There are two sub-groups of employees, which are defined as: Group A employees are Supervisors with a hire date prior to October 25, 2011; Group B employees are Supervisors with a hire date after October 25, 2011.

## ARTICLE 2 -- RECOGNITION OF UNION

Section 2.1 -- Union Recognition. The Authority recognizes the Union as the exclusive representative for all employees in the job classification of Communications Supervisor.

## ARTICLE 3 -- MANAGEMENT RIGHTS

Section 3.1 -- Management Rights. The Authority retains all rights not specifically delegated by this Agreement, including, but not limited to, the exclusive right to determine its mission; set standards of service; determine procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; contract out work; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work. The determination of whether or not an emergency exists is solely within the discretion of the Authority and is expressly excluded from the grievance procedure. Both parties further agree that failure to exercise any prerogative or exercising one in a certain manner, shall not be deemed a waiver of the right to exercise the right or to exercise it in a new or different manner. This Section in no way sets aside the employee's right to use the grievance procedure as defined.

## ARTICLE 4 -- NO STRIKE, NO LOCKOUT

Section 4.1 -- Work Interruption. During the life of this Agreement, the Union will not cause, authorize, advise, or encourage any interruption of work or any other concerted action. The term "interruption of work" shall include any work stoppage or strike (including economic or unfair labor practice strikes) or any intentional slowdown of work. The term "other concerted action" includes picketing or boycott activities by the Union, and refusal to work on and handle equipment, or produce any materials or services because of a labor dispute. Authority shall reprimand, suspend, demote, or terminate or otherwise discipline any employee who actively engages in such action against the Authority during the life of this Agreement. Any disciplinary action as a result of this Section by the Authority shall be the final and binding administrative action upon the Union and its members, and shall in no case be considered as a violation by the Authority of any provision of this Agreement.

Section 4.2 -- Lockout. The Authority will not lock out any employee.

Section 4.3 -- Discipline. Any employee engaging in any action prohibited by this Article shall be subject to immediate discharge or other discipline as the Authority may assess. Such discharge or discipline shall not be reviewable through any grievance procedure.

## ARTICLE 5 -- PAYROLL DEDUCTIONS

Section 5.1 -- Union Security. Under Federal labor laws and obligations under this Agreement, the Union is required to fairly and equally represent all of the employees in the bargaining unit without regard to whether or not the employee is a member of the Union.

All employees who are members of the Union in good standing and all employees who thereafter become members shall, except as specified in the Article, remain members of the Union in good standing for the duration of this Agreement as a condition of employment. Members shall be considered in good standing as long as they tender the periodic dues uniformly required as a condition of membership.

If a dispute arises as to whether an employee was a member of the Union in good standing under the above provisions, such dispute may be submitted and settled as mutually agreed by the Authority and the Union.

The Authority agrees to provide payroll deductions of membership dues upon the written authorization of employees in the unit, on forms provided to the Authority. Each employee covered by this Agreement shall have dues deducted in accordance with applicable administrative procedures for the duration of this Agreement.

Section 5.2 -- Indemnity. The Union shall hold harmless, indemnify and provide a defense for the Authority against any claim, demand, suit, or other form of liability that shall arise out of action taken or not taken by the Authority in complying with the provisions of this Article.

## ARTICLE 6 -- SAVINGS PROVISION

Section 6.1 -- Separability. Should any provision of this Agreement be declared illegal or invalid by decision of a Court of Law or any administrative agency, all other provisions of this Agreement shall nevertheless remain valid, subsisting, and in full force and effect. In the event of any such invalidation, the parties agree to meet and to attempt to negotiate substitute provisions for the provisions declared illegal or invalid.

## ARTICLE 7 -- MEAL PERIOD AND BREAK PERIOD

Section 7.1 -- Nature of Work. Both parties recognize that the nature of emergency dispatching requires staffing twenty-four (24) hours a day. Both parties further recognize that the workload is sporadic and not evenly spaced during the shift or workday.

Section 7.2 -- Breaks. Each employee's paid breaks and meal periods shall be taken under the following guidelines:

2 hours:	no break
4 hours:	no break
6 or more hours:	one 15-minute break
8 or more hours:	one 15-minute break and one 30-minute meal period
12 or more hours:	two 15-minute breaks and one 30-minute meal period
16 or more hours:	three 15-minute breaks and one 30-minute meal period

Employees must remain on-site during their break and meal periods. The Authority must respond to emergency situations, and when an emergency occurs as determined by the Authority, the above-stated periods may be cancelled during a shift.

If paid breaks or meal periods cannot be accommodated as stated in the guidelines above, employees shall take their paid breaks and meals as they can accommodate them; however, in no event shall an employee be away from the Communications Center for more than thirty (30) minutes at one time.

Section 7.3 -- Failure to Grant. Both parties further recognize that the workload will not always allow granting of such meal and break periods. Failure of the Authority to appropriately schedule adequate personnel for breaks may be the subject of a grievance.

## ARTICLE 8 -- HARASSMENT AND DISCRIMINATION

Section 8.1 -- No Discrimination. The Union and the Authority agree not to discriminate against any employee or applicant because of age, sex, race, national origin, religion, and/or Union membership and activity.

Section 8.2 -- No Harassment. The Authority expects and requires all employees to treat one another with dignity and respect. Harassment of fellow employees is a violation of law. No employment decision may be made based upon an employee's submission to, or, rejection of such conduct. Any employee who believes that he or she is the victim of such harassment, whether

sexual, racial, ethnic, or religious, is required to immediately report the conduct to a supervisor, the Operations Manager, Administrative Services Manager, or the Executive Director. Any employee who engages in such conduct is subject to disciplinary action including immediate discharge.

## ARTICLE 9 -- ATTENDANCE AND LEAVES

Section 9.1 -- Bereavement Leave (Death in Immediate Family). In the event of death of a member of the employee's immediate family, bereavement leave may be granted to such employee, with the approval of the Executive Director. Such leave shall be compensated at the straight time rate.

"Immediate family" is construed to mean father, mother, husband, wife, brother, sister, child, stepchild, stepfather, stepmother, father-in-law, mother-in-law, legal guardian, foster child, foster parent, or any of them. Grandparent, grandchild, or significant other, is also considered "immediate family." A "significant other" must be designated to the Authority sixty (60) days before death in order for an employee to obtain bereavement leave. A maximum of three (3) days shall be granted for such leave. Absence under this subsection is not chargeable to sick leave.

In the event of death of an employee's uncle, aunt, niece, nephew, brother-in-law or sister-in-law, a one day bereavement leave may be granted to such employee, with the approval of the Executive Director. Such leave shall be compensated at the straight time rate.

Section 9.2 -- Compensatory Time Off. Compensatory time may be granted by the Executive Director as an alternate method of compensation for overtime work. In lieu of paid overtime, an employee may accrue compensatory time at the earned rate, either straight time or time and one half depending on the hours actually worked in that employee's work week. Employees shall accrue no more than one hundred (100) hours of compensatory time

The Authority shall not allow compensatory time accrual when a Communications Supervisor is in an overtime status for another Communications Supervisor or Operator who is in a compensatory time status. The Union agrees that there shall be no pyramiding or compounding of compensatory accrual. The Communications Supervisor bargaining unit shall be responsible for covering staffing levels when compensatory time has been authorized and a sick leave or other unscheduled leave vacancy occurs in the schedule. The Authority shall fill the unscheduled vacancy with a Communications Supervisor unit member by voluntary or mandatory overtime, whichever is most practical at the time.

### Section 9.3 -- Holidays.

(a) Paid Fixed Holidays. The Authority shall observe eight (8) fixed holidays, eight (8) hours per holiday: New Year's Day, Martin Luther King's Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, and Christmas Day.

Fixed Holiday time earned in a calendar year must be taken off by June 30 of the subsequent calendar year. Failure to do so will result in the loss of the time. Upon employment termination, unused holidays earned will be compensated at the employee's base rate of pay, which is defined as the employee's base salary per the salary schedule without any special pay.

(b) Paid Floating Holidays. In addition to the fixed holidays listed above, all full-time employees will

be paid for seven (7) floating holidays when taken any time during the calendar year. Floating holidays do not carry over from year to year, but must be used during the year in which earned. Employee must be on paid status for six (6) days in each pay period in order to earn a paid floating holiday for that pay period. There shall be no limit as to the number of floating holidays taken at one time, as long as the ones taken have been earned. Accrual of floating holidays shall be handled as follows:

- (1) Permanent employees shall be awarded three (3) floating holidays on January 1 of each year; an additional four (4) will be awarded on July 1.
- (2) Probationary employees shall receive floating holidays depending upon their hire dates, as follows:

<u>Hire Date</u>	<u>Number Awarded</u>	<u>When Awarded</u>
Jan 1-Feb 28 (29)	7	3 on hire date, 4 on July 1
Mar 1-Apr 30	6	2 on hire date, 4 on July 1
May 1-Jun 30	5	1 on hire date, 4 on July 1
Jul 1-Aug 31	4	On hire date
Sep 1-Oct 31	3	On hire date
Nov 1-Dec 31	2	On hire date

Upon employment termination, floating holidays awarded will be compensated at the employee's base rate of pay, which is defined as the employee's base salary per the salary schedule without any special pay.

An employee who has been awarded more floating holiday time than that which would be accrued on a pro-rated bi-weekly basis (2.538 hours bi-weekly), shall not be paid for any holiday time which exceeds what he/she would have accrued on a pro-rated bi-weekly basis as of the date of termination. An employee who has used more holiday time than that which would be accrued on a pro-rated bi-weekly basis, shall have deducted from his/her final paycheck, an amount equivalent to the holiday time which exceeds what he/she would have accrued on a pro-rated bi-weekly basis as of the date of termination.

Effective February 19, 2022, the parties have agreed to eliminate floating holidays. After this date, employees will not be eligible to use or be paid for any floating holidays.

Section 9.4 -- Hours of Work. Employees shall be required to work a minimum of eight (8) hours per assigned workday. Based on each employee's particular work schedule, an employee may be assigned to work up to twelve (12) hours per day. Employees for whom necessity requires a different schedule than that generally applied, exemplified as staff services, training and special assignments, shall work according to regulations prepared by the respective department managers and approved by the Executive Director.

- (a) Work Week. An employee's work week is a fixed and regularly recurring period of one hundred ~~sixty-eight~~sixty-eight (168) hours, seven (7) consecutive twenty-four (24) hour periods. A work week need not coincide with the calendar week but may begin on any day and at any hour of the day. Work week(s) shall be designated by the Authority. For all

employees working a 3/12 work schedule (three [3], twelve-hour [12] work days per work week with one eight-hour [8] workday every other workweek, which will always be on the day of the week either preceding the first 12-hour shift or following the third twelve-hour [12] shift of that week) their work week shall begin exactly four (4) hours into their eight hour shift on the day of the week which constitutes their alternating regular day off.

For employees scheduled to work a 5/40 (five, eight-hour workdays per work week) or a 4/10 (four ten-hour work days per work week), their workweek shall begin at 12:00 a.m. on Friday and end the following Thursday at 11:59 p.m.

For all employees working a 9/80 work schedule (five, nine-hour days one week, followed by three, nine- hour days and an eight hour day the following week) their workweek shall begin exactly four (4) hours into their eight (8) hour shift on the day of the week, which constitutes their alternating regular day off.

- (b) Definitions of Hours Worked. Hours worked will be calculated as provided for by the Fair Labor Standards Act (FLSA) for actual time worked. Hours worked do not include time for which persons are compensated but do not actually work; specifically, sick leave, vacation leave, holiday leave, bereavement leave, injury leave, military leave, compensatory leave, jury duty or any other leave of absence.- A trade will be considered as actual hours worked for the absent employee.
- (c) During the term of this agreement, the Authority has the right to make schedule changes based on operational needs at anytime by giving impacted employees thirty (30) days notice.
- (d) Work Schedules. During the term of this Agreement, the Authority has the right to make schedule changes based on operational needs at anytime by giving impacted employees thirty (30) days notice.

Section 9.5 – Leaves. No less than, all provisions provided for by California State and/or Federal law shall be granted to full-time employees.

Section 9.6 -- Injury Leave. Each employee is authorized injury leave when the employee suffers an illness or injury while on duty, or arising in and out of the course of employment. In such cases, the employee is eligible to receive compensation as provided in the State Workers' Compensation Act. At no time may an employee use accumulated sick leave for an injury or illness which is compensable under the provisions of the Workers' Compensation Act of the State of California.

Section 9.7 -- Jury Duty Leave. A full-time employee of the Authority who is duly summoned for jury duty during the employee's regular work schedule, and who provides a copy of the jury duty summons to the Authority, shall be entitled, while so actually serving, to his/her regular compensation up to a maximum of fifteen (15) calendar days, provided he/she deposits with the Authority, all fees received for service. No overtime payment to the affected juror shall result from jury duty. Court-paid mileage fees may be retained by the employee. Employee shall return to Authority after employee is released from actual service. Employee may call or text in to speak to the Operations Manager or his/her designee, to request an exception, and the Operations Manager or his/her designee, shall reasonably exercise his/her discretion. If employee is not able

to speak with Operations Manager or his/her designee to obtain approval for the exception, employee shall return to Authority. Employee released from actual service during scheduled working hours, who receives approval not to return to Authority shall use available holiday, vacation, or compensatory time off for the work hours remaining in the regularly scheduled shift. Authority will not compensate for jury service performed on employee's regularly scheduled days off.

Section 9.8 -- Unpaid Leave of Absence. An unpaid, non-medical leave of absence not to exceed ninety (90) calendar days may be requested by granted to an employee. Decisions whether to grant such a leave will be made by the Executive Director in his/her discretion and based on the operational needs of the Authority. The decision of the Executive Director is final and not otherwise

grieveable or appealable.  
~~for good cause providing operational requirements are met. Leaves of absence shall not be granted during holiday seasons or when there is a personnel shortage, unless other employees sufficiently trained are available and willing to do the additional work.~~

The ~~length of~~ maximum length of an unpaid leave of absence ~~granted~~ shall be based on the employee's length of continuous service with Authority.

Less than one year	_____ 10 calendar days maximum
One year to less than three <u>years</u>	30 calendar days maximum
Three years to less than five <u>years</u>	60 calendar days maximum
Greater than five years	_____ 90 calendar days maximum

~~Granting unpaid leave of absence will take into account all other employees' approved leave time. In no case shall more than one full time employee be absent on approved leave or leave of absence at the same time.~~

### Request Procedures

~~Granting unpaid leave of absence will take into account all other employees' approved leave time. In no case shall more than one full time employee be absent on approved leave or leave of absence at the same time.~~

Granting an unpaid leave of absence shall take into account all other employees' approved leave time. In no case shall more than Only one (1) full-time employee be absent on approved leave or unpaid leave of absence at the same time. Only one (1) unpaid, non-medical leave of absence may be granted an employee in a calendar year. Except in case of emergency, a written and fully documented request for unpaid leave of absence should be received by the Executive Director at least thirty (30) calendar days prior to the effective date of the unpaid leave. In all cases, an employee must exhaust all use of appropriate accrued leave entitlements—balances before requesting an unpaid leave of absence.—should be considered before requesting an unpaid leave of absence. Once an employee is on an unpaid leave of absence, accrued leave entitlements may not be used. Unpaid leaves of absence are not to be used to circumvent the vacation and holiday scheduling process. When an employee is unable to request an unpaid leave of absence ~~due to injury, illness, travel, or similar reasons~~, he/she may be administratively placed on leave of absence.

Upon receipt of a request for an unpaid leave of absence, the Executive Director will either approve or deny the request and notify the employee of this determination in writing. This notice will also include the start and end dates of the unpaid leave of absence and the date which the employee is expected to return to work.



## Benefits

Sick leave, holidays, and vacation leave do not accrue during the unpaid leave of absence. Seniority, time in service, performance evaluation scheduling, and eligibility for merit increases will be extended by the length of any ~~are affected by an~~ unpaid leave of absence pursuant to this Section. ~~If a General wage increases-increase is~~ granted to other employees during the unpaid leave of absence, the increase will not be implemented until the employee actually returns to work.

## Return To Work

Employees returning from a leave of absence of more than ten (10) calendar days will notify the Executive Director five (5) working days before their actual return date. The employee will be returned to his/her original job status.

## Extension of Leave

Employees may request ~~an extensions~~ of their ~~approved-unpaid~~ leave of absence, provided that the extension does as long as they do not result in the leave exceeding the maximum time allowed for their years of service. Such request should be in writing and received by the Executive Director at least two (2) weeks in advance of the expiration of their-the unpaid leave of absence. Extension of the unpaid leave of absence must be approved by the Executive Director. The decision of the Executive Director is final and not otherwise grievable or appealable.

## Cancellation of Leave

An employee may request, in writing, cancellation of an ~~approved-unpaid~~ leave of absence at any time before or during ~~said-the~~ leave by submitting a written request, explaining the reason for cancellation.

## Violating Leave of Absence

The following constitutes violations of the spirit and intent of granting an unpaid leave of absence, and shall result in automatic separation or resignation by the employee or termination of the employee:

- (a) Employees who engage in or apply for other employment while on an unpaid leave of absence will be considered as having quit without notice.
- (b) Employees who fail to return from an unpaid leave of absence on the prescribed day, and have not obtained an extension will be considered as having quit without notice.
- ~~(c)~~ Employees who obtain an approved leave of absence through fraud or misrepresentation shall be subject to discharge.

~~(d)~~

~~An employee must receive prior written approval to be on leave of absence. "Last minute" requests for leave of absence, without prior written approval, shall be considered an unauthorized absence from duty unless the Executive Director and the employee deem the leave of absence an emergency.~~

~~(e)(c)~~

Section 9.9 – Maternity/Paternity Leave. Leave will be provided as required by State and/or Federal law.

Section 9.10 -- Military Leave. Military leave shall be granted to full-time employees in accordance with the provisions of State of California law. All full-time employees entitled to military leave shall give the Executive Director an opportunity, within the limitations of military regulations, to determine when such leave shall be taken.

Section 9.11 -- Sick Leave. Each full-time employee is eligible for paid sick leave upon completion of three (3) months continuous service. Accrual of this leave begins on the first day of the first pay period after day of hire and at the rate of ten (10) hours per month. An eligible employee may accrue a maximum of five hundred (500) hours of paid sick leave.

- (a) General Sick Leave Policy. Sick leave is not a discretionary privilege, but is allowed only in case of family or employee illness or for routine doctor, visual care, and dental appointments with advanced supervisor's approval. All sick leave must be approved by the employee's supervisor, who will verify eligibility and leave balance with ~~the Administration Manager and/or the Financial Accountant~~Authority's payroll records. For purposes of this Section, family is defined as a spouse, a child of any age or dependency status, a parent, a parent-in-law, a registered domestic partner, a grandparent, grandchildren, or a sibling and/or children residing in the household.

No employee will accrue sick leave unless at least ~~eighty (80) hours~~seventy-two (72) hours ~~six (6) days~~ are in paid status during the payroll period. Approved paid sick leave, paid vacation leave, paid holidays, paid compensatory time, paid jury duty, paid bereavement leave, temporary military leave of absence, or absence due to work-related disability shall be considered time worked under this Section. When an employee has used all accumulated sick leave, further absence shall be charged to any and all accrued vacation leave and compensatory time. Employees receiving State disability payments will not be required to exhaust vacation leave and compensatory time while on disability.

- (b) Conditions for Eligibility for Sick Leave Compensation. To receive paid sick leave, the employee must meet the following conditions:
- (1) The employee must notify his/her immediate supervisor at least two (2) hours prior to the beginning of work, and indicate the location and telephone number where he/she may be reached.
  - (2) When the employee is absent for three (3) or more consecutive working days, a doctor's certification of illness will be furnished upon return to work. A supervisor may require an employee to furnish a doctor's certificate for lesser absences to establish proof of illness. Submittal shall be made upon return to work.
  - (3) Employees returning from an absence due to illness or disability may be required to be examined by the Authority's physician at Authority expense.

- (4) At no time will sick leave be authorized for injuries compensable under Workers' Compensation Insurance.
- (5) The Authority reserves the right to periodically check validity of employee's or family member's illness through telephone when the Authority has reasonable suspicion that the employee is feigning his/her or a family member's illness. If deemed ineligible by a physician for sick leave compensation, an employee absent under such conditions may be subject to disciplinary action.
- (c) The employee, the Union, and the Authority recognize that **the use of** sick leave is a privilege granted to the employee and should be viewed by the employee as insurance, and is not to be considered a means of compensation or extra vacation.
- (d) The employee, the Union, and the Authority recognize the necessity for timeliness in reporting for duty assignments.

Section 9.12 -- Vacation Leave. Each full-time employee is eligible for paid vacation leave upon completion of twelve (12) months' continuous service. Accrual of this leave begins on the first day of the first pay period after twelve (12) months' continuous service is completed. A one-time award of forty-eight (48) hours Vacation Leave shall be made upon satisfactory completion of probation. Employees promoted within the organization shall retain their current vacation leave schedule and do not receive a one-time award of forty-eight (48) hours upon completion of probation. Upon employment termination, vacation leave is computed up to, and including the last day worked. Vacation leave shall be earned in accordance with the following schedule:

<u>Completed Years of Service</u>	<u>Hours Earned Per Month</u>	<u>Hours Earned Per Year</u>	<u>Maximum Accumulation</u>
Less than 5	8	96	144
5 through 9	12	144	240
10 or more	16	192	336

The vacation year shall be the calendar year. All accumulation maximums shown above. Cannot be exceeded and accumulation stops until accrual is below maximum. If requirements of the service necessitate cancellation of scheduled vacation leave and it cannot be rescheduled and used before the end of the calendar year, a maximum of forty hours (40) in addition to the accrual maximums may be carried over for use not later than February 1 of the following calendar year.

No employee will accrue vacation leave unless at least ~~six (6) days~~ **eighty (80) seventy-two (72) hours** are in paid status during the payroll period. Approved paid sick leave, paid vacation leave, paid holidays, paid compensatory time, paid jury duty, paid bereavement leave, temporary military leave of absence, or absence due to work-related disability, shall be considered time worked under this Section.

Section 9.13 -- Accrual Rate Schedule. All employees hired into the Communications Supervisor group after April 1, 2018, shall retain their current accruals schedule for Vacation leave, Holiday Time, Floating Holiday Time and Sick Leave.

## ARTICLE 10 -- SPECIAL AND OTHER PAYS

Section 10.1 -- Acting Pay. Employees assigned to a higher position in an acting status during the absence of an incumbent or to fill a vacancy until the vacancy can be filled by appointment, shall receive ~~five-seven and one-half~~ percent (7.5%) per hour above their current base salary. Eligibility for compensation shall begin only when the ~~incumbent Executive Director of the higher position~~ certifies the ability of the employee to fill the higher position.

Section 10.2 -- Annual Payment for Unused Sick Leave (Optional). Annually, each permanent employee may convert, for cash, a limited number of hours of sick leave. Leave balances will be determined as of the end of the pay period nearest to, but not past, October 31<sup>st</sup> of each year. The hours to be converted will be determined by the completed years of service as shown below. Payment will be calculated as a percentage of the employee's base rate. A separate check may be issued for this amount.

Employees desiring to sell back unused sick leave shall be allowed to sell back hours above a forty (40) hour bank and provided they have only utilized ~~eighty-four (84)~~ hours of sick leave accrual ~~during the preceding twelve (12) month period as of the end of the pay period nearest to, but not past October 31st of each year.~~

<u>Completed Years of Service</u>	<u>Maximum Hours That May be Converted</u>	<u>Conversion Rate</u>
2 or more	120	85% of base rate

Section 10.3 -- Annual Payment for Unused Vacation Leave (Optional). Annually, each permanent employee may convert, for cash, a limited number of hours of vacation leave. Leave balances will be determined as of the end of the pay period nearest to, but not past, October 31<sup>st</sup> of each year. The number of hours to be converted will be determined by the completed years of service as shown below. Payment will be calculated as a percentage of the employee's base rate.

<u>Completed Years of Service</u>	<u>Maximum Hours That May be Converted</u>	<u>Conversion Rate</u>
Less than 5	60	90% of base rate
5 or more	90	90% of base rate

Section 10.4 -- Annual Payment for Unused Holiday ~~and Floating Holiday~~ Leave (Optional). Annually, each employee may convert, for cash, any amount of hours of holiday compensatory leave ~~and/or floating holiday leave~~. No one shall be required to do this, but may if desired. Leave balances shall be determined at of the end of the pay period nearest to, but not past October 31 each year. The holiday ~~and floating holiday~~ hours will be at 100% of the employee's base rate of pay which is defined as the employee's base salary per the salary schedule without any special pay.

Section 10.5 -- Court Pay. Payment shall be made to any Authority full-time employee who, when in an off-duty status, is required by a subpoena of an Officer of the Court, or competent authority, to appear in court and provide testimony in matters on behalf of the Authority or its member

agencies, that relate to performance of duties as an Authority employee, at the prescribed overtime or compensatory time rate for all hours such employee must remain at the Court. Employees who receive Court time pay shall surrender to the Authority any witness fees they receive as a result of the subpoena. Employees shall retain Court-paid mileage fees.

#### Section 10.6 -- Education.

(a) The Authority agrees to an educational (college or university courses) reimbursement of \$4,000 per year for books and tuition towards an Associates or ~~Bachelors~~Bachelor's Degree, upon successful completion with a grade level of "C" or better and if job related and pre-approved by the Executive Director. Courses must be from an accredited college. The total lifetime reimbursement during employment at the Authority is not to exceed \$12,000. Course transcripts and receipts must be provided. The definition of "job related" shall be determined by the Executive Director, whose decision shall be final. Course transcripts including course name, grade, and dates of course and receipts must be submitted no later than 30 days of course completion. Reimbursement shall be awarded in the fiscal year in which the course was completed.

(b) Educational Incentive: Prior to April 1, 2018, employees receiving an educational bonus will be capped at the dollar amount equivalent to their current educational bonus rate. Current employees who complete their Bachelor's Degree by June 30, 2019 shall receive \$550.00 a month. After April 1, 2018, employees will receive the following educational bonus pays:

Public Safety designation such as a Registered Public Leader (RPL) through APCO shall receive shall receive an educational bonus of \$200.00 a month.

Associate's degree shall receive an educational bonus of \$350.00 a month.

Bachelors or master's and above degree shall receive an educational bonus of \$450.00 a month.

Such educational bonus shall not be compounded.

Section 10.7 Overtime Work. Overtime will be paid to employees as required by the FLSA for actual work hours in excess of forty (40) hours in the defined FLSA workweek. No leave hours shall count as hours worked and hours worked in excess of scheduled hours in a day or shift shall not trigger overtime. Only hours actually worked in excess of forty (40) hours in the defined FLSA workweek shall entitle an employee to receive overtime compensation.

In case of emergency or whenever the public interest or necessity requires, any department may require any employee in such department to perform overtime work. No employee shall be required to perform overtime work, except in accordance with approved policies and upon the approval of the Executive Director or his designee. Overtime shall not be paid in those cases where an employee is called back from paid leave. In this case, the employee shall be deemed to have returned to regular work status, be paid regular salary, and not be charged for paid leave for those hours actually worked.

Section 10.8 -- Termination Pay. Upon termination, the employee will be paid for accrued ~~vacation~~ ~~vacation~~-leave (not more than the maximum accumulation listed in Section 9.11-12 for completed

service) and holiday compensatory time earned but not taken, if in accordance with the limitations established in Section 9.3. Accrued sick leave is not compensable on termination. Limited payment for accrued compensatory time is authorized in Section 9.2.

Section 10.9 -- Travel Allowance. Subject to the audit and approval of the Executive Director or his designee, employees of the Authority shall (except where a specific allowance for automobile use is made) be entitled to receive expense reimbursements for furnishing to said Authority their own personal automobiles in the performance of the duties necessary to their respective offices or employment, at the Internal Revenue Service's (IRS) prevailing rate ~~(i.e., an employee may only seek reimbursement for any miles driven in excess of their regular commute).~~ All mileage expense reimbursement requests under this Section must be rendered within thirty (30) days ~~of incurring such expenses, and after the last date upon which the use was made, and~~ must indicate the specific purpose for which the automobile was used. The Executive Director may establish certain limits of liability on automobile insurance that must be maintained by employees and employees may be required to provide proof of insurance coverage to the Authority in order to be eligible for reimbursement.

Section 10.10 -- Union Steward Compensation. Relief for a Union steward performing Union business, specifically negotiations and meet and confer issues, when requested by the Authority shall be as follows:

- (a) A Union steward scheduled to work shall be relieved from his/her scheduled duties when conducting negotiations with the Authority, or when meeting with the membership for ratification of a contract.
- (b) A Union steward not scheduled to work shall be compensated in the form of overtime compensation. No compensatory time off shall be authorized in lieu of such compensation.
- (c) A total bank of one hundred (100) hours for Union steward compensation shall be provided for negotiation purposes. The Authority agrees to compensate Union stewards for being called in while off duty for Authority requested meetings. No compensatory time off shall be authorized in lieu of such compensation.

Section 10.11 -- Public Safety Memberships. Once a year, upon request the Authority ~~will~~ reimburse ~~for~~ the cost of one of the following Public Safety memberships not to exceed a combined total of \$150.00: APCO, NENA, CPRA, POST, CCUG.

Section 10.12 -- Computer Loan Program. Once every 3 years, the Authority will loan up to \$2000 interest- free for the purpose of purchasing a computer for personal use. The loan may be used toward a laptop, desktop, keyboard, and/or mouse, and must be paid via payroll deduction and must not exceed 20 months . Upon separation from the Authority, any loan balance will be deducted from the employee's final paycheck.

Section 10.13 -- Bilingual Pay. An employee who is responsible for bilingual interpretation, and whose use of this language is of significant benefit to the operations of the Authority, as determined by the Executive Director, shall receive bilingual pay according to the following rules:

- (a) To be eligible for bilingual pay, a permanent employee must have passed a language proficiency test that is job-related to the duties and responsibilities of a Communications



Supervisor. The test need not be written, but may include verbal skills in communications with non-English speaking persons.

(b) The Authority shall pay each designated employee a bilingual pay of one hundred dollars (\$100) per month payable monthly at the first paycheck of the month.

(a)(c) A test shall be conducted in February each year, at the discretion of the Executive Director, and all successful applicants shall begin receiving bilingual pay as of July 1 following the examination.

Section 10.14 – Deferred Compensation. Effective February 19, 2022, the Authority will contribute up to \$125 matching funds per month toward each employee’s deferred compensation contribution.

Section 10.15 – One-Time Payment. Effective the first full pay period following approval and adoption of the MOU dated January 1, 2022 through June 30, 2025, each full-time Communications Supervisor shall receive a \$1000 one-time payment. To be eligible, employees must be employees by the Authority on the day the MOU is approved.

## ARTICLE 11 -- FRINGE BENEFITS

Section 11.1 -- Insurance Benefits Program. Each full-time employee is eligible to participate in the Authority’s selected group insurance benefits program on the following bases:

Section 11.2 -- Contribution Amount. ~~Effective September 1, 2015, the~~The Authority shall, under a Section 125 Cafeteria, Flexible or Optional Benefit Plan, contribute ~~\$1400~~\$1300.00 per month towards each employee’s medical and dental insurance premiums. ~~Effective April 1, 2018, the Authority will contribute \$1150.00 per month towards each employee’s medical and dental insurance premiums. Effective July 1, 2018, the Authority will contribute \$1200 per month. Effective July 1, 2019, the Authority will contribute \$1250 per month. Effective upon approval and adoption of this Agreement, the Authority will contribute \$1300 per month.~~ This amount includes the Authority’s contribution towards health insurance plan premium for each employee, which is the mandatory employer contribution required under California Government Code Section 22892(b) of the Public Employees’ Medical and Hospital Care Act (PEMHCA). Effective March 1, 2022, the Authority shall increase the contribution amount to \$1400 for employees enrolled in an employee +1 medical plan, and to \$1500 for employees enrolled in a family medical plan.

Section 11.3 -- IRS Section 125 Cafeteria Plan. ~~SEffective upon approval and adoption of this Agreement,~~ should the Authority’s contribution exceed the actual cost of the medical and dental insurance premiums, or should employee voluntarily elect not to participate pursuant to Section 11.7, below, employee shall not receive any cash back.

Section 11.4 -- Medical-Dental Plans. Full-time employees and their dependents shall be eligible for coverage in the medical and dental plans under the terms and conditions of the contract executed between the Authority and the insurance providers selected by the Authority.

Section 11.5 -- Medical-Dental Insurance Coverage - When Employee is on Family Medical

Leave (FMLA). When the employee's FMLA leave has been approved by Authority, Authority shall continue to provide its share of the medical/dental insurance premium up to twelve (12) work weeks in accordance with the FMLA guidelines.

Section 11.6 - Medical-Dental Insurance Coverage When Employee is on Unpaid Status. The Authority shall pay for thirty (30) days from the date the employee is on leave without pay. If employee is out longer than 30 days in unpaid status, he/she will be provided with a COBRA notice and permitted to continue receiving Authority provided medical/dental insurance coverage at the employee's own expense as provided per COBRA. Failure to pay the COBRA premium will result in the loss of insurance coverage until such time the employee returns on paid status.

Section 11.7 - Medical Plan Waiver. Should employee voluntarily elect not to participate in the Authority's medical insurance, the employee must provide proof of medical insurance coverage under a spouse's or another medical insurance plan.

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

- (a) Minimum fifteen (15) years of service with Authority      ~~\$302~~50.00 per month
- (b) Minimum twenty (20) years of service with Authority      ~~\$450~~0.00 per month
- (c) Employees who retire from the Authority before July 1, 2014, shall receive up to seven hundred fifty dollars (\$750) per month for employee-only medical premiums, as long as the Authority remains in PEMHCA.

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

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



Section 11.9 - Life Insurance Plan. All full-time employees shall receive a life insurance policy covering the employee in the amount of \$100,000. Authority shall pay one hundred (100%) of the premium. Retired employees shall be allowed to continue this benefit at the employee's expense at the Authority's rate.

Section 11.10 -- Vision Plan. All full-time employees and their dependents shall be eligible for coverage in the vision plan under the terms and conditions of the contract executed between Authority and the insuring agency. Authority shall pay one hundred percent (100%) of the premium.

Section 11.11 -- Retirement. Authority has a contract with the California Public Employees' Retirement System (CalPERS) for coverage under the basic plan for non-safety employees without modifications. All full-time employees who work more than half time (more than an average of eighty-seven (87) hours per month or more than a total of five hundred twenty-two [522] hours in a six [6] month period) or who have qualified for retirement coverage under CalPERS by virtue of previous employment with Authority or elsewhere, are required to participate in this system. For employees hired prior to October 25, 2011, the Authority shall provide a CalPERS contract of two percent (2%) at fifty-five (55) based on the employee's single highest year.

- (a) Effective July 1, 2014, Group A employees (with a hire date prior to October 25, 2011), will contribute one quarter of the employees' contribution PERS rate or one and three quarters percent (1.75%) of their salary, including all special pays and on July 1, 2015 will contribute an additional one quarter of the employee's contribution PERS rate or one and three quarters percent (1.75%) of their salary, including all special pays for a total of three and one half percent (3 ½ %).

For Group B employees (with a hire date after October 25, 2011), the Authority shall provide a PERS contract of two percent (2%) at sixty (60), based on the employees' three (3) highest consecutive years. These employees will also contribute the full seven percent (7%) of their salary, including special pays, toward the employee's contribution.

For all "new members" the retirement benefit formula is 2% at 62. A "new member" is defined as follows: A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013 and who has no prior membership in any California public retirement system; A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013 and who is not eligible for reciprocity with another California public retirement system; and a member who first established CalPERS membership prior to January 1, 2013, and who is rehired by a different CalPERS employer after a break in service of greater than six months. These employees will contribute 50% of normal cost as determined by CalPERS.

Section 11.12 -- Time of Payments. Authority shall pay its portion of medical, dental, life insurance, and vision plan premiums for a period not to exceed 30 days after the expiration of paid leave entitlements.

Section 11.13 -- Uniforms. The Authority will initially issue four (4) uniforms and two (2) more uniforms every two (2) years thereafter, excluding shoes.

Section 11.14 -- Quality Assurance Program. The parties to this Memorandum of Understanding agree that a Quality Assurance Program shall be developed by the Management of the Authority and the Communications Supervisors.

Section 11.15 -- Flexible Spending Account. The Authority will ~~provide offer~~ the additional benefit of a flexible spending account. ~~During the current 2022-2025 Agreement, t~~The Authority will ~~make an annual \$500 contribution to each employee's FSA. establish this optional benefit following the approval and adoption of this Agreement. Once the FSA is established, the Authority will make a one time, \$500 contribution to each employee's FSA.~~

## ARTICLE 12 -- DEMOTION

Section 12.1 -- Pay. When a promoted employee is subsequently demoted, whether voluntarily or not, from a position in one pay grade to the position in a lower pay grade, the rate of pay after demotion shall be the same as the rate of pay the employee received immediately before the promotion, plus any cost-of-living increase awarded all employees during the interim. Should this action require assigning the demoted employee to a pay step higher than the highest step on the appropriate pay scale, the employee shall be Y-rated after assignment.

Section 12.2 -- Seniority. When a probationary promoted employee is subsequently demoted, whether voluntarily or not, from a position in one pay grade to a position in a lower pay grade, the seniority date of the employee after demotion shall be the same as it was before promotion. Demotion of a permanent employee shall require issuance of a new seniority date equal to the date of the demotion.

## ARTICLE 13 -- GRIEVANCE PROCEDURE

Section 13.1 -- Introduction. The grievance procedure is established in order to promote improved employer/employee relations by affording employees an informal method for further consideration of complaints which have not been resolved through discussions.

Section 13.2 -- Definition. A grievance is any dispute concerning the interpretation or application of a written Memorandum of Understanding, or of Authority rules and regulations governing personnel practices or working conditions, and that contains all of the following information listed in the "Statement of Grievance," below. An impasse in meeting and conferring up the terms of a proposed Memorandum of Understanding is not a grievance.

Section 13.3 -- Right to Grieve. Any employee other than probationary employees (see Section 13.4) shall have the right to grieve a decision affecting his/her employment made by the Authority, and related to those matters defined in Section 13.2. Employees have the right to grieve written reprimands up through Step 3 of the grievance procedure outlined below. Employees have the right to grieve job evaluations up to Step 2 of the grievance procedure outlined below. Oral reprimands are not subject to grievance. Appeals of suspensions, demotions, terminations, and other disciplinary actions shall be subject to the provisions of Article 14.

Section 13.4 -- Probationary Employee's Limited Right to Grieve. A probationary employee may grieve only a disciplinary action administered without just cause. Termination or reduction of

probationary employee for failure to acquire the skills necessary to perform the job shall not be considered a disciplinary action.

Section 13.5 -- Statement of Grievance. A concern is not a grievance unless the affected employee is able to state each of the following: the date of the alleged violation; the specific provision(s) of this Agreement or Authority Rules & Regulations that were allegedly violated; a description of facts regarding how the alleged violation occurred; and a list of all persons who are witnesses or are involved. A Statement of Grievance must be signed by the employee filing the grievance to certify that it is filled in good faith.

Section 13.5-6 -- Informal Grievance Procedure. An employee who wishes to grieve should first discuss the matter with his/her immediate supervisor within five (5) working days of the incident. If not satisfied with the decision reached by this discussion, the employee shall then have the right to file a formal grievance in writing, within ten (10) working days after receiving the informal decision of the immediate supervisor.

Section 13.6-7 -- Formal Grievance Procedure.

(a) First level of review (Step 1):

A grievance shall be presented, in writing, to the employee's immediate supervisor, who shall review it and render a decision to the employee within five (5) working days after receiving it. A supervisor's decision shall include the reasons for the decision. If the employee does not agree with the supervisor's decision, or if no response has been received in five (5) working days, the employee may, within five (5) working days, present an appeal, in writing, to the next level of supervision.

If the employee is not satisfied with the decision rendered at this level of supervision, the decision may be appealed to the Executive Director. This appeal must be made within five (5) working days after receipt of the previous written decision or if no written decision was rendered.

(b) Executive Director Review (Step 2) :

The Executive Director shall promptly discuss the grievance with the employee, the employee's representative, if any, and any other persons having relevant information. The Executive Director shall render his/her decision, including the reason for his/her decision, within ten (10) working days.

(c) ~~Board of Review Step~~Executive Committee Review (Step 3)

To be eligible for ~~Board of~~Executive Committee Review-~~Step~~, the grievance must be submitted to the Executive Committee within twenty (20) calendar days of the receipt of the final Step 2 decision.

(1) Upon receipt of the grievance, the Executive ~~Secretary Assistant~~ will, within five (5) working days, submit to the Union a list of the members of the ~~Board of Review~~Executive Committee.

- (2) The hearing at this step shall be convened within fifteen (15) calendar days of the notification of the ~~selected Board of Review member~~Executive Committee.
- (3) The final decision will be submitted to the Union within twenty (20) calendar days of the final Step 3 hearing.

#### ARTICLE 14 -- DISCIPLINARY PROCEDURE

Resolution ~~40283, Rule XXI~~, shall be modified as set forth below:

- (a) ~~Section 1~~—Appeals chart shall provide for appeal the Executive Committee to the Board of Review for all suspensions of Communications Supervisors.
- (b) ~~The footnote to Section 1 shall~~Shall provide that "~~oral-Oral~~ and ~~written-Written~~ reprimands are not subject to appeal pursuant to this rule; however, written reprimands are subject to the grievance procedure ~~of in Rule XV.~~Article 13 of the CWA MOU."

#### ARTICLE 15 -- IMPASSE PROCEDURE

Resolution ~~40283, Rule XXII, Section 16~~, shall be modified as follows:

- (a) The parties submit to each other their written statements of the issues.
- (b) The parties then schedule further meetings to resolve the issues.
- (c) If the issues are not resolved, either party may request mediation through the California State Mediation and Conciliation Service.
- (d) If the issues are not resolved, and the impasse still exists, the parties shall then submit written statements of their final position to the Executive Committee.
- (e) The Executive Committee will then make a final determination on the issues.

#### ARTICLE 16 -- EVALUATION CRITERIA

Each personnel evaluation shall measure the employee's performance, attendance, and punctuality record.

Section 16.1 -- Attendance. No more than eighty (80) hours sick leave (in ~~an calendar~~year~~evaluation year~~) shall be deemed satisfactory; more than 80 hours sick leave shall be deemed unsatisfactory.

Section 16.2 -- Leave of Absence.

- (a) Emergency/pre-approved leave of absence shall not be considered in the evaluation criteria covered in Section 16.1.

(b) Unapproved leave of absence shall be considered according to Section 16.1.

The ~~above-mentioned~~above-mentioned Article and Sections shall be calculated on an calendar evaluation year basis.

Section 16.3 -- Performance. Incidents of discipline concerning performance shall be judged on a case by case basis subject to the grievance procedure outlined elsewhere in this Memorandum of Understanding.

Section 16.4 -- Punctuality. No more than three (3) tardies (in an evaluative year) shall be deemed satisfactory; more than three (3) tardies shall be deemed unsatisfactory.

## APPENDIX A

### COMPENSATION AS OF FEBRUARY 19, 2022

- 3.5% increase of the base rate effective February 19, 2022.
- 2.35% increase of the base rate effective the first full pay period in January 2023.
- 2.00% increase of the base rate effective the first full pay period in January 2024.
- 1.00% increase of the base rate effective the first full pay period in January 2025.

### COMPENSATION AS OF JULY 1, 2016

On April 1, 2018February 19, 2022, a 32.5% increase of the base rate will be applied.

On July 1, 2018January , 2023, a 2.35% increase of the base rate will be applied.

On July 1, 2019January , 2024, a 2.5% increase of the base rate will be applied.

On January , 2025, a 1% increase of the base rate will be applied.

#### BASE RATE

	<u>CY 2022</u>		<u>CY 2023</u>		<u>CY 2024</u>		<u>CY 2025</u>	
	<u>Monthly</u>	<u>Hourly</u>	<u>Monthly</u>	<u>Hourly</u>	<u>Monthly</u>	<u>Hourly</u>	<u>Monthly</u>	<u>Hourly</u>
<u>Step A</u>	<u>\$7,086.61</u>	<u>\$40.88</u>	<u>\$7,253.15</u>	<u>\$41.85</u>	<u>\$7,398.21</u>	<u>\$42.68</u>	<u>\$7,472.19</u>	<u>\$43.11</u>
<u>Step B</u>	<u>\$7,430.83</u>	<u>\$42.87</u>	<u>\$7,605.46</u>	<u>\$43.88</u>	<u>\$7,757.57</u>	<u>\$44.76</u>	<u>\$7,835.14</u>	<u>\$45.20</u>
<u>Step C</u>	<u>\$7,792.24</u>	<u>\$44.96</u>	<u>\$7,975.35</u>	<u>\$46.01</u>	<u>\$8,134.86</u>	<u>\$46.93</u>	<u>\$8,216.21</u>	<u>\$47.40</u>
<u>Step D</u>	<u>\$8,171.71</u>	<u>\$47.14</u>	<u>\$8,363.74</u>	<u>\$48.25</u>	<u>\$8,531.02</u>	<u>\$49.22</u>	<u>\$8,616.33</u>	<u>\$49.71</u>
<u>Step E</u>	<u>\$8,570.17</u>	<u>\$49.44</u>	<u>\$8,771.57</u>	<u>\$50.61</u>	<u>\$8,947.00</u>	<u>\$51.62</u>	<u>\$9,036.47</u>	<u>\$52.13</u>
<u>Step F*</u>	<u>\$8,988.54</u>	<u>\$51.86</u>	<u>\$9,199.77</u>	<u>\$53.08</u>	<u>\$9,383.77</u>	<u>\$54.14</u>	<u>\$9,477.60</u>	<u>\$54.68</u>
<u>Step G*</u>	<u>\$9,427.85</u>	<u>\$54.39</u>	<u>\$9,649.40</u>	<u>\$55.67</u>	<u>\$9,842.39</u>	<u>\$56.78</u>	<u>\$9,940.81</u>	<u>\$57.35</u>

subject to the Operations Manager's recommendation and the Executive Director's approval.

\*Compensation at Step "F" shall only be awarded to an employee who has demonstrated an average or above average level of competency for the classification after having been compensated for a minimum of at least two (2) years in Step "E". The award of Step "F" shall only be made upon and after a recommendation by the Operations Manager and subsequent approval of said recommendation by the Executive Director.

The award of compensation at Step "F" will only be maintained as long as the employee maintains an average or above average level of competency as documented by the annual performance evaluation.

\*\*Compensation at Step "G shall only be awarded to an employee who has demonstrated an average or above average level of competency for the classification after having been compensated for a minimum of at least two (2) years in Step "F". The award of Step "G" shall only be made upon and after a recommendation by the Operations Manager and subsequent approval of said recommendation by the Executive Director.

The award of compensation at Step "G" will only be maintained as long as the employee maintains an average or above average level of competency as documented by the annual performance evaluation.

## **APPENDIX S**

### **SIGNATURE PAGE**

In witness whereof, the parties hereto have caused this Memorandum of Understanding to be executed this \_\_\_th day of ~~April~~ March 20224.

On behalf of the South Bay Regional  
Public Communications Authority

On behalf of the Communications  
Workers of America

---

Ross Klun  
Executive Director

---

Steve Maldonado  
Vice President  
CWA Local 9400

---

John Krok  
Administrative Services Manager

---

Lena Maria Ramos  
Bargaining Committee Member

---

Veramendi

---

~~Megan~~ ~~Cunningham~~ Jannette  
Bargaining Committee Member



I

# Attachment 2

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN**  
**SOUTH BAY REGIONAL PUBLIC**  
**COMMUNICATIONS AUTHORITY**  
**and**  
**THE COMMUNICATIONS WORKERS OF AMERICA**

**January 1, 2022 through June 30, 2025**

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## PREAMBLE

THIS AGREEMENT is made and entered into by and between the South Bay Regional Public Communications Authority (Authority) and the Communications Workers of America (Union). Agreement is binding upon Authority only upon approval of the Executive Committee and shall apply from January 1, 2022 through June 30, 2025

## ARTICLE 1 -- CONCLUSIVENESS OF AGREEMENT

Section 1.1 -- Agreement Conclusive. This Agreement contains all of the promises and agreements of the parties. Therefore, for the life of this Agreement, neither party shall be compelled to bargain with the other concerning any mandatory bargaining issue, whether or not that issue was raised at a meet and confer session preceding this Agreement, unless the parties agree to bargain about it. There are two sub-groups of employees, which are defined as: Group A employees are Supervisors with a hire date prior to October 25, 2011; Group B employees are Supervisors with a hire date after October 25, 2011.

## ARTICLE 2 -- RECOGNITION OF UNION

Section 2.1 -- Union Recognition. The Authority recognizes the Union as the exclusive representative for all employees in the job classification of Communications Supervisor.

## ARTICLE 3 -- MANAGEMENT RIGHTS

Section 3.1 -- Management Rights. The Authority retains all rights not specifically delegated by this Agreement, including, but not limited to, the exclusive right to determine its mission; set standards of service; determine procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; contract out work; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work. The determination of whether or not an emergency exists is solely within the discretion of the Authority and is expressly excluded from the grievance procedure. Both parties further agree that failure to exercise any prerogative or exercising one in a certain manner, shall not be deemed a waiver of the right to exercise the right or to exercise it in a new or different manner. This Section in no way sets aside the employee's right to use the grievance procedure as defined.

## ARTICLE 4 -- NO STRIKE, NO LOCKOUT

Section 4.1 -- Work Interruption. During the life of this Agreement, the Union will not cause, authorize, advise, or encourage any interruption of work or any other concerted action. The term "interruption of work" shall include any work stoppage or strike (including economic or unfair labor practice strikes) or any intentional slowdown of work. The term "other concerted action" includes picketing or boycott activities by the Union, and refusal to work on and handle equipment, or produce any materials or services because of a labor dispute. Authority shall reprimand, suspend, demote, or terminate or otherwise discipline any employee who actively engages in such action against the Authority during the life of this Agreement. Any disciplinary action as a result of this Section by the Authority shall be the final and binding administrative action upon the Union and its members, and shall in no case be considered as a violation by the Authority of any provision of this Agreement.

Section 4.2 -- Lockout. The Authority will not lock out any employee.

Section 4.3 -- Discipline. Any employee engaging in any action prohibited by this Article shall be subject to immediate discharge or other discipline as the Authority may assess. Such discharge or discipline shall not be reviewable through any grievance procedure.

## ARTICLE 5 -- PAYROLL DEDUCTIONS

Section 5.1 -- Union Security. Under Federal labor laws and obligations under this Agreement, the Union is required to fairly and equally represent all of the employees in the bargaining unit without regard to whether or not the employee is a member of the Union.

All employees who are members of the Union in good standing and all employees who thereafter become members shall, except as specified in the Article, remain members of the Union in good standing for the duration of this Agreement as a condition of employment. Members shall be considered in good standing as long as they tender the periodic dues uniformly required as a condition of membership.

If a dispute arises as to whether an employee was a member of the Union in good standing under the above provisions, such dispute may be submitted and settled as mutually agreed by the Authority and the Union.

The Authority agrees to provide payroll deductions of membership dues upon the written authorization of employees in the unit, on forms provided to the Authority. Each employee covered by this Agreement shall have dues deducted in accordance with applicable administrative procedures for the duration of this Agreement.

Section 5.2 -- Indemnity. The Union shall hold harmless, indemnify and provide a defense for the Authority against any claim, demand, suit, or other form of liability that shall arise out of action taken or not taken by the Authority in complying with the provisions of this Article.

## ARTICLE 6 -- SAVINGS PROVISION

Section 6.1 -- Separability. Should any provision of this Agreement be declared illegal or invalid by decision of a Court of Law or any administrative agency, all other provisions of this Agreement shall nevertheless remain valid, subsisting, and in full force and effect. In the event of any such invalidation, the parties agree to meet and to attempt to negotiate substitute provisions for the provisions declared illegal or invalid.

## ARTICLE 7 -- MEAL PERIOD AND BREAK PERIOD

Section 7.1 -- Nature of Work. Both parties recognize that the nature of emergency dispatching requires staffing twenty-four (24) hours a day. Both parties further recognize that the workload is sporadic and not evenly spaced during the shift or workday.

Section 7.2 -- Breaks. Each employee's paid breaks and meal periods shall be taken under the following guidelines:

2 hours:	no break
4 hours:	no break
6 or more hours:	one 15-minute break
8 or more hours:	one 15-minute break and one 30-minute meal period
12 or more hours:	two 15-minute breaks and one 30-minute meal period
16 or more hours:	three 15-minute breaks and one 30-minute meal period

Employees must remain on-site during their break and meal periods. The Authority must respond to emergency situations, and when an emergency occurs as determined by the Authority, the above-stated periods may be cancelled during a shift.

If paid breaks or meal periods cannot be accommodated as stated in the guidelines above, employees shall take their paid breaks and meals as they can accommodate them; however, in no event shall an employee be away from the Communications Center for more than thirty (30) minutes at one time.

Section 7.3 -- Failure to Grant. Both parties further recognize that the workload will not always allow granting of such meal and break periods. Failure of the Authority to appropriately schedule adequate personnel for breaks may be the subject of a grievance.

## ARTICLE 8 -- HARASSMENT AND DISCRIMINATION

Section 8.1 -- No Discrimination. The Union and the Authority agree not to discriminate against any employee or applicant because of age, sex, race, national origin, religion, and/or Union membership and activity.

Section 8.2 -- No Harassment. The Authority expects and requires all employees to treat one another with dignity and respect. Harassment of fellow employees is a violation of law. No employment decision may be made based upon an employee's submission to, or, rejection of such conduct. Any employee who believes that he or she is the victim of such harassment, whether



sexual, racial, ethnic, or religious, is required to immediately report the conduct to a supervisor, the Operations Manager, Administrative Services Manager, or the Executive Director. Any employee who engages in such conduct is subject to disciplinary action including immediate discharge.

## ARTICLE 9 -- ATTENDANCE AND LEAVES

Section 9.1 -- Bereavement Leave (Death in Immediate Family). In the event of death of a member of the employee's immediate family, bereavement leave may be granted to such employee, with the approval of the Executive Director. Such leave shall be compensated at the straight time rate.

"Immediate family" is construed to mean father, mother, husband, wife, brother, sister, child, stepchild, stepfather, stepmother, father-in-law, mother-in-law, legal guardian, foster child, foster parent, or any of them. Grandparent, grandchild, or significant other, is also considered "immediate family." A "significant other" must be designated to the Authority sixty (60) days before death in order for an employee to obtain bereavement leave. A maximum of three (3) days shall be granted for such leave. Absence under this subsection is not chargeable to sick leave.

In the event of death of an employee's uncle, aunt, niece, nephew, brother-in-law or sister-in-law, a one day bereavement leave may be granted to such employee, with the approval of the Executive Director. Such leave shall be compensated at the straight time rate.

Section 9.2 -- Compensatory Time Off. Compensatory time may be granted by the Executive Director as an alternate method of compensation for overtime work. In lieu of paid overtime, an employee may accrue compensatory time at the earned rate, either straight time or time and one half depending on the hours actually worked in that employee's work week. Employees shall accrue no more than one hundred (100) hours of compensatory time

The Authority shall not allow compensatory time accrual when a Communications Supervisor is in an overtime status for another Communications Supervisor or Operator who is in a compensatory time status. The Union agrees that there shall be no pyramiding or compounding of compensatory accrual. The Communications Supervisor bargaining unit shall be responsible for covering staffing levels when compensatory time has been authorized and a sick leave or other unscheduled leave vacancy occurs in the schedule. The Authority shall fill the unscheduled vacancy with a Communications Supervisor unit member by voluntary or mandatory overtime, whichever is most practical at the time.

### Section 9.3 -- Holidays.

- (a) Paid Fixed Holidays. The Authority shall observe eight (8) fixed holidays, eight (8) hours per holiday: New Year's Day, Martin Luther King's Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, and Christmas Day.

Fixed Holiday time earned in a calendar year must be taken off by June 30 of the subsequent calendar year. Failure to do so will result in the loss of the time. Upon employment termination, unused holidays earned will be compensated at the employee's base rate of pay, which is defined as the employee's base salary per the salary schedule without any special pay.

- (b) Paid Floating Holidays. In addition to the fixed holidays listed above, all full-time employees will

be paid for seven (7) floating holidays when taken any time during the calendar year. Floating holidays do not carry over from year to year, but must be used during the year in which earned. Employee must be on paid status for six (6) days in each pay period in order to earn a paid floating holiday for that pay period. There shall be no limit as to the number of floating holidays taken at one time, as long as the ones taken have been earned. Accrual of floating holidays shall be handled as follows:

- (1) Permanent employees shall be awarded three (3) floating holidays on January 1 of each year; an additional four (4) will be awarded on July 1.
- (2) Probationary employees shall receive floating holidays depending upon their hire dates, as follows:

<u>Hire Date</u>	<u>Number Awarded</u>	<u>When Awarded</u>
Jan 1-Feb 28 (29)	7	3 on hire date, 4 on July 1
Mar 1-Apr 30	6	2 on hire date, 4 on July 1
May 1-Jun 30	5	1 on hire date, 4 on July 1
Jul 1-Aug 31	4	On hire date
Sep 1-Oct 31	3	On hire date
Nov 1-Dec 31	2	On hire date

Upon employment termination, floating holidays awarded will be compensated at the employee's base rate of pay, which is defined as the employee's base salary per the salary schedule without any special pay.

An employee who has been awarded more floating holiday time than that which would be accrued on a pro-rated bi-weekly basis (2.538 hours bi-weekly), shall not be paid for any holiday time which exceeds what he/she would have accrued on a pro-rated bi-weekly basis as of the date of termination. An employee who has used more holiday time than that which would be accrued on a pro-rated bi-weekly basis, shall have deducted from his/her final paycheck, an amount equivalent to the holiday time which exceeds what he/she would have accrued on a pro-rated bi-weekly basis as of the date of termination.

Effective February 19, 2022, the parties have agreed to eliminate floating holidays. After this date, employees will not be eligible to use or be paid for any floating holidays.

Section 9.4 -- Hours of Work. Employees shall be required to work a minimum of eight (8) hours per assigned workday. Based on each employee's particular work schedule, an employee may be assigned to work up to twelve (12) hours per day. Employees for whom necessity requires a different schedule than that generally applied, exemplified as staff services, training and special assignments, shall work according to regulations prepared by the respective department managers and approved by the Executive Director.

- (a) **Work Week.** An employee's work week is a fixed and regularly recurring period of one hundred sixty-eight (168) hours, seven (7) consecutive twenty-four (24) hour periods. A work week need not coincide with the calendar week but may begin on any day and at any hour of the day. Work week(s) shall be designated by the Authority. For all employees working a

3/12 work schedule (three [3], twelve-hour [12] work days per work week with one eight-hour [8] workday every other workweek, which will always be on the day of the week either preceding the first 12-hour shift or following the third twelve-hour [12] shift of that week) their work week shall begin exactly four (4) hours into their eight hour shift on the day of the week which constitutes their alternating regular day off.

For employees scheduled to work a 5/40 (five, eight-hour workdays per work week) or a 4/10 (four ten-hour work days per work week), their workweek shall begin at 12:00 a.m. on Friday and end the following Thursday at 11:59 p.m.

For all employees working a 9/80 work schedule (five, nine-hour days one week, followed by three, nine- hour days and an eight hour day the following week) their workweek shall begin exactly four (4) hours into their eight (8) hour shift on the day of the week, which constitutes their alternating regular day off.

- (b) **Definitions of Hours Worked.** Hours worked will be calculated as provided for by the Fair Labor Standards Act (FLSA) for actual time worked. Hours worked do not include time for which persons are compensated but do not actually work; specifically, sick leave, vacation leave, holiday leave, bereavement leave, injury leave, military leave, compensatory leave, jury duty or any other leave of absence. A trade will be considered as actual hours worked for the absent employee.
- (c) During the term of this agreement, the Authority has the right to make schedule changes based on operational needs at anytime by giving impacted employees thirty (30) days notice.
- (d) **Work Schedules.** During the term of this Agreement, the Authority has the right to make schedule changes based on operational needs at anytime by giving impacted employees thirty (30) days notice.

Section 9.5 – Leaves. No less than, all provisions provided for by California State and/or Federal law shall be granted to full-time employees.

Section 9.6 -- Injury Leave. Each employee is authorized injury leave when the employee suffers an illness or injury while on duty, or arising in and out of the course of employment. In such cases, the employee is eligible to receive compensation as provided in the State Workers' Compensation Act. At no time may an employee use accumulated sick leave for an injury or illness which is compensable under the provisions of the Workers' Compensation Act of the State of California.

Section 9.7 -- Jury Duty Leave. A full-time employee of the Authority who is duly summoned for jury duty during the employee's regular work schedule, and who provides a copy of the jury duty summons to the Authority, shall be entitled, while so actually serving, to his/her regular compensation up to a maximum of fifteen (15) calendar days, provided he/she deposits with the Authority, all fees received for service. No overtime payment to the affected juror shall result from jury duty. Court-paid mileage fees may be retained by the employee. Employee shall return to Authority after employee is released from actual service. Employee may call or text in to speak to the Operations Manager or his/her designee, to request an exception, and the Operations Manager or his/her designee, shall reasonably exercise his/her discretion. If employee is not able

to speak with Operations Manager or his/her designee to obtain approval for the exception, employee shall return to Authority. Employee released from actual service during scheduled working hours, who receives approval not to return to Authority shall use available holiday, vacation, or compensatory time off for the work hours remaining in the regularly scheduled shift. Authority will not compensate for jury service performed on employee's regularly scheduled days off.

Section 9.8 -- Unpaid Leave of Absence. An unpaid, non-medical leave of absence not to exceed ninety (90) calendar days may be requested by an employee. Decisions whether to grant such a leave will be made by the Executive Director in his/her discretion and based on the operational needs of the Authority. The decision of the Executive Director is final and not otherwise grievable or appealable.

The maximum length of an unpaid leave of absence shall be based on the employee's length of continuous service with Authority.

Less than one year	10 calendar days maximum
One year to less than three years	30 calendar days maximum
Three years to less than five years	60 calendar days maximum
Greater than five years	90 calendar days maximum

#### Request Procedures

Granting an unpaid leave of absence shall take into account all other employees' approved leave time. In no case shall more than one (1) full-time employee be absent on approved leave or unpaid leave of absence at the same time. Only one (1) unpaid, non-medical leave of absence may be granted an employee in a calendar year. Except in case of emergency, a written and fully documented request for unpaid leave of absence should be received by the Executive Director at least thirty (30) calendar days prior to the effective date of the unpaid leave. In all cases, an employee must exhaust all appropriate accrued leave balances before requesting an unpaid leave of absence. Unpaid leaves of absence are not to be used to circumvent the vacation and holiday scheduling process. When an employee is unable to request an unpaid leave of absence, he/she may be administratively placed on leave of absence.

Upon receipt of a request for an unpaid leave of absence, the Executive Director will either approve or deny the request and notify the employee of this determination in writing. This notice will also include the start and end dates of the unpaid leave of absence and the date which the employee is expected to return to work.

#### Benefits

Sick leave, holidays, and vacation leave do not accrue during the unpaid leave of absence. Seniority, time in service, performance evaluation scheduling, and eligibility for merit increases will be extended by the length of any unpaid leave of absence pursuant to this Section. If a wage increase is granted to other employees during the unpaid leave of absence, the increase will not be implemented until the employee actually returns to work.

#### Return To Work

Employees returning from a leave of absence of more than ten (10) calendar days will notify the

Executive Director five (5) working days before their actual return date. The employee will be returned to his/her original job status.

#### Extension of Leave

Employees may request extensions of their unpaid leave of absence, provided that the extension does not result in the leave exceeding the maximum time allowed for their years of service. Such request should be in writing and received by the Executive Director at least two (2) weeks in advance of the expiration of the unpaid leave of absence. Extension of the unpaid leave of absence must be approved by the Executive Director. The decision of the Executive Director is final and not otherwise grievable or appealable.

#### Cancellation of Leave

An employee may request, in writing, cancellation of an unpaid leave of absence at any time before or during the leave by submitting a written request explaining the reason for cancellation.

#### Violating Leave of Absence

The following constitutes violations of the spirit and intent of granting an unpaid leave of absence, and shall result in automatic separation or resignation by the employee or termination of the employee:

- (a) Employees who engage in or apply for other employment while on an unpaid leave of absence will be considered as having quit without notice.
- (b) Employees who fail to return from an unpaid leave of absence on the prescribed day, and have not obtained an extension will be considered as having quit without notice.
- (c) Employees who obtain an approved leave of absence through fraud or misrepresentation shall be subject to discharge.

Section 9.9 – Maternity/Paternity Leave. Leave will be provided as required by State and/or Federal law.

Section 9.10 -- Military Leave. Military leave shall be granted to full-time employees in accordance with the provisions of State of California law. All full-time employees entitled to military leave shall give the Executive Director an opportunity, within the limitations of military regulations, to determine when such leave shall be taken.

Section 9.11 -- Sick Leave. Each full-time employee is eligible for paid sick leave upon completion of three (3) months continuous service. Accrual of this leave begins on the first day of the first pay period after day of hire and at the rate of ten (10) hours per month. An eligible employee may accrue a maximum of five hundred (500) hours of paid sick leave.

- (a) General Sick Leave Policy. Sick leave is not a discretionary privilege, but is allowed only in case of family or employee illness or for routine doctor, visual care, and dental appointments with advanced supervisor's approval. All sick leave must be approved by the employee's

supervisor, who will verify eligibility and leave balance with Authority's payroll records. For purposes of this Section, family is defined as a spouse, a child of any age or dependency status, a parenta registered domestic partner, a grandparent, grandchildren, or a sibling.

No employee will accrue sick leave unless at least seventy-two (72) hours are in paid status during the payroll period. Approved paid sick leave, paid vacation leave, paid holidays, paid compensatory time, paid jury duty, paid bereavement leave, temporary military leave of absence, or absence due to work-related disability shall be considered time worked under this Section. When an employee has used all accumulated sick leave, further absence shall be charged to any and all accrued vacation leave and compensatory time. Employees receiving State disability payments will not be required to exhaust vacation leave and compensatory time while on disability.

- (b) Conditions for Eligibility for Sick Leave Compensation. To receive paid sick leave, the employee must meet the following conditions:
  - (1) The employee must notify his/her immediate supervisor at least two (2) hours prior to the beginning of work, and indicate the location and telephone number where he/she may be reached.
  - (2) When the employee is absent for three (3) or more consecutive working days, a doctor's certification of illness will be furnished upon return to work. A supervisor may require an employee to furnish a doctor's certificate for lesser absences to establish proof of illness. Submittal shall be made upon return to work.
  - (3) Employees returning from an absence due to illness or disability may be required to be examined by the Authority's physician at Authority expense.
  - (4) At no time will sick leave be authorized for injuries compensable under Workers' Compensation Insurance.
  - (5) The Authority reserves the right to periodically check validity of employee's or family member's illness through telephone when the Authority has reasonable suspicion that the employee is feigning his/her or a family member's illness. If deemed ineligible by a physician for sick leave compensation, an employee absent under such conditions may be subject to disciplinary action.
- (c) The employee, the Union, and the Authority recognize that the use of sick leave is a privilege granted to the employee and should be viewed by the employee as insurance, and is not to be considered a means of compensation or extra vacation.
- (d) The employee, the Union, and the Authority recognize the necessity for timeliness in reporting for duty assignments.

Section 9.12 -- Vacation Leave. Each full-time employee is eligible for paid vacation leave upon completion of twelve (12) months' continuous service. Accrual of this leave begins on the first day of the first pay period after twelve (12) months' continuous service is completed. A one-time award of forty-eight (48) hours Vacation Leave shall be made upon satisfactory completion of probation. Employees promoted within the organization shall retain their current vacation leave schedule and

do not receive a one-time award of forty-eight (48) hours upon completion of probation. Upon employment termination, vacation leave is computed up to, and including the last day worked. Vacation leave shall be earned in accordance with the following schedule:

<u>Completed Years of Service</u>	<u>Hours Earned Per Month</u>	<u>Hours Earned Per Year</u>	<u>Maximum Accumulation</u>
Less than 5	8	96	144
5 through 9	12	144	240
10 or more	16	192	336

The vacation year shall be the calendar year. All accumulation maximums shown above. Cannot be exceeded and accumulation stops until accrual is below maximum. If requirements of the service necessitate cancellation of scheduled vacation leave and it cannot be rescheduled and used before the end of the calendar year, a maximum of forty hours (40) in addition to the accrual maximums may be carried over for use not later than February 1 of the following calendar year.

No employee will accrue vacation leave unless at least seventy-two (72) hours are in paid status during the payroll period. Approved paid sick leave, paid vacation leave, paid holidays, paid compensatory time, paid jury duty, paid bereavement leave, temporary military leave of absence, or absence due to work-related disability, shall be considered time worked under this Section.

Section 9.13 -- Accrual Rate Schedule. All employees hired into the Communications Supervisor group after April 1, 2018, shall retain their current accruals schedule for Vacation leave, Holiday Time, Floating Holiday Time and Sick Leave.

## ARTICLE 10 -- SPECIAL AND OTHER PAYS

Section 10.1 -- Acting Pay. Employees assigned to a higher position in an acting status during the absence of an incumbent or to fill a vacancy until the vacancy can be filled by appointment, shall receive seven and one-half percent (7.5%) per hour above their current base salary. Eligibility for compensation shall begin only when the Executive Director certifies the ability of the employee to fill the higher position.

Section 10.2 -- Annual Payment for Unused Sick Leave (Optional). Annually, each permanent employee may convert, for cash, a limited number of hours of sick leave. Leave balances will be determined as of the end of the pay period nearest to, but not past, October 31<sup>st</sup> of each year. The hours to be converted will be determined by the completed years of service as shown below. Payment will be calculated as a percentage of the employee's base rate. A separate check may be issued for this amount.

Employees desiring to sell back unused sick leave shall be allowed to sell back hours above a forty (40) hour bank and provided they have only utilized eighty-four (84) hours of sick leave accrual during the preceding twelve (12) month period.

<u>Completed Years of Service</u>	<u>Maximum Hours That May be Converted</u>	<u>Conversion Rate</u>
---------------------------------------	--	------------------------

2 or more

120

85% of base rate

Section 10.3 -- Annual Payment for Unused Vacation Leave (Optional). Annually, each permanent employee may convert, for cash, a limited number of hours of vacation leave. Leave balances will be determined as of the end of the pay period nearest to, but not past, October 31<sup>st</sup> of each year. The number of hours to be converted will be determined by the completed years of service as shown below. Payment will be calculated as a percentage of the employee's base rate.

<u>Completed Years of Service</u>	<u>Maximum Hours That May be Converted</u>	<u>Conversion Rate</u>
Less than 5	60	90% of base rate
5 or more	90	90% of base rate

Section 10.4 -- Annual Payment for Unused Holiday Leave (Optional). Annually, each employee may convert, for cash, any amount of hours of holiday compensatory leave. No one shall be required to do this, but may if desired. Leave balances shall be determined at the end of the pay period nearest to, but not past October 31 each year. The holiday hours will be at 100% of the employee's base rate of pay which is defined as the employee's base salary per the salary schedule without any special pay.

Section 10.5 -- Court Pay. Payment shall be made to any Authority full-time employee who, when in an off-duty status, is required by a subpoena of an Officer of the Court, or competent authority, to appear in court and provide testimony in matters on behalf of the Authority or its member agencies, that relate to performance of duties as an Authority employee, at the prescribed overtime or compensatory time rate for all hours such employee must remain at the Court. Employees who receive Court time pay shall surrender to the Authority any witness fees they receive as a result of the subpoena. Employees shall retain Court-paid mileage fees.

Section 10.6 -- Education.

- (a) The Authority agrees to an educational (college or university courses) reimbursement of \$4,000 per year for books and tuition towards an Associates or Bachelor's Degree, upon successful completion with a grade level of "C" or better and if job related and pre-approved by the Executive Director. Courses must be from an accredited college. The total lifetime reimbursement during employment at the Authority is not to exceed \$12,000. Course transcripts and receipts must be provided. The definition of "job related" shall be determined by the Executive Director, whose decision shall be final. Course transcripts including course name, grade, and dates of course and receipts must be submitted no later than 30 days of course completion. Reimbursement shall be awarded in the fiscal year in which the course was completed.
- (b) Educational Incentive: Prior to April 1, 2018, employees receiving an educational bonus will be capped at the dollar amount equivalent to their current educational bonus rate. Current employees who complete their Bachelor's Degree by June 30, 2019 shall receive \$550.00 a month. After April 1, 2018, employees will receive the following educational bonus pays:

Public Safety designation such as a Registered Public Leader (RPL) through APCO shall



receive shall receive an educational bonus of \$200.00 a month.

Associate's degree shall receive an educational bonus of \$350.00 a month.

Bachelors or master's and above degree shall receive an educational bonus of \$450.00 a month.

Such educational bonus shall not be compounded.

Section 10.7 Overtime Work. Overtime will be paid to employees as required by the FLSA for actual work hours in excess of forty (40) hours in the defined FLSA workweek. No leave hours shall count as hours worked and hours worked in excess of scheduled hours in a day or shift shall not trigger overtime. Only hours actually worked in excess of forty (40) hours in the defined FLSA workweek shall entitle an employee to receive overtime compensation.

In case of emergency or whenever the public interest or necessity requires, any department may require any employee in such department to perform overtime work. No employee shall be required to perform overtime work, except in accordance with approved policies and upon the approval of the Executive Director or his designee. Overtime shall not be paid in those cases where an employee is called back from paid leave. In this case, the employee shall be deemed to have returned to regular work status, be paid regular salary, and not be charged for paid leave for those hours actually worked.

Section 10.8 -- Termination Pay. Upon termination, the employee will be paid for accrued vacation leave (not more than the maximum accumulation listed in Section 9.12 for completed service) and holiday compensatory time earned but not taken, if in accordance with the limitations established in Section 9.3. Accrued sick leave is not compensable on termination. Limited payment for accrued compensatory time is authorized in Section 9.2.

Section 10.9 -- Travel Allowance. Subject to the audit and approval of the Executive Director or his designee, employees of the Authority shall (except where a specific allowance for automobile use is made) be entitled to receive expense reimbursements for furnishing to said Authority their own personal automobiles in the performance of the duties necessary to their respective offices or employment, at the Internal Revenue Service's (IRS) prevailing rate (i.e., an employee may only seek reimbursement for any miles driven in excess of their regular commute). All mileage expense reimbursement requests under this Section must be rendered within thirty (30) days of incurring such expenses, and must indicate the specific purpose for which the automobile was used. The Executive Director may establish certain limits of liability on automobile insurance that must be maintained by employees and employees may be required to provide proof of insurance coverage to the Authority in order to be eligible for reimbursement.

Section 10.10 -- Union Steward Compensation. Relief for a Union steward performing Union business, specifically negotiations and meet and confer issues, when requested by the Authority shall be as follows:

- (a) A Union steward scheduled to work shall be relieved from his/her scheduled duties when conducting negotiations with the Authority, or when meeting with the membership for ratification of a contract.

- (b) A Union steward not scheduled to work shall be compensated in the form of overtime compensation. No compensatory time off shall be authorized in lieu of such compensation.
- (c) A total bank of one hundred (100) hours for Union steward compensation shall be provided for negotiation purposes. The Authority agrees to compensate Union stewards for being called in while off duty for Authority requested meetings. No compensatory time off shall be authorized in lieu of such compensation.

Section 10.11 -- Public Safety Memberships. Once a year, upon request the Authority reimburse for the cost of one of the following Public Safety memberships not to exceed a combined total of \$150.00: APCO, NENA, CPRA, POST, CCUG.

Section 10.12 -- Computer Loan Program. Once every 3 years, the Authority will loan up to \$2000 interest- free for the purpose of purchasing a computer for personal use. The loan may be used toward a laptop, desktop, keyboard, and/or mouse, and must be paid via payroll deduction and must not exceed 20 months . Upon separation from the Authority, any loan balance will be deducted from the employee's final paycheck.

Section 10.13 – Bilingual Pay. An employee who is responsible for bilingual interpretation, and whose use of this language is of significant benefit to the operations of the Authority, as determined by the Executive Director, shall receive bilingual pay according to the following rules:

- (a) To be eligible for bilingual pay, a permanent employee must have passed a language proficiency test that is job-related to the duties and responsibilities of a Communications Supervisor. The test need not be written, but may include verbal skills in communications with non-English speaking persons.
- (b) The Authority shall pay each designated employee a bilingual pay of one hundred dollars (\$100) per month payable monthly at the first paycheck of the month.
- (c) A test shall be conducted in February each year, at the discretion of the Executive Director, and all successful applicants shall begin receiving bilingual pay as of July 1 following the examination.

Section 10.14 – Deferred Compensation. Effective February 19, 2022, the Authority will contribute up to \$125 matching funds per month toward each employee's deferred compensation contribution.

Section 10.15 – One-Time Payment. Effective the first full pay period following approval and adoption of the MOU dated January 1, 2022 through June 30, 2025, each full-time Communications Supervisor shall receive a \$1000 one-time payment. To be eligible, employees must be employees by the Authority on the day the MOU is approved.

## ARTICLE 11 -- FRINGE BENEFITS

Section 11.1 -- Insurance Benefits Program. Each full-time employee is eligible to participate in the Authority's selected group insurance benefits program on the following bases:

Section 11.2 -- Contribution Amount. The Authority shall, under a Section 125 Cafeteria, Flexible or Optional Benefit Plan, contribute \$1300.00 per month towards each employee's medical and dental insurance premiums. This amount includes the Authority's contribution towards health insurance plan premium for each employee, which is the mandatory employer contribution required under California Government Code Section 22892(b) of the Public Employees' Medical and Hospital Care Act (PEMHCA). Effective March 1, 2022, the Authority shall increase the contribution amount to \$1400 for employees enrolled in an employee +1 medical plan, and to \$1500 for employees enrolled in a family medical plan.

Section 11.3 -- IRS Section 125 Cafeteria Plan. Should the Authority's contribution exceed the actual cost of the medical and dental insurance premiums, or should employee voluntarily elect not to participate pursuant to Section 11.7, below, employee shall not receive any cash back.

Section 11.4 -- Medical-Dental Plans. Full-time employees and their dependents shall be eligible for coverage in the medical and dental plans under the terms and conditions of the contract executed between the Authority and the insurance providers selected by the Authority.

Section 11.5 -- Medical-Dental Insurance Coverage - When Employee is on Family Medical Leave (FMLA). When the employee's FMLA leave has been approved by Authority, Authority shall continue to provide its share of the medical/dental insurance premium up to twelve (12) work weeks in accordance with the FMLA guidelines.

Section 11.6 - Medical-Dental Insurance Coverage When Employee is on Unpaid Status. The Authority shall pay for thirty (30) days from the date the employee is on leave without pay. If employee is out longer than 30 days in unpaid status, he/she will be provided with a COBRA notice and permitted to continue receiving Authority provided medical/dental insurance coverage at the employee's own expense as provided per COBRA. Failure to pay the COBRA premium will result in the loss of insurance coverage until such time the employee returns on paid status.

Section 11.7 - Medical Plan Waiver. Should employee voluntarily elect not to participate in the Authority's medical insurance, the employee must provide proof of medical insurance coverage under a spouse's or another medical insurance plan.

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

- (a) Minimum fifteen (15) years of service with Authority      \$300.00 per month
- (b) Minimum twenty (20) years of service with Authority      \$500.00 per month
- (c) Employees who retire from the Authority before July 1, 2014, shall receive up to seven hundred fifty dollars (\$750) per month for employee-only medical premiums, as long as the Authority remains in PEMHCA.

The amount received will be based on the employee's medical premiums. Any excess amount will not be provided to the employee. If the Authority elects not to remain in PEMHCA, employees

who retire from the Authority before July 1, 2014, shall receive the retiree medical benefits specified in Section 11.8(a) or (b), above herein, depending upon their years of service.

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

Section 11.9 - Life Insurance Plan. All full-time employees shall receive a life insurance policy covering the employee in the amount of \$100,000. Authority shall pay one hundred (100%) of the premium. Retired employees shall be allowed to continue this benefit at the employee's expense at the Authority's rate.

Section 11.10 -- Vision Plan. All full-time employees and their dependents shall be eligible for coverage in the vision plan under the terms and conditions of the contract executed between Authority and the insuring agency. Authority shall pay one hundred percent (100%) of the premium.

Section 11.11 -- Retirement. Authority has a contract with the California Public Employees' Retirement System (CalPERS) for coverage under the basic plan for non-safety employees without modifications. All full-time employees who work more than half time (more than an average of eighty-seven (87) hours per month or more than a total of five hundred twenty-two [522] hours in a six [6] month period) or who have qualified for retirement coverage under CalPERS by virtue of previous employment with Authority or elsewhere, are required to participate in this system. For employees hired prior to October 25, 2011, the Authority shall provide a CalPERS contract of two percent (2%) at fifty-five (55) based on the employee's single highest year.

- (a) Effective July 1, 2014, Group A employees (with a hire date prior to October 25, 2011), will contribute one quarter of the employees' contribution PERS rate or one and three quarters percent (1.75%) of their salary, including all special pays and on July 1, 2015 will contribute an additional one quarter of the employee's contribution PERS rate or one and three quarters percent (1.75%) of their salary, including all special pays for a total of three and one half percent (3 ½ %).

For Group B employees (with a hire date after October 25, 2011), the Authority shall provide a PERS contract of two percent (2%) at sixty (60), based on the employees' three (3) highest

consecutive years. These employees will also contribute the full seven percent (7%) of their salary, including special pays, toward the employee's contribution.

For all "new members" the retirement benefit formula is 2% at 62. A "new member" is defined as follows: A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013 and who has no prior membership in any California public retirement system; A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013 and who is not eligible for reciprocity with another California public retirement system; and a member who first established CalPERS membership prior to January 1, 2013, and who is rehired by a different CalPERS employer after a break in service of greater than six months. These employees will contribute 50% of normal cost as determined by CalPERS.

Section 11.12 -- Time of Payments. Authority shall pay its portion of medical, dental, life insurance, and vision plan premiums for a period not to exceed 30 days after the expiration of paid leave entitlements.

Section 11.13 -- Uniforms. The Authority will initially issue four (4) uniforms and two (2) more uniforms every two (2) years thereafter, excluding shoes.

Section 11.14 -- Quality Assurance Program. The parties to this Memorandum of Understanding agree that a Quality Assurance Program shall be developed by the Management of the Authority and the Communications Supervisors.

Section 11.15 -- Flexible Spending Account. The Authority will provide the additional benefit of a flexible spending account. During the current 2022-2025 Agreement, the Authority will make an annual \$500 contribution to each employee's FSA.

## ARTICLE 12 -- DEMOTION

Section 12.1 -- Pay. When a promoted employee is subsequently demoted, whether voluntarily or not, from a position in one pay grade to the position in a lower pay grade, the rate of pay after demotion shall be the same as the rate of pay the employee received immediately before the promotion, plus any cost-of-living increase awarded all employees during the interim. Should this action require assigning the demoted employee to a pay step higher than the highest step on the appropriate pay scale, the employee shall be Y-rated after assignment.

Section 12.2 -- Seniority. When a probationary promoted employee is subsequently demoted, whether voluntarily or not, from a position in one pay grade to a position in a lower pay grade, the seniority date of the employee after demotion shall be the same as it was before promotion. Demotion of a permanent employee shall require issuance of a new seniority date equal to the date of the demotion.

## ARTICLE 13 -- GRIEVANCE PROCEDURE

Section 13.1 -- Introduction. The grievance procedure is established in order to promote improved employer/employee relations by affording employees an informal method for further consideration of complaints which have not been resolved through discussions.

Section 13.2 -- Definition. A grievance is any dispute concerning the interpretation or application of a written Memorandum of Understanding, or of Authority rules and regulations governing personnel practices or working conditions, and that contains all of the following information listed in the "Statement of Grievance," below. An impasse in meeting and conferring up the terms of a proposed Memorandum of Understanding is not a grievance.

Section 13.3 -- Right to Grieve. Any employee other than probationary employees (see Section 13.4) shall have the right to grieve a decision affecting his/her employment made by the Authority, and related to those matters defined in Section 13.2. Employees have the right to grieve written reprimands up through Step 3 of the grievance procedure outlined below. Employees have the right to grieve job evaluations up to Step 2 of the grievance procedure outlined below. Oral reprimands are not subject to grievance. Appeals of suspensions, demotions, terminations, and other disciplinary actions shall be subject to the provisions of Article 14.

Section 13.4 -- Probationary Employee's Limited Right to Grieve. A probationary employee may grieve only a disciplinary action administered without just cause. Termination or reduction of probationary employee for failure to acquire the skills necessary to perform the job shall not be considered a disciplinary action.

Section 13.5 -- Statement of Grievance. A concern is not a grievance unless the affected employee is able to state each of the following: the date of the alleged violation; the specific provision(s) of this Agreement or Authority Rules & Regulations that were allegedly violated; a description of facts regarding how the alleged violation occurred; and a list of all persons who are witnesses or are involved. A Statement of Grievance must be signed by the employee filing the grievance to certify that it is filled in good faith.

Section 13.6 -- Informal Grievance Procedure. An employee who wishes to grieve should first discuss the matter with his/her immediate supervisor within five (5) working days of the incident. If not satisfied with the decision reached by this discussion, the employee shall then have the right to file a formal grievance in writing, within ten (10) working days after receiving the informal decision of the immediate supervisor.

Section 13.7 -- Formal Grievance Procedure.

(a) First level of review (Step 1):

A grievance shall be presented, in writing, to the employee's immediate supervisor, who shall review it and render a decision to the employee within five (5) working days after receiving it. A supervisor's decision shall include the reasons for the decision. If the employee does not agree with the supervisor's decision, or if no response has been received in five (5) working days, the employee may, within five (5) working days, present an appeal, in writing, to the next level of supervision.

If the employee is not satisfied with the decision rendered at this level of supervision, the decision may be appealed to the Executive Director. This appeal must be made within five (5) working days after receipt of the previous written decision or if no written decision was rendered.

(b) Executive Director Review (Step 2) :

The Executive Director shall promptly discuss the grievance with the employee, the employee's representative, if any, and any other persons having relevant information. The Executive Director shall render his/her decision, including the reason for his/her decision, within ten (10) working days.

(c) Executive Committee Review (Step 3)

To be eligible for Executive Committee Review, the grievance must be submitted to the Executive Committee within twenty (20) calendar days of the receipt of the final Step 2 decision.

- (1) Upon receipt of the grievance, the Executive Assistant will, within five (5) working days, submit to the Union a list of the members of the Executive Committee.
- (2) The hearing at this step shall be convened within fifteen (15) calendar days of the notification of the Executive Committee.
- (3) The final decision will be submitted to the Union within twenty (20) calendar days of the final Step 3 hearing.

#### ARTICLE 14 -- DISCIPLINARY PROCEDURE

Resolution 283 shall be modified as set forth below:

- (a) Appeals chart shall provide for appeal the Executive Committee for all suspensions of Communications Supervisors.
- (b) Shall provide that "Oral and Written reprimands are not subject to appeal pursuant to this rule; however, written reprimands are subject to the grievance procedure of Article 13 of the CWA MOU."

#### ARTICLE 15 -- IMPASSE PROCEDURE

Resolution 283 shall be modified as follows:

- (a) The parties submit to each other their written statements of the issues.
- (b) The parties then schedule further meetings to resolve the issues.
- (c) If the issues are not resolved, either party may request mediation through the California State Mediation and Conciliation Service.
- (d) If the issues are not resolved, and the impasse still exists, the parties shall then submit written statements of their final position to the Executive Committee.
- (e) The Executive Committee will then make a final determination on the issues.

## ARTICLE 16 -- EVALUATION CRITERIA

Each personnel evaluation shall measure the employee's performance, attendance, and punctuality record.

Section 16.1 -- Attendance. No more than eighty (80) hours sick leave (in an evaluation year) shall be deemed satisfactory; more than 80 hours sick leave shall be deemed unsatisfactory.

Section 16.2 -- Leave of Absence.

- (a) Emergency/pre-approved leave of absence shall not be considered in the evaluation criteria covered in Section 16.1.
- (b) Unapproved leave of absence shall be considered according to Section 16.1.

The above-mentioned Article and Sections shall be calculated on an evaluation year basis.

Section 16.3 -- Performance. Incidents of discipline concerning performance shall be judged on a case by case basis subject to the grievance procedure outlined elsewhere in this Memorandum of Understanding.

Section 16.4 -- Punctuality. No more than three (3) tardies (in an evaluative year) shall be deemed satisfactory; more than three (3) tardies shall be deemed unsatisfactory.



## **APPENDIX A**

### **COMPENSATION AS OF FEBRUARY 19, 2022**

- 3.5% increase of the base rate effective February 19, 2022.
- 2.35% increase of the base rate effective the first full pay period in January 2023.
- 2.00% increase of the base rate effective the first full pay period in January 2024.
- 1.00% increase of the base rate effective the first full pay period in January 2025.

#### **BASE RATE**

	<b><u>CY 2022</u></b>		<b><u>CY 2023</u></b>		<b><u>CY 2024</u></b>		<b><u>CY 2025</u></b>	
	<b><u>Monthly</u></b>	<b><u>Hourly</u></b>	<b><u>Monthly</u></b>	<b><u>Hourly</u></b>	<b><u>Monthly</u></b>	<b><u>Hourly</u></b>	<b><u>Monthly</u></b>	<b><u>Hourly</u></b>
Step A	\$7,086.61	\$40.88	\$7,253.15	\$41.85	\$7,398.21	\$42.68	\$7,472.19	\$43.11
Step B	\$7,430.83	\$42.87	\$7,605.46	\$43.88	\$7,757.57	\$44.76	\$7,835.14	\$45.20
Step C	\$7,792.24	\$44.96	\$7,975.35	\$46.01	\$8,134.86	\$46.93	\$8,216.21	\$47.40
Step D	\$8,171.71	\$47.14	\$8,363.74	\$48.25	\$8,531.02	\$49.22	\$8,616.33	\$49.71
Step E	\$8,570.17	\$49.44	\$8,771.57	\$50.61	\$8,947.00	\$51.62	\$9,036.47	\$52.13
Step F*	\$8,988.54	\$51.86	\$9,199.77	\$53.08	\$9,383.77	\$54.14	\$9,477.60	\$54.68
Step G*	\$9,427.85	\$54.39	\$9,649.40	\$55.67	\$9,842.39	\$56.78	\$9,940.81	\$57.35

\*Compensation at Step "F" shall only be awarded to an employee who has demonstrated an average or above average level of competency for the classification after having been compensated for a minimum of at least two (2) years in Step "E". The award of Step "F" shall only be made upon and after a recommendation by the Operations Manager and subsequent approval of said recommendation by the Executive Director.

The award of compensation at Step "F" will only be maintained as long as the employee maintains an average or above average level of competency as documented by the annual performance evaluation.

\*\*Compensation at Step "G" shall only be awarded to an employee who has demonstrated an average or above average level of competency for the classification after having been compensated for a minimum of at least two (2) years in Step "F". The award of Step "G" shall only be made upon and after a recommendation by the Operations Manager and subsequent approval of said recommendation by the Executive Director.

The award of compensation at Step "G" will only be maintained as long as the employee maintains an average or above average level of competency as documented by the annual performance evaluation.

## **APPENDIX S**

### **SIGNATURE PAGE**

In witness whereof, the parties hereto have caused this Memorandum of Understanding to be executed this \_\_\_th day of March 2022.

On behalf of the South Bay Regional  
Public Communications Authority

On behalf of the Communications  
Workers of America

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Ross Klun  
Executive Director

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Steve Maldonado  
Vice President  
CWA Local 9400

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John Krok  
Administrative Services Manager

---

Lena Maria Ramos  
Bargaining Committee Member

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Jannette Veramendi  
Bargaining Committee Member

J-1



# Staff Report

South Bay Regional Public Communications Authority

**MEETING DATE:** March 15, 2022

**ITEM:** J-1

**TO:** User Committee

**FROM:** M. Ross Klun, Executive Director

**SUBJECT:** AB 361 FINDINGS FOR SPECIAL BROWN ACT  
REQUIREMENTS FOR TELECONFERENCE MEETINGS

## **SUMMARY:**

Staff has placed this item on the agenda to give the User Committee an opportunity to make findings specific in AB 361 (2021) for special Brown Act requirements for teleconference meetings. These special requirements give local public agencies greater flexibility to conduct teleconference meetings when there is a declared state of emergency and either social distancing is mandated or recommended, or an in-person meeting would present imminent risks to the health and safety of attendees.

## **RECOMMENDATION:**

Staff recommends that the User Committee make the following findings so that meetings of the User Committee will be subject to the AB 361 special Brown Act requirements for teleconference meetings: 1) the User Committee has reconsidered the circumstances of the COVID-19 state of emergency; and 2) state and local officials continue to recommend measures to promote social distancing.

## **BACKGROUND**

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings. The special rules included provisions allowing local public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment, without having to use teleconference locations that are publicly accessible, and without having to identify teleconference locations on the agenda. Those special rules expired September 30, 2021.

On September 16, 2021, in anticipation of the then-imminent expiration of his special rules for teleconference meetings, the Governor signed AB 361. In key part, this bill amends the Brown Act to establish special requirements for teleconference meetings if a legislative

body of a local public agency makes two findings pursuant to Government Code section 54953(e)(3). Like the special rules in the Governor's executive orders, the special Brown Act requirements in AB 361 include provisions allowing public agencies to conduct teleconference meetings without having to provide a physical location from which the public may attend or comment, without having to use teleconference locations that are public accessible, and without having to identify teleconference locations on the agenda. The AB 361 special Brown Act requirements are scheduled to be repealed on January 1, 2024.

In order for a local public agency to be subject to the AB 361 Brown Act requirements for teleconference meetings, a legislative body of a local public agency first must make a finding that it has "reconsidered" the circumstances of a declared state of emergency. Second, the legislative body must find that such emergency continues to directly impact the ability of the legislative body's members to meet in person. Alternatively, for the second finding, the legislative body must find that state or local officials continue to impose or recommend social distancing measures. These findings must be made within 30 days after the legislative body teleconferences for the first time under AB 361 and every 30 days thereafter.

The COVID-19 state of emergency declaration is still in effect. Furthermore, the State of California and the County of Los Angeles have recommended measures to promote social distancing. Thus, the California Division of Occupational Safety and Health still requires that employers provide training on the effectiveness of physical distancing in the workplace. Additionally, the Los Angeles County Department of Public Health still encourages people at risk for severe illness or death from COVID-19 to take protective measures such as social distancing and, for those not yet fully vaccinated, to physically distance from others whose vaccination status is unknown. The County Health Department also continues to recommend that employers take steps to support physical distancing.

#### **FISCAL IMPACT**

None.

J-2

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

**FEBRUARY 15, 2022**

**A. CALL TO ORDER**

The Executive and User Committees convened in a regular joint meeting on February 15, 2022, at 2:01PM by tele conference.

**B. ROLL CALL**

Present: City Manager Vontray Norris, City of Hawthorne  
City Manager Clint Osorio, City of Gardena  
City Manager Bruce Moe, City of Manhattan Beach  
Chief Mike Ishii, Hawthorne Police Department  
Chief Mike Saffell, Gardena Police Department  
Chief Mike Lang, Manhattan Beach Fire Department  
Chief Derrick Abell, Manhattan Beach Police Department

Also Present: Captain Gary Tomatoni, Hawthorne Police Department  
Captain Eric Lane, Hawthorne Police Department  
Jennifer Petrusis, Richards Gershon Watson  
Laura Kalty, Liebert Cassidy Whitmore  
John Krok, Administrative Services Manager  
Vanessa Alfaro, Finance & Performance Audit Manager  
Megan Cunningham, Communications Supervisor  
Ross Klun, Executive Director  
Shannon Kauffman, Operations Manager

**C. PUBLIC DISCUSSION**

None.

**D. EXECUTIVE COMMITTEE CONSENT CALENDAR**

Motion: Vice-Chair Moe moved to approve the Consent Calendar, Items #1-5 with the amended portion for the minutes. The motion was seconded by City Manager Norris and passed by voice vote.

1. Minutes from January 18, 2022 - **as amended.**  
**APPROVE**
2. Check Register– January 2022  
**RECEIVE AND FILE**
3. Cash & Investments Report/ December 31, 2021  
**RECEIVE AND FILE**
4. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings  
**MAKE FINDINGS PURSUANT TO AB 361**
5. Agreement with the City of Culver City for Emergency Police and Fire Dispatch Services  
**AUTHORIZE AND APPROVE**

**E. ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

**F. EXECUTIVE COMMITTEE GENERAL BUSINESS**

1. Revision to the Budgetary Policy Allowing Ongoing Funding for Pension and Other Post-Employment Benefits Unfunded Liabilities

**RECOMMEND THE BOARD OF DIRECTORS ADOPT RESOLUTION ESTABLISHING A BUDGETARY POLICY THAT ALLOWS ONGOING FUNDING FOR PENSION AND OTHER POST-EMPLOYMENT BENEFITS UNFUNDED ACTUARIAL LIABILITIES**

Mr. Klun provided summary on the revision to the budgetary policy to include ongoing funding for pension and other post-employment benefits unfunded liabilities.

Vice-Chair Moe inquired after the rationale of 90% target instead of 100%. Finance Manager Alfaro reported the intent to maintain in the event CalPERS has investment returns that exceed their target to avoid overfunded plan. Not the same concern with OPEB.

Motion: Vice-Chair Moe moved to recommend the revision to the budgetary policy. The motion was seconded by Chair Osorio and passed by voice vote.

2. Fiscal Year 2022-2023 Preliminary Budget

**PROVIDE DIRECTION**

Finance Manager Alfaro presented the Preliminary Budget for fiscal year 2022-2023. Vice-Chair Moe asked about the unreserved fund balance five-year projection growing to 5.7 million to see if there was a plan for use, such as additional OPEB funding or rebates for the member cities. Chair Osorio inquired about the current policy for the reserve. Finance Manager Alfaro reported policy only requires 10% of annual budget in operating and capital reserves. Chair Osorio questioned whether 10% is adequate. City Manager Norris recommended to see other options for the unreserved fund balance and to compare and contrast the other reserve percentages used regionally. Staff agreed to bring additional information on reserves policy and an additional amendment to update the reserves percentage if needed and use of unreserved funds.

Motion: Chair Osorio moved to approve the Preliminary Budget for fiscal year 2022-2023. The motion was seconded by City Manager Norris and passed by voice vote.

3. Agreement with Mark43 for Computer Aided Dispatch System

**APPROVE**

Vice-Chair Moe inquired after section 6.2 with the termination temporary suspension by mutual consent. The Authority must have minimum days but there is no mention for Mark43. Ms. Petrusis confirmed there is no termination timeline for Mark43. They have the option not to renew the contract. Up to the Authority to renew after three years given with 30 days' notice not to renew for additional 12 months.

Motion: Chair Osorio moved to approve the agreement with Mark43. The motion was seconded by City Manager Norris. Vice Chair Moe voted against the motion and the motion passed by voice vote.

G. **USER COMMITTEE CONSENT CALENDAR**

Motion: Chief Lane to approve the Consent Calendar, Items #1-2. The motion was seconded by Chief Ishii and passed by voice vote.

1. Minutes from January 18, 2022

**APPROVE**

2. AB 361 Findings for Special Brown Act Requirements for Teleconference Meetings

**MAKE FINDINGS PURSUANT TO AB 361**

H. **ITEMS REMOVED FROM THE CONSENT CALENDAR**

None.

I. **EXECUTIVE COMMITTEE AND USER COMMITTEE COMMENTS**

Chief Ishii wanted to thank staff for the Superbowl weekend.



J. **EXECUTIVE COMMITTEE CLOSED SESSION AGENDA**

The Executive Committee entered into closed session at 2:50PM to discuss the following items.

1. CONFERENCE WITH LABOR NEGOTIATOR  
Pursuant to Government Code Section 54957.6  
  
Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore  
Employee Organization: The Communications Workers of America
2. CONFERENCE WITH LABOR NEGOTIATOR  
Pursuant to Government Code Section 54957.6  
  
Agency Designated Representative: Executive Director and Liebert, Cassidy, Whitmore  
Employee Organization: The California Teamsters Public, Professional and Medical  
Employees Union Local 911

The Executive Committee returned from closed session at 3:30PM with no actions taken.

K. **ADJOURNMENT**

The meeting adjourned at 3:30PM.

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# Staff Report

## South Bay Regional Public Communications Authority

**MEETING DATE:** March 15, 2022

**ITEM:** L

**TO:** Executive Committee and User Committee

**FROM:** M. Ross Klun, Executive Director

**SUBJECT:** EXECUTIVE DIRECTOR'S REPORT

**ATTACHMENTS:** None

The Executive Committee will be provided an oral report on the most recent developments with a regional fire dispatch study that is being undertaken in our region.