



ADOPTED BUDGET • 2013-2014

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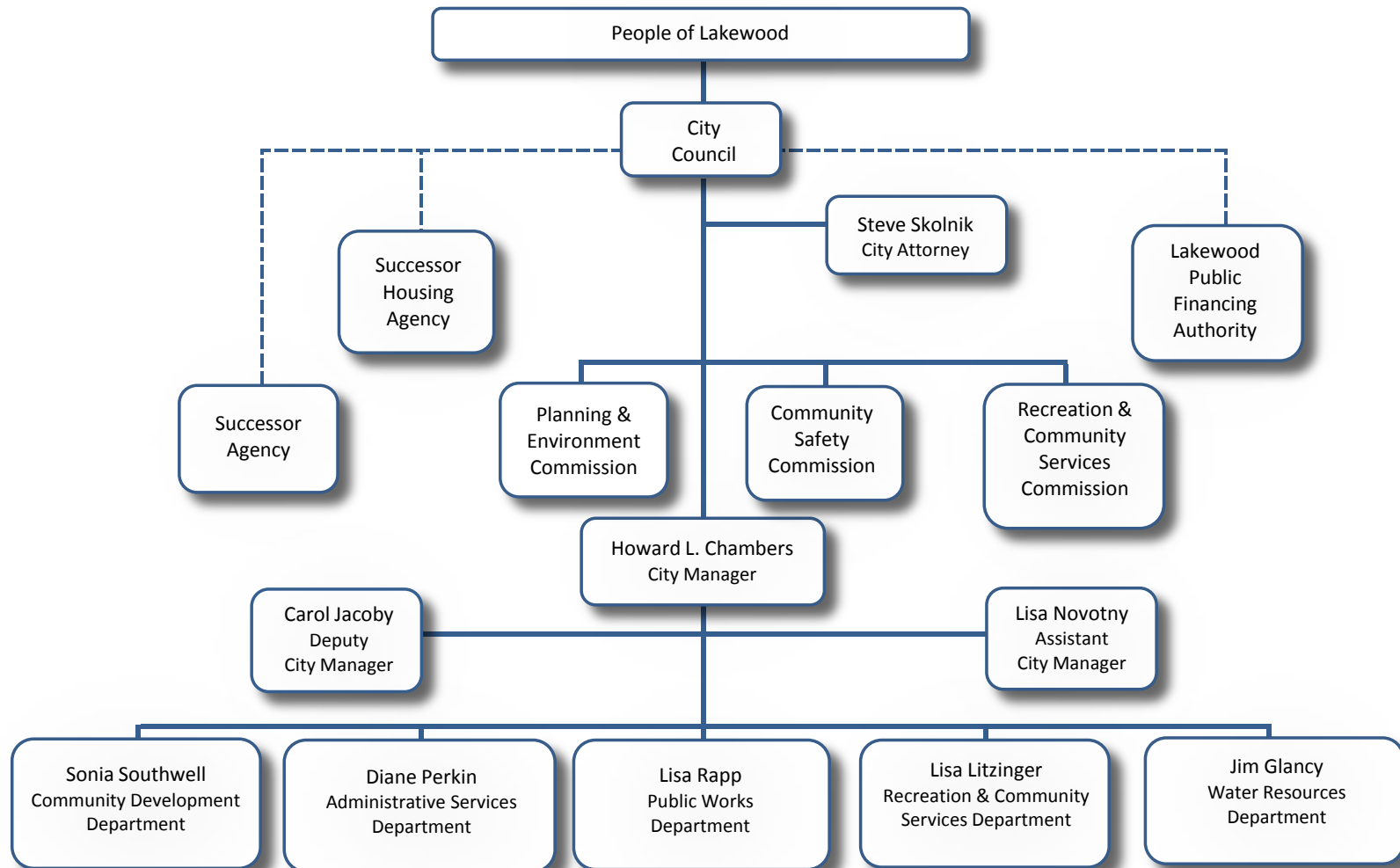
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INTRODUCTION





The City of Lakewood, with a population of 80,781, is located in southern Los Angeles County, 23 miles southeast of the City of Los Angeles.

The city is a residential community that includes a regional shopping center with 2.1 million square feet of retail area. Single-family detached homes comprise 82 percent of the housing units. By the end of the 1990's, Lakewood was 99.5 percent "built out," leaving very little of the 9.5 square miles of the city available for new development.

The Lakewood Plan

In 1953, homeowners in the unincorporated Lakewood area, ready to take on the responsibility of managing their own city, rejected annexation by the City of Long Beach and sought to find new ways of operating a city at the lowest cost to residents. After a vote in 1954 that gave a strong majority for independence, the City of Lakewood was incorporated. When Lakewood became a city on April 16, 1954, it was the first California city to incorporate since 1939.

Lakewood's approach to local government has earned the City a special place in the history of American municipalities. The Lakewood Plan made Lakewood the nation's first contract city. By contracting with the County of Los Angeles and with private businesses for public services, Lakewood pioneered a model for local government that has been adopted by all but one of the cities incorporated in Los Angeles County since 1954 and more than a quarter of all cities in California.

Contract services represent about 40 percent of the City's operating budget. Lakewood contracts with private firms for trash collection, traffic signal maintenance, street lighting

maintenance and street sweeping. By contract, Los Angeles County provides law enforcement, road repair, building inspection and civil engineering services.

Parks, recreation and cultural activities, community development programs, parkways, medians, water utility and general administrative services are provided directly by the City through the labor of 175 full-time employees and approximately 435 part-time employees.

The City-entrance signs reflect Lakewood's essential character as a community of homes, schools, parks, places of worship and commerce. Monument signs on the street medians, entrance signs to Lakewood and a unique sign on the Mae Boyar Park overpass on Del Amo Boulevard spell out *Times Change. Values Don't.*, and name Lakewood as *Sportstown USA* and *Tree City USA*.

The residents of Lakewood enjoy 13 parks, including the Lakewood Equestrian Center in Rynerson Park, totaling 204.45 acres. Passive and active lands zoned for open space in Lakewood total 810.91 acres, equivalent to 10 acres per 1,000 residents, which is one of the highest ratios in the region.



West San Gabriel Parkway Nature Trail

Lakewood's West San Gabriel Parkway Nature Trail Phase II project was recognized with an Award of Excellence from the American Public Works Association, Southern California Chapter, and the California Park and Recreation Society.

In 2013 KaBoom!, a national non-profit organization based in Washington, DC, designated Lakewood a *Playful City USA*, one of only 26 cities in California.



Lakewood strives to keep its citizenry well informed. The City's online service request system provides residents greater access to solutions for service needs. Lakewood residents can also subscribe to e-mail publications for City news.

City TV will celebrate its 30th Anniversary. The City of Lakewood has earned over 206 first place awards in regional and national competitions. Over 2,200 programs have been produced for cable channel 31.



City Government

Lakewood is a "general law city" operating under the California laws applicable to municipalities. The five council members who govern the City are elected for overlapping four-year terms. The Mayor is selected by the City Council from among its members and serves in that special capacity for a one-year term. The City Council appoints a City Manager and a City Attorney.

In addition, the Council appoints the members of the Community Safety Commission, the Planning and Environment Commission and the Recreation and Community Services Commission.

The City Council also sits as the Board of Directors of the Successor Agency of the former Lakewood Redevelopment Agency, the Lakewood Housing Successor Agency, and the Lakewood Public Financing Authority.

The Budget Process

Lakewood's budget represents more than a schedule of revenue and expenditure estimates. The budget is a planning tool and although adjustments are expected as needs arise, the budget ultimately maps the City's activity over the course of the next fiscal year.

The 2013-2014 Proposed Budget continues the fundamental financial philosophy of the City of Lakewood:

- Providing municipal services at a level consistent with available resources
- Saving for unplanned events and emergencies
- Maintaining public infrastructure
- Utilizing private companies and other public agencies to provide greater flexibility and cost-effectiveness in the delivery of services
- Supporting and encouraging a strong, viable business community
- Promoting citizen volunteerism

The 2013-2014 Proposed Budget is built to meet Lakewood's City Council Budget Focus Areas:

- Budget for sustainability
- Keep Lakewood Safe
- Preserve neighborhood quality of life
- Foster a sense of community
- Promote economic vitality
- Support a caring community
- Secure fiscal resources: local, state and federal
- Highlight governmental transparency and online resources
- Hold on to local authority
- Protect the environment

The budget sets forth proposed operations and the estimated revenues for financing them in Fiscal Year 2013-2014.

A variety of methods are used in determining expenditures and predicting revenues for the upcoming year. Citizen satisfaction surveys, data from the City's computerized citizen request system, and monitoring recent economic trends and actions taken by County, State and Federal Agencies are all utilized in developing the Fiscal Year 2013-2014 budget and forecasting future years.

The budget process for Fiscal Year 2013-2014 began in January 2013 with the preparation of the budget calendar:

- ✓ January – Current year mid-year review
- ✓ February – Expenditure estimates projected
- ✓ March – Revenue estimates projected
- ✓ April – Budget revenue and expenditure analysis
- ✓ April – Capital improvement projects budgeted
- ✓ May – Preliminary budget prepared
- ✓ June – City Council study session and adoption

Budget Guide

The document is organized into the following sections:

- The **Introduction** describes the City of Lakewood and the budget process
- The **City Manager's Letter** summarizes revenues and expenditures, and sets forth the major projections and economic and budgetary issues of the upcoming Fiscal Year
- A **Summary of Funds** and **Summary of Appropriations** are provided

- **Projected Revenues** are based on estimates provided by various consultants, State reports, and economic and political monitoring
- Proposed Expenditures are divided among the categories of **City Operations, Water Utility, Capital Improvement Projects**, and **Internal Service Funds**

Revenues

Fund accounting is the basis of Municipal accounting in California. Funds are used to separate the City's financial resources and corresponding obligations as required by law, or for effective managerial control. Funds are established to group revenues that have either restricted or unrestricted uses. The major funds used in this budget are:

- **General Fund** – Comprised of revenues that are not expressly restricted as to their use or require separate accounting.
- **Special Revenue Funds** – Restricted grant revenues from the County, State and Federal agencies are placed in separate funds to meet the requirements of the grant. The following are reoccurring funding sources:
 - ... **Gas Tax**– Restricted for street repair and maintenance projects
 - ... **Prop A and Prop C** – Restricted for transit purposes
 - ... **Measure R** – ½ cent sales tax restricted for street repair
 - ... **TDA Article 3** – Restricted for pedestrian, bikeways and handicapped accessibility projects
 - ... **Community Development Block Grant, CDBG** – Restricted HUD funds for community development purposes

- ... **COPS and JAG Grants** – Restricted for public safety programs and activities
- ... **Litter Reduction and Used Oil Grants** – Restricted for the promotion of refuse recycling programs
- ... **Prop A Recreation** – Restricted for park maintenance and programs
- ... **Various Park Grants** – Restricted for the improvement of local parks
- **Business Development Fund** – A fiduciary fund restricted to provide low-interest, low cost loans to local businesses.
- **Water Funds** – An enterprise fund that is primarily comprised of revenues generated through the water rate structure of the City's Water Utility.

Appropriations

The operating budget is divided into four Sections – City Operations, Water Utility, Capital Improvements, and Internal Services. The City Operations Section is further divided by government function and identified by the purpose of work performed – Legislative, General Government, Public Safety, Transportation, Community Development, Health, and Culture and Leisure.

The standard classifications of expenditures are used. These classifications are:

- **Employee Services** – Include regular and part-time employees, overtime wages, retirement contributions, benefits and employer costs.
- **Contract Services** – Professional and specialized services performed by firms or persons who are not employees of the City.
- **Supplies and Expenses** – Account for the operational costs that are not labor or contract services. These costs include

maintenance and repair of buildings and structures, and utilities: the depreciation expense of fixed assets for the Water Utility and Fleet Maintenance Division; office expenses and specialized supplies include postage, publications, office equipment maintenance, small tools, equipment for individual departments, uniforms and safety equipment; and meeting expenses that cover travel to attend meetings of organizations of which the City is a member. This category also includes costs for lobbying efforts in Washington and Sacramento and miscellaneous training activities. Other Operating Expenses include insurance, membership dues, and the cost of groundwater replenishment and the purchase of reclaimed water.

- **Interdepartmental Charges** – Include printing and reproduction services from the City's Graphics and Copy Center and vehicle maintenance and fuel from the City's Fleet Maintenance Division. Charges are allocated to departments by use tracked by work order systems.
- **Equipment** – Includes Capital Outlay for machinery and equipment with a unit price of \$5,000 or more and a useful life longer than one year, as well as non-capital equipment valued less than \$5,000 with a useful life greater than one year.
- **Construction** – Includes Capital Outlay for construction contracts and materials.

The Proposed Appropriations reflect a spending plan, taking into consideration every contingency known at the time that the budget is being composed, and may be modified during the fiscal year by transfers or actions taken by the City Council. Proposed appropriations may not always be fully-spent during the fiscal year. Estimated Actual Expenditures are staff's spending projections through June 30, 2013, and are calculated as of March 31, three months prior to year-end.

June 25, 2013

**City of Lakewood
Lakewood, California**

Honorable Mayor and Council Members:

The proposed budget for Fiscal Year 2013-2014 is submitted for your consideration.

As presented, General Fund operating revenues and expenditures (*total appropriations sans construction costs*) are in balance.

Prior to the great recession, the city had traditionally maintained a structural surplus equivalent to five percent of general fund revenues. This structural surplus allowed us to maintain and improve the city's infrastructure such as streets, sidewalks, trees, and community facilities. Fiscal Year 2013-2014 is the sixth consecutive year where a General Fund operating surplus is not projected in the operating budget. However, there has been continual improvement in that this year we can balance the General Fund budget and greatly ease off the use of one-time revenues, such as the exchange of Prop A funds.

General Fund reserves designated for capital improvements of \$788,429 are allocated in the proposed Fiscal Year 2013-2014 Budget for new capital projects. Additionally, an estimated \$482,713 of general funds designated in prior fiscal years for multi-year capital projects will defer to Fiscal Year 2013-2014.

The General Fund, over which the city council has discretionary authority, is extremely important in the provision of essential city services. A rainy-day reserve of

approximately 20 percent for economic uncertainty is prudent and allows us to weather crises that the city might face in the coming fiscal year.

In an effort to present the proposed Fiscal Year 2013-2014 Budget in the context of our times, this letter is comprised of nine sections:

- Challenges
- National Economy
- State Economy
- Local Economy
- Economic Outlook
- Budget Focus Areas
- Budget Overview
- Reserves
- Recommendation

Challenges

Cities are beginning to feel the positive impact of a growing economy. Sales tax is up, property tax is starting to rebound, and residents and businesses are starting to make home and facility improvements. This progress has provided cities with much needed relief, but this relief is tenuous in the backdrop of a nation that is wrestling with curbing deficits and is limiting local governments' means to promote local investment in economic development.

Cities are also facing a climate where they are expected, often mandated, to be the entities that should resolve a range of issues from corrections to economic development to the environment, without any provision of a secure revenue source. Increasingly, cities will need to turn to their residential and business communities to provide public revenue support.

The National Economy

The nation's economy continues to be hampered by its singular focus on the deficit. Deficit reduction should not in itself be the focus. It should be a piece of a long-term strategy to improve the economy and the country. Yet the deficit reduction focus is so narrow that budgetary priorities have fallen by the wayside as evidenced by the legislature's obdurate aim to accelerate deficit reduction and the acquiescence to the federal Sequester.

The federal deficit is shrinking -- a lot. The end of the payroll tax holiday and the implementation of higher tax brackets helped to boost federal revenues by 12.5 percent, while expenditures have fallen 2.5 percent -- even before the implementation of the Sequester. Now that the deficit is shrinking, to further accelerate deficit reduction would mean endangering the economic recovery. In fact, the Federal Reserve voiced concern at the pace the deficit is shrinking. Beyond the amount and speed of deficit reduction, what matters more are the contents of a viable deficit-reduction plan. In designing a plan, the quality of deficit reduction matters, not just the quantity.

Quantity over quality was evidenced by the Sequester. The Sequester imposed irrational across the board cuts. A good example of this is the air traffic controllers. In 1981, air traffic controllers were not allowed to strike because of their essential function. Under the Sequester, air traffic controllers were cut with seeming impunity, only to be reinstated once the air traffic controllers reminded the legislature of their essential duties.

This is no way to handle fiscal policy.

Gross Domestic Product (GDP):

Projections for the near future have the Nation's GDP continuing to grow at a relatively slow pace of 2 percent in 2013 and rising to 3 to 3.5 percent in 2014, although there are some who warn that growth may soften to 2 percent in 2014.

The variation in the projected growth rate is tied to how various economists assess the impact of the shrinking deficit over other market forces.

| | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| GDP Growth | -2.40% | 3.00% | 1.70% | 2.20% | 2.00% | 2% - 3.5% |
| Personal Consumption | -0.60% | 2.00% | 2.20% | 1.90% | 2.40% | 2.10% |
| Business Investment | -17.80% | 1.10% | 8.80% | 8.00% | 4.60% | 5.70% |
| Residential Investment | -20.50% | -4.30% | -1.30% | 12.10% | 14.80% | 20.60% |

Again, GDP growth is all from the private sector. Details in the latest GDP figures show better prospects for future growth. Demand from businesses and consumers is holding up, despite higher taxes, and housing posted a healthy 12.1 percent growth. Monthly indicators suggest consumer and business spending will continue to rise.

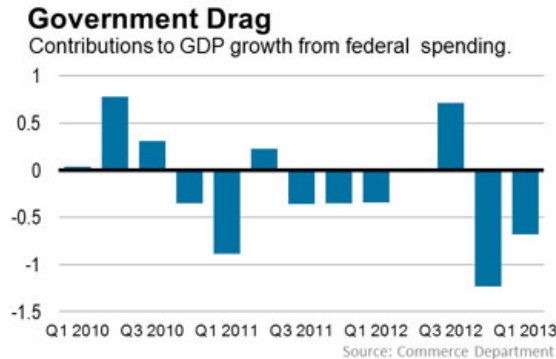
The private economy looks to be revving up to motor through the next couple of quarters. The public sector will be the big pothole along the way.

– Wall Street Journal

Governmental Sector:

In the first quarter of 2013, federal spending dropped at an annual rate of 8.7 percent, and state and local governments shrank by 2.4 percent – the 13th decline in the past 14 quarters. The government sector subtracted just under one percentage point from GDP in the last quarter, an improvement from the 1.41-point drag in the fourth quarter of 2012 – but there are more potholes ahead.

The federal Sequestration began in March and its effects will begin to register in the second quarter.



With the debt ceiling debate to come, Washington looks to remain a drag on the economy through the fall.

Federal Reserve New York Fed President William Dudley has cited estimates that changes in the tax rates and government spending will subtract 1.75 points from total GDP growth.

Fiscal policy is restraining economic growth.
– Federal Open Market Committee May 1, 2013

As part of the controversy over the federal deficit, some have taken aim at tax-exempt borrowing by local agencies, with statements that eliminating tax-exempt borrowing could bring in \$50 billion for the federal government over 10 years.

Municipal bonds are an important tool for local governments in generating infrastructure investment to promote economic vitality. Local officials are concerned that the budget battles in Washington will mean less federal money for their local communities, and now the federal government might try to limit the scope of their own tax-free financing.

Providing reasons to eliminate the tax was a report by *The New York Times*, which concludes that mayors and governors, who are desperate to create jobs, are outmatched by multinational corporations. Fearing

companies would move jobs overseas local officials offered subsidies as enticement to stay. Over the years, corporations exploited that fear, pitting local officials against one another to get the best tax incentive packages. The report concludes that these tax incentives were not effective in keeping local jobs, as many of the recipient companies still moved overseas.

Local entities challenge that the report focuses on qualified private activity bonds and municipal bonds should be viewed separately. Tax-exempt municipal bonds are the most important tool for financing investment in schools, water and sewer systems, airports, bridges and other vital public infrastructure. According to the Government Finance Officers Association, state and local governments financed through the tax-exempt bond market over \$1.65 trillion of infrastructure investment over the last decade.

The tax exemption for municipal bond interest has been in law for 100 years. The effect of this tax exemption is lower borrowing costs for local entities. Tax exemption can save states and localities up to two percentage points on their borrowing rates. Both proposals, one to impose a 28 percent cap on tax-exempt interest and the other to eliminate the exemption overall would increase borrowing costs by \$713 billion and \$495 billion respectively – a dollar for dollar loss of funds for infrastructure improvements.

Jobs, income and consumer confidence:

The National unemployment rate has steadily declined, but unemployment is expected to remain stubbornly high for several years. The unemployment rate for 2013 is projected to hover around 7.5 percent and possibly drop to 7.3 percent in 2014. One of the reasons for the stubbornly high unemployment is the continued fiscal austerity. Federal, state and local governments have shed nearly 750,000 jobs

since June 2009. No other sector comes close to those job losses over the same period reductions, and no sector of the labor market has had a worse recovery.

As the unemployment drops, more attention has been given to the declining labor participation rate, in particular on unemployed workers who abandon their job searches. But such people make up a relatively small share of the millions who have left the labor force in recent years. Most are retirees, students or stay-at-home parents. Long before the recession took hold, college students began to postpone starting work, and the flood of women into the workforce, which drove the participation rate up sharply in the past five decades, has slowed. Most significant is that the over-55 population is growing at more than three times the rate of the adult population as a whole. That means the trickle of people re-entering the workforce is likely to be overwhelmed by the wave of retirees leaving it. The Labor Department estimates the participation rate will fall by about a percentage point between now and 2020—slower than the recent rate of decline, but still a clear downward trajectory.

Economists at the Federal Reserve Bank of Chicago earlier this year estimated that such long-run trends account for close to half to two-thirds of the decline in the participation rate since 1999. These trends would have happened whether the economy was strong or weak, but the economy did play a role. The ranks of "discouraged" workers have fallen over the past two years, but remain high by historical standards.

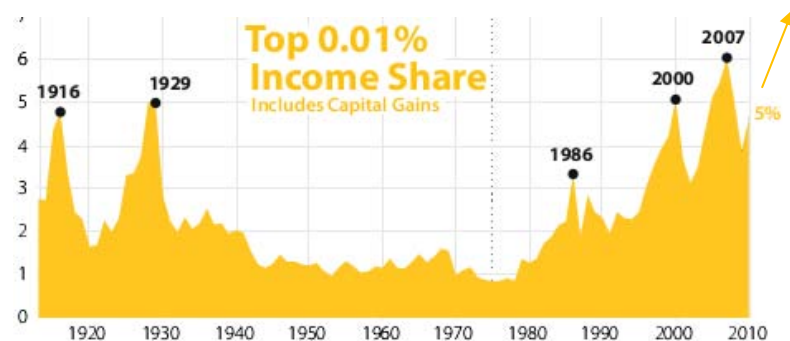
For the economy, declining labor force participation is worrisome. Two things drive economic growth: more workers and more productivity from those workers. From 1950 to 2000, the labor force grew at an average rate of more than 2.5 percent per year. Since then, it has grown at a

rate of less than one percent; add to that an annual growth in productivity of one percent, and you get a long-run growth rate of two percent.

Much has been made of the sluggish pace of growth in the recovery. But without a boost in productivity, demographic trends suggest this may be as good as it gets. – Market News

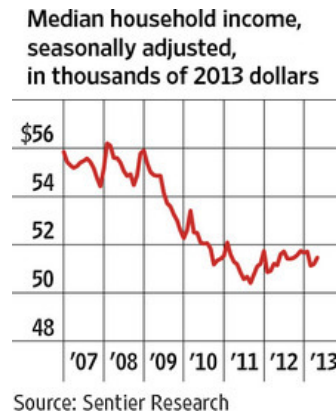
There has been a fundamental shift in income distribution and wealth among American households, with much attention given to the "Top 1%" -- but more disquieting is the top 0.01 percent. The reason for the concern is the enormous amount of wealth held by very few people and the top 1 percent's tie to the financial and shadow banking markets. Hedge fund managers monopolize the top 0.01 percent income bracket, which ranges from \$5 million to \$5 billion in annual income.

Large ramp-ups of the income of the top 0.01 percent as a percent share appears to portend a financial crisis. The graph below provides data through 2010. In 2011 and 2012, the wealth of the top 0.01 percent has increased exponentially exceeding the last peak reached in 2007.

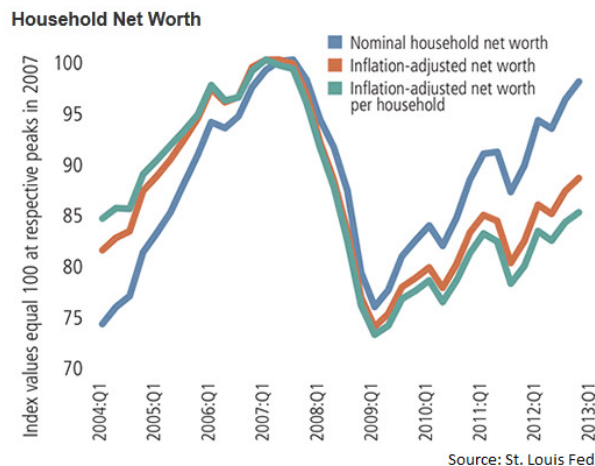


Meanwhile, the average American is facing a degradation in his or her purchasing power. At \$51,456 a year, median income is slightly above its year-ago level of \$51,139, yet far below the prerecession level of \$55,253 in April 2007.

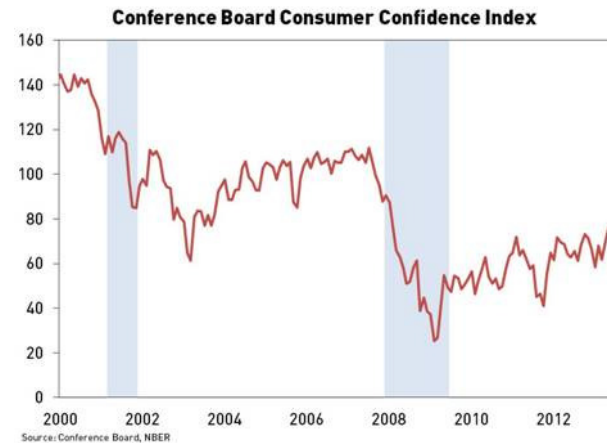
Even though we are technically in an economic recovery, the most recent experience suggests that real median annual household income is still having difficulty gaining any solid traction. – Sentier Research



Moreover, the average American has yet to recoup their lost wealth from the last recession. The Federal Reserve Bank of St. Louis estimates, when adjusted for inflation, only 45 percent of the wealth lost during the recession has been recovered.



Despite the lack of real wage or wealth improvement, consumer confidence is at a five-year peak. The strong stock market and strong housing market has undoubtedly helped restore some confidence after it was shaken by the tax hikes and spending cuts in the first quarter.



However, confidence has been very slow to recover since the recession in 2007-09 and remains depressed when you consider the levels reached in the late 1990s. Nevertheless, the latest underlying data hints that people are confident they will have the means to spend more later in the year, but they are not yet in a position to do so. If their hopes for a better economy, better jobs and more income pan out, retail sales are likely to improve. We have seen confidence quickly erode in the past few years when Washington was having contentious budget debates; perhaps the recent lack of focus on the budget may be a positive factor.

Affordable Care Act and Medicare:

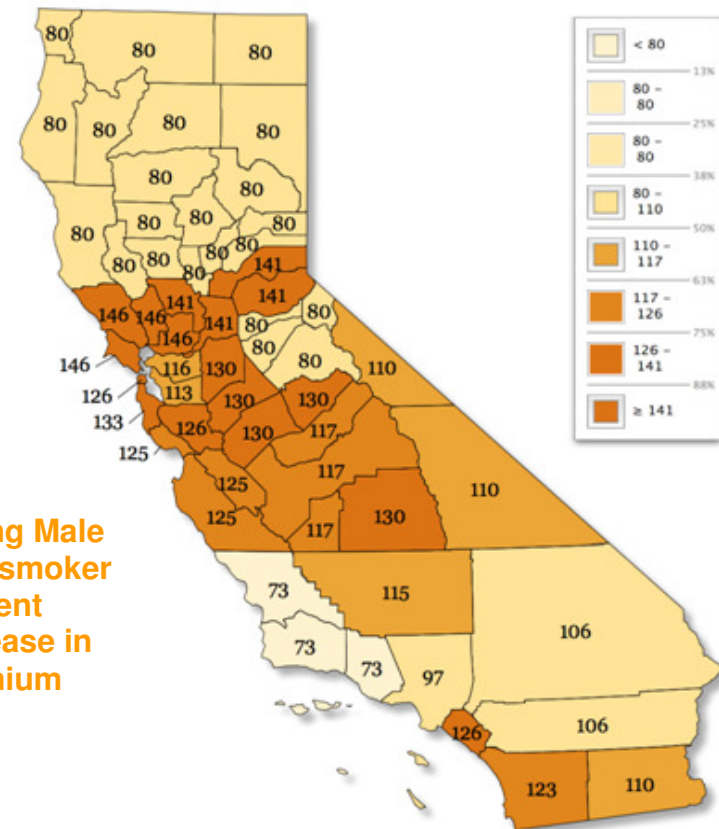
The Affordable Care Act (ACA) will be in full effect January 2014. Its future fiscal and economic impact has been widely prophesized, so it is best to focus on what we do know.

Others noted that although premiums for some young and healthy individuals were likely to go up, “rate shock” claims ignored many of the features of the ACA that make insurance more affordable, such as premium tax credits and Medicaid, and the availability of catastrophic coverage to



CoveredCA.com

The lowest-income people will be referred to public safety net programs, while some 2.6 million middle-income residents will qualify for federal subsidies to help pay their premiums.



The fear remains that the state-run market for health insurance means sky-high premiums for consumers, as represented in the previous map.

CoveredCA presented that when the richness of the plan and subsidies and tax credits are taken into account, the insurance premium are competitive. Nevertheless, cost concerns remain. First, lower value and lower cost plans are no longer available for individuals. Second, if insurance companies lose money at the announced prices that could undermine the new system, then next year they will not participate in the exchange or they increase their rates.

The ACA is also expected to influence hiring practices by incentivizing businesses to hire part-time workers that do not meet the ACA threshold as a full-time employee requiring the company to provide affordable healthcare.

The State Economy

The state, as with the rest of the nation, is recovering slowly from the recession. High-tech start-up companies in the Bay Area are booming; California still gets over 50 percent of the venture capital funding in the nation, and California is well positioned to enable growth with a huge consumer base and the infrastructure and skilled labor for the tech and entertainment industries.

California's unemployment rate fell to nine percent in April. The unemployment rate was 9.4 percent in March and stood at 10.7 percent a year ago. Seven industry sectors added jobs over the month: construction posting the largest increase, manufacturing, trade transportation and utilities; financial activities; educational and health services; leisure and hospitality; and other services. Three categories reported job declines over the month: information,

professional business services and government. Employment is key in keeping the state's recovery on track.

The California housing sector has finally shown some improvement as home prices and sales increase. Builders and realtors are busier than they have been for several years.



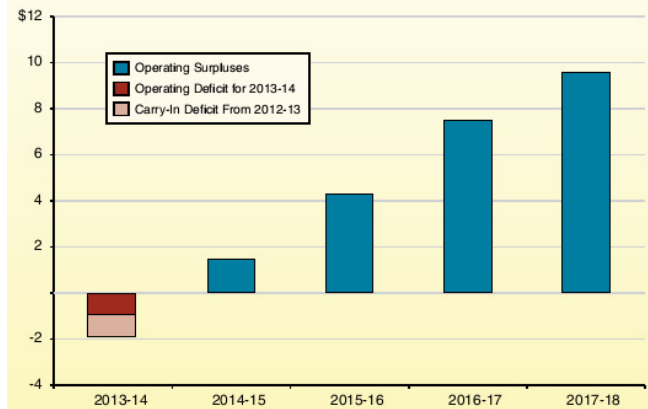
Prop 30, as approved by the voters, has two temporary tax increases designed to shore up state revenues. First is a marginal one to three percent increase on the personal income tax on one percent of the highest California wage earners effective in the 2012 tax year and ending at the end of the 2018 tax year. The tax is estimated to bring in an additional \$7.9 billion in revenues to the state. The second is a 0.25 percent increase to the state's sales and use tax from January 1, 2013 to the end of 2016, which is expected

to generate \$605 million in additional sales tax in Fiscal Year 2012-13, and \$1.3 billion in subsequent fiscal years.

The economic recovery and additional tax revenues has put California back in the black with surpluses projected for the duration of the Prop 30 temporary tax increases.

Forecasted Operating Surpluses Beginning in 2014-15

General Fund and Education Protection Account Combined (In Billions)



The state's economic recovery, prior budget cuts, and the temporary taxes provided by Proposition 30 have combined to bring California to a promising moment: the possible end of a decade of acute state budget challenges. - LAO

Now the state has to face the impact of the Sequester. The largest cut facing California is a loss of \$150.5 million in education funding for primary, secondary and special-education, leaving 1,980 teacher and aide jobs unfunded. Thousands of college students will not receive financial aid or get work-study jobs, and 8,200 children will be excluded from Head Start and Early Head Start services.

The loss of federal funds extends to grants: \$1.6 million in grants that support law enforcement, courts and anti-crime programs, \$12.4 million in grants to prevent and treat substance abuse, \$12.4 million in clean water, air quality and anti-pollution programs, and \$1.9 million in grants for fish and wildlife protection.

Social services suffered losses of \$3.3 million in funding for job search assistance and placement, up to 2,000 disadvantaged children could lose access to child care, \$1.1 million loss of funding for vaccines, \$2.6 million in funds to help upgrade state's ability to respond to public health threats and \$2 million in funding for blood tests, \$795,000 in funds that provide services to victims of domestic violence, and \$5.4 million in funds that provide meals for seniors. About 64,000 civilian Department of Defense employees are likely to be furloughed.

Additionally, the governor's act to shut-down redevelopment agencies has not garnered the revenue he projected; state revenues are \$1.6 billion less than anticipated. However, these loss of funds have not curtailed the economic recovery at the state level.

Comparing Redevelopment Dissolution Savings In Governor's Budget to Past Estimates

(In Millions)

| | Residual Property Taxes | Liquid Assets | Totals |
|---|-------------------------|---------------|---------|
| 2013-14 Governor's Budget | | | |
| 2012-13 | \$784 | \$1,302 | \$2,086 |
| 2013-14 | 559 | 558 | 1,117 |
| Difference From 2012-13 Enacted Budget | | | |
| 2012-13 | -892 | -177 | -1,069 |
| 2013-14 | -452 | -42 | -494 |

Cities are the losers - hit hard by the loss of redevelopment funds to promote development and economic vitality.

The Local Economy

With nearly \$500 billion in annual output, Los Angeles County ranks among the world's largest economies and is well known for its film, entertainment, international trade, and technology industries. Its major research universities have created a reputation for global leadership in innovation — a quality attractive to leading companies.

The City of Lakewood is a bedroom community in Los Angeles County with only six percent of the city zoned for commercial use. The city is a low property tax city, which means we assessed a small municipal property tax prior to 1978-79 that has been folded into the tax base under Prop 13. Today, we rely on a small 5.84 percent share of the county collections — one of the lowest in the county.

The total assessed valuation of real property in the city was \$7.17 billion for Fiscal Year 2011-2012, a 1.6 percent increase from the previous year.



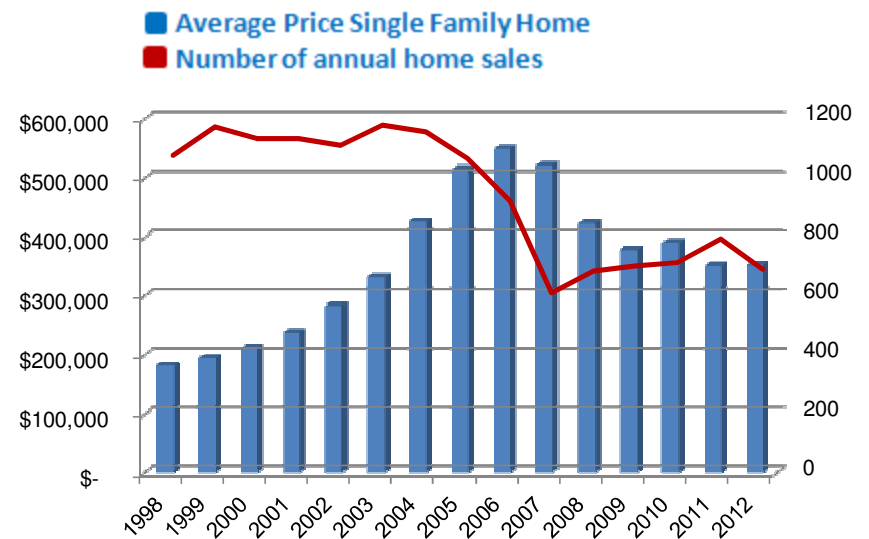
The growth in the city's assessed value of 1.6 percent was outpaced by the county which increased by 2.1 percent.

Assessed Property Values

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-----------|-------|-------|------|------|-------|-------|------|------|
| Lakewood | 10.6% | 10.4% | 8.8% | 4.2% | -3.6% | 0.4% | 1.9% | 1.6% |
| LA County | 9.7% | 10.6% | 9.0% | 7.0% | -0.6% | -1.7% | 1.4% | 2.1% |

The County Assessor increased Lakewood property tax assessments by a CPI of two percent from 2011-2012 to 2012-2013. However, the decline in property values in the last recession triggered the 1978 Proposition 8 reductions where the lesser of the adjusted base year value or market value is used for taxation. Prop 8 reductions almost completely offset the assessment increase by reducing the assessed valuations on 17 percent of the parcels in the city.

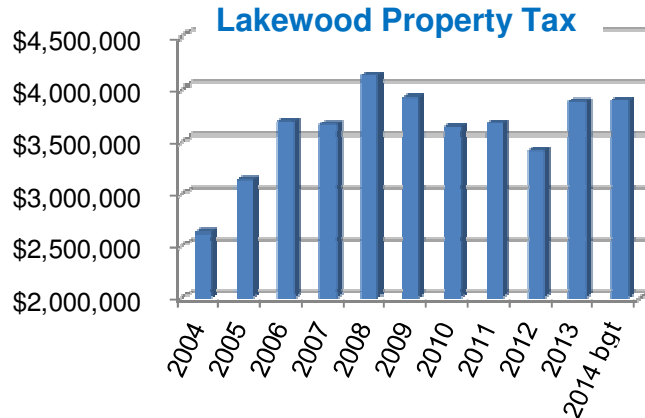
Fortunately, transfer of ownership along with other assessed valuation changes increases the overall taxable value by \$112,691,708. The main driver of the increase was residential properties of \$64,761,949, followed by commercial and industrial of \$37,728,582.



In calendar year 2012, the median single family Lakewood home sold for about \$352,780, a slight increase from 2011.

From 2004 to 2008, property tax revenues increased by \$1.5 million. Since 2008, property tax revenues have declined and in Fiscal Year 2013-2014 remain \$235,000 below the

2008 peak. Slow growth is expected over the next decade, and it will likely be three years to match the property tax receipts of Fiscal Year 2003-2004.

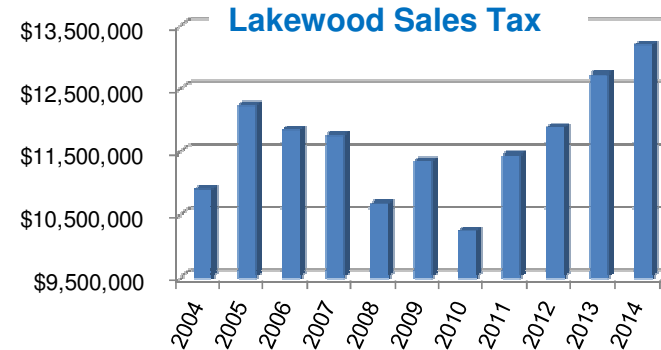


Since the approval of the 2004 Prop 1A and subsequent implementation of the “triple-flip,” decreases in property tax valuation have a greater impact. Under the “triple-flip,” vehicle license fee revenue growth is tied to property tax growth. Property tax in-lieu of vehicle license fees accounts for an additional 17 percent of general fund revenues. Overall, property tax related revenues remain \$184,000 lower from that received in Fiscal Year 2007-2008.

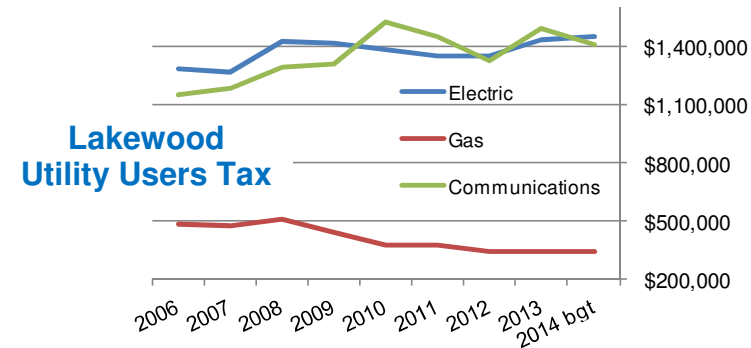
Sales tax revenues account for 32 percent of General Fund revenues. Over 3,000 businesses (including home occupations) are located in Lakewood generating a projected \$13.2 million in sales tax for the city. The economic base of Lakewood is primarily retail and the city’s “top twenty-five” retail businesses, as a group, produce 59 percent of the city’s sales tax revenues.

Fiscal year 2012-2013 was the first year that sales tax exceeded the level reached in Fiscal Year 2004-2005. Sales tax revenues are expected to increase in Fiscal Year

2013-2014 by 4.5 percent from Fiscal Year 2012-2013, and this expected increase of \$569,343 is included in the proposed budget.



Other cities in the area are enjoying up to a 15 percent increase in sales tax. Since Lakewood did not have the downward loss in sales in the recession as many area cities did, the bounce back up is also less dramatic.



City revenues are also affected by changes in the commodity markets. The city’s assessed utility users tax represents nine percent of General Fund revenues. The three percent tax is assessed on communications, electricity, natural gas and water use. Natural gas prices continue to decline dramatically resulting in \$117,000 less natural gas

utility users tax revenues from what was received in Fiscal Year 2007-2008. The decline in natural gas prices has also affected the city's franchise fee collections. Natural gas franchise fees remain down \$60,000 from revenues received in Fiscal Year 2006-2007.

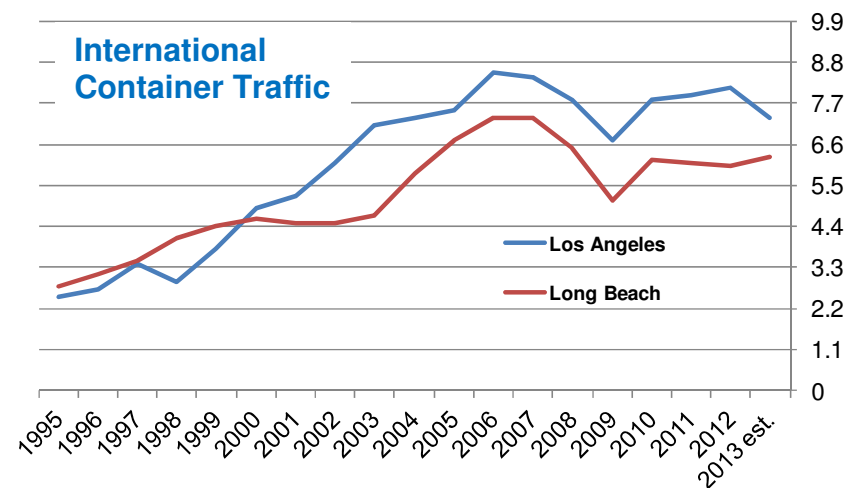
Beacon Economics is forecasting total nonfarm employment in Los Angeles area to continue to grow at a relatively slow pace of 1.6 percent throughout 2013 and 2014. The unemployment rate is expected to continue falling, staying below 10 percent in 2013 and below nine percent in 2014.

Lakewood's employment rate depends on the regional job situation. A major employer in the region is the Boeing C-17 cargo jet plant with approximately 5,000 employees — the last large fixed-wing aircraft production plant in California. The \$250 million C-17 is used by militaries to haul vehicles, troops and supplies, and in relief efforts to ferry medical supplies, food, water and other relief items to disaster zones. Although the Pentagon has stopped new orders of the C-17, Boeing has foreign orders, which extends production beyond 2016. Boeing recently announced it will shift current and future engineering work out of Washington state to Long Beach. The move will bring about 300 jobs to the local workforce within six to nine months. The jobs include engineering support for airlines that fly out-of-production airplanes — such as older 737 classics and 757s.

The Port of Long Beach is a vast provider of employment opportunities throughout the county and state. In the local area, the port operations support 30,000 jobs. The more than \$155 billion worth of cargo that moves through the port every year creates jobs, supports retail and manufacturing businesses, and generates tax revenues. After a 30 percent decline from 2007 through 2009, trade volumes through the Port of Long Beach quickly regained half of this loss in 2010.

In 2011, container traffic fell slightly at the Long Beach port, but was almost entirely offset by increased traffic at the Los Angeles port. But in 2012, container traffic grew at a modest rate.

In December 2012, Long Beach Port announced that CMA CGM, the world's third-largest container shipping line, had purchased a stake in the Port of Long Beach's Pier J, a move that will bring an additional 2.6 million container units to the Port and increase Port revenues by about \$70 million over the next five years.



Long Beach port officials are reporting a dramatic increase in cargo, moving 36.6 percent more containers compared to the same month one year ago - including a nearly 46 percent surge in imports and a 17.2 percent jump in exports. Cargo increases in recent months are in part due to the more frequent use of larger ships and the addition of service lines to Long Beach. In the latter part of last year, Mediterranean Shipping Co. and CMA CGM, two of the largest ocean carriers in the world, established exclusive hubs at the Port of Long Beach.

The Port of Long Beach is also investing \$1.2 billion to develop the new 300-acre-plus Middle Harbor terminal, while Orient Overseas Container Line and Long Beach Container Terminal (OOCL and LBCT) will invest approximately \$500 million in the latest cargo-handling equipment. The project is projected to generate more than 14,000 new, permanent jobs throughout Southern California by 2020.

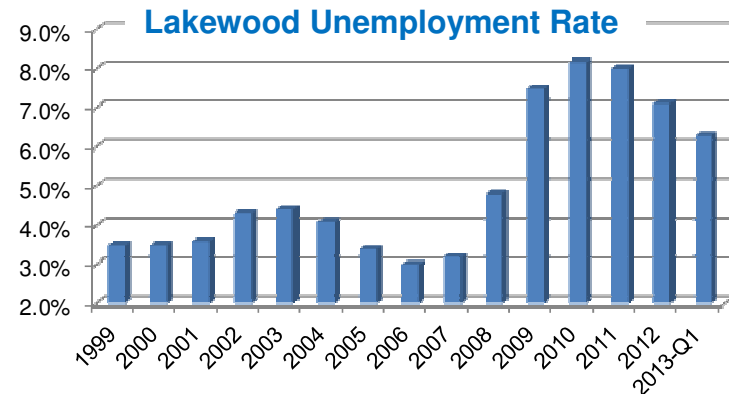
In 2009, the Legislature passed a \$500 million five-year program to counteract the financial incentives offered by other states to lure film production away from the Los Angeles County region by offering tax credits to a limited range of qualifying productions. Per the Los Angeles Economic Development Corporation (LAEDC), the California Film and Television Tax Credit Program enacted in 2009, has already generated more than \$3.8 billion in economic output, kept over 20,000 jobs in California, and returned to the state and local governments \$201 million in tax receipts.

In September 2012, Governor Jerry Brown signed legislation granting a two-year extension of California's \$100 million-a-year film and television tax credit program, which now will run through July 2017.

Hospitals are hubs of employment, purchasers of goods and services, and generators of tax revenue. The estimated total economic output of hospitals and related services in the Los Angeles region accounts for about 11 percent of the region's economy and provides over 380,000 jobs.

The local hospital and medical center, Lakewood Regional Medical Center (LRMC), has invested \$2.7 million in a new medical-surgical unit and upgraded all patient rooms. In addition, the hospital purchased a surgical robot for performing partial knee replacements. Also, it's in the midst of a \$3.7 million expansion of its interventional suites. Many

other investments have been made. LRMC has been designated by Los Angeles County as a heart attack receiving center and has just been recognized as a Primary Stroke Center. LRMC employs 780 skilled physicians, nurses, and support staff.



Lakewood's unemployment rate was 6.3 percent in the first quarter of 2013; far better than the state as a whole, but above the average rate Lakewood has enjoyed in the past. Major employers located within city limits are Long Beach Unified School District, County of Los Angeles, Lakewood Regional Medical Center, and various retail, automotive and home improvement businesses, as well as the city itself.



The April to April Consumer Price Index (CPI) for the Los Angeles, Riverside, and Orange County region was 0.9 percent in 2013, and is expected to remain relatively low.

Economic Outlook

The economy has weathered the storm, but faces headwinds in its recovery. These headwinds involve policy and include how deficit reduction is implemented and the role of government to provide economic stability and the rebuilding of income and wealth for the average American, and if safeguards are put in place, to protect main street from Wall Street's shadow banking activities.

Historically, fiscal policy tends to be expansionary in recessions. As economic activity slows, tax revenue falls and government spending rises, giving a boost to the economy. Since 2010, fiscal policy has been contractionary with spending cuts and raising tax revenue, and in 2013 was elevated with the expiration of a key recession-era tax cut and the imposition of across-the-board government spending cuts. The deficit has shrunk because of this contractionary policy, but has been at the expense of the economy.

The economy would be growing more quickly if not for cutbacks in government spending and hiring, at a time where taxes have also been increased. Fiscal policy headwinds will subtract one percentage point from growth over the next three years beyond the normal fiscal drag that usually comes during times of recovery.

The average citizen's ability to increase purchasing power and save is important to the viability of local communities. There has been a fundamental shift in income and wealth. The shift has accelerated during the slow recovery that followed the financial crisis and ensuing recession of 2008

and 2009. Corporate earnings have risen at an annualized rate of 20.1 percent since the end of 2008, where personal disposable income inched ahead by 1.4 percent annually over the same period, after adjusting for inflation. In 2012, corporate profits, as a percentage of national income, stood at the largest share at any time since 1950, while the portion of income that went to employees was near its lowest point since 1966. There hasn't been a period in the last 50 years where these trends have been so pronounced. This shift has created a disparate gap and the resulting income and wealth inequality has become troubling.

Municipal bonds finance everything from large transportation projects to small school expansions, and are used by the largest states to the smallest towns. Because interest on municipal bonds is usually exempt from state income taxation for residents of the states in which they are issued, investors buy bonds issued within their states. Tax exempt bonds facilitate local investment financed by local capital. This is an investment tool cities must not lose.

The financial crisis did not begin in the banking system; it began in the shadow banking system. Shadow banking (bank activity performed by nonbanks) is growing rapidly today in large part because regulators have cracked down on banks since the crisis. To avoid a future financial crisis, transparency of shadow banking markets must be increased so that authorities can monitor for signs of excessive leveraging and unstable use of short-term funding to finance longer term, risky assets outside regulated banks. There also needs to be steps taken to reduce the risk of runs on investment funds like that which occurred in 2008.

How these headwinds are handled will contribute in determining the course of the economy in the next few years.

Budget Focus Areas

The City of Lakewood has remained focused on what is truly important – the core functions of operating a city – resulting in a healthy community for residents and businesses. By keeping this focus, the city has built a large capital base that includes the entire inventory of city assets: streets, sidewalks, water system, trees, parks, community facilities and goodwill. The city's goodwill, cultivated through recreation, community services, public safety and economic development programs, creates the neighborly sense of community we all enjoy.

The following Budget Focus Areas highlight how we plan to carry on Lakewood's tradition of community investment.

1. BUDGET FOR SUSTAINABILITY

The proposed budget for Fiscal Year 2013-2014 takes into consideration an improving private sector economy. Lakewood's long-term financial management practices include an analysis of all city assets and liabilities in a manner that puts resources to their best use and minimizes costs – specifically reoccurring costs.

The city has taken great care of its physical assets. City streets, buildings and infrastructure are in good repair. Although difficult to quantify, there is a definite annual operational savings realized because these city assets are less likely to break, degrade or malfunction.

We have also been able to reduce on-going operational costs by effectively managing known future liabilities. These liabilities include pension plans, the retiree health plan, and CJPIA general liability and workers' compensation plans. However, the city will be responding to the fiscal challenges posed by the Affordable Care Act (ACA) in Fiscal Year 2013-

2014. Additional costs associated with this federal mandate for employers to provide healthcare insurance to employees who were formally not considered full-time for the purposes of receiving benefits are included in the proposed budget.

But, no amount of prudent fiscal planning could have mitigated the impact of the dissolution of redevelopment agencies. The state immediately took \$4.2 million in housing funds and \$3.3 million in general funds – and the Department of Finance has determined that another \$7.8 million in general funds should be paid to the state. The city via the successor agency is joining over 100 other agencies in suing the state in an effort to retain the \$7.8 million.

The general funds the state took -- and wants to take additionally -- are the debt service payments on loans made by the city to the former Lakewood Redevelopment Agency. Rather than issuing bonds for economic development projects, the city chose to directly loan the agency the funds. City direct loans provided the agency the flexibility to delay debt service payments when funds were deemed to be better used for projects. When the state dissolved all redevelopment agencies these direct loans were constitutionally made null and void, and are only now considered valid only because of the passage of AB 1484, which provides a means for the city to receive loan payments. Although relieved that we do have a means to receive payments for the city loans, the city takes the stance that loan debt service payments made prior to the dissolution of redevelopment are valid and cannot be clawed-back; additionally, there is a concern that future funds available for re-payment of the city loans may be insufficient.

The city has also absorbed the housing costs of the former Lakewood Redevelopment Agency. These costs include measures to alleviate blight through code enforcement, and

the city's administration of the fix-up and paint loan and grant program, monitoring of affordable housing covenants, and development of housing properties.

The proposed budget continues the process of identifying the full cost of services and aligning costs to corresponding revenues. Refuse and water consumption rates take into account all costs, and the city's building and safety fees for services provided by the county have been set at the county rates to cover the county provided inspection costs. In the Fiscal Year 2013-2014 budget, staff is proposing certain revenue enhancements in alignment with the cost of the corresponding services.

2. KEEP LAKEWOOD SAFE

The city utilizes a comprehensive approach to keeping Lakewood a safe place to live and work. The methods employed are prevention and education, law enforcement services, and emergency preparedness and response.

Preventive services and educational events to enhance neighborhood security and public health include:

- Neighborhood Watch
- LAND (Lakewood Apartments Nuisance Deterrent) program for rental property managers
- Business Watch, a crime-fighting program for small business owners
- Success Through Awareness and Resistance (STAR) Deputy, a youth drug education program
- Public Safety and Bike Expo, an annual pre-summer event stressing bike safety
- Street lighting and citywide graffiti removal program
- Live Scan fingerprinting at the Community Safety Center inside the mall to provide fingerprinting services for residents for job clearances at schools

and municipalities, as well as state and federal agencies

- Illegal fireworks annual suppression campaign

Law enforcement services to preserve the peace include:

- The city's contract with the Los Angeles County Sheriff's Department for law enforcement services.
- Special Assignment Officers are team leaders and work "hot spots" within the city by adjusting their schedules to meet public safety needs.
- Part-time city employees trained to lift latent fingerprints. Lakewood is one of the few cities where law enforcement routinely lifts prints from non-violent crime scenes.
- Sky Knight helicopter patrol providing support to ground units during emergency calls.
- COPS grant funds used for two park deputies on weekends over the busy summer months.
- Lakewood's Nuisance Property Abatement Team, which works to resolve severe property violations when accompanied by criminal activity. Justice Assistance Grant (JAG) funds offset the cost of a special assignment officer on the City Abatement Team.
- Other enforcement programs including scavenger patrol, parking control and animal control.

Emergency and disaster preparedness and response include:

- The city's "community resource command vehicle" – an Emergency Operations Center on wheels – that is equipped with a dispatch center, conference room, satellite telephone communications system, interoperable radios linked to all emergency agencies,

and computers to handle a full range of emergency operations and coordination.

- The city has met training requirements mandated by federal Homeland Security Presidential Directive-5.
- City workforce is certified in the National Incident Management System.
- Lakewood's *Survive for 7* program, which guides residents on how to prepare for an emergency.
- The city's CERT program teaches area residents how to prepare for, respond to and cope with the aftermath of a disaster.

Knowing the importance of providing a safe environment for the community to prosper, the proposed Fiscal Year 2013-2014 Budget continues the full funding of public safety programs and services, which represents the city's largest allocation of funds.

3. PRESERVE NEIGHBORHOOD QUALITY OF LIFE

Lakewood is a community of well-kept neighborhoods. The streets are in excellent condition, swept clean and free of potholes. Sidewalks are lined with mature and young trees, local parks are manicured and safe, and homes are in good repair.

The proposed Fiscal Year 2013-2014 budget includes funding for the following:

- Local street maintenance. Providing well-maintained city streets for Lakewood residents will always be a local government priority. The city's proactive paving program began in 2000. Since the program's inception, 100 percent of residential streets have been resurfaced with rubberized asphalt providing long-lasting durable roadways throughout the city. Prop C, Measure R, TDA and general funds are allocated in the proposed Fiscal Year 2013-2014 Budget to

continue the city's investment in its street resurfacing and sidewalks.

- Passive and active parks. The Fiscal Year 2013-2014 Budget includes funds to upgrade our award-winning city parks. CDBG funds are budgeted to renovate and upgrade the Palms Park activity building.

- Tree planting. City efforts in the new year will maintain Lakewood's tradition of being a Tree City USA. The National Arbor Day Foundation has named Lakewood a "Tree City USA" every year since 1982.

- Mitigating storm water pollution. Mandated by the State's Water Quality Control Board, Lakewood continues our citywide "no parking during street sweeping" program. The program has ensured that all Lakewood streets are swept clean each week by requiring all vehicles be moved off the street on street sweeping day.

- Effective in December 2012, the city must comply with the new five-year Municipal Separate Storm Sewer System (MS4) permit. The permit requires the city to embark on a multi-year planning process, resulting in the identification and construction of major projects that will have a significant impact on storm run-off and water quality. The costs associated with this program are expected to be quite significant and are presently unfunded.

- Commitment to excellent water quality and providing a reliable water supply. The city's water utility provides service to about 80 percent of Lakewood. The Department of Water Resources has the responsibility for running the utility, providing water quality assurance, maintaining equipment, funding capital improvements, and being prepared to respond to an emergency. Water Resources routinely replaces water mains, service lines and fire hydrants, which is part of the overarching plan to replace old undersized water mains to increase fire-fighting capabilities

and improve water quality. Allocated in the proposed Fiscal Year 2013-2014 Budget are funds for the water main and meter replacement programs, rehabilitation of Plant #13, and for the installation of a treatment facility at Well #22.

4. FOSTER A SENSE OF COMMUNITY

Lakewood has long recognized the value that a positive sense of community has on the overall wellbeing of its residents, business owners and citywide workforce. The city fosters this positive sense of community by providing opportunities for public involvement through recreation, community and social events, and volunteerism.

The Recreation and Community Services Department offers a wide array of classes, activities and programs to the community. In addition to the more than 1,500 contract classes and programs conducted throughout the year, the city offers aquatics programs, sports leagues, camps, park activities and an annual series of community events.

In 2004, *Sports Illustrated* named Lakewood “Sportstown USA” recognizing the city’s sports programs as the best in California. In 2013 and for the fourth year in a row, KaBoom! (a national non-profit organization based in Washington, DC) designated Lakewood a *Playful City USA*, one of only 26 cities in California.

In addition to the 13 parks and two community centers scattered throughout Lakewood, the city preserves the two-mile West San Gabriel River Parkway Nature Trail located adjacent to Monte Verde Park. The trail features numerous native and drought resistant trees, shrubs and wildflowers that provide habitats for various songbirds, butterflies and small animals. The city also operates two community pools located at Mayfair and Bolivar parks.

Community events offered throughout the year include:

- Lakewood Civic Center Block Party, an early summer family entertainment, food and fireworks event
- Summer Concerts in the Park
- Patriot Day 9/11 commemoration
- Halloween Carnivals at eight park locations
- The Lollipop Lane, a holiday craft boutique
- The Pan American Fiesta, a three-day event in May
- Lakewood Youth Sports Opening Day, and Public Safety and Bike Expo, a start-of-summer event

The Centre at Sycamore Plaza is a multi-purpose banquet facility for groups ranging in size from 10 to 500. The Centre’s beautiful interior décor, as well as its outdoor plaza area, make it a highly desirable locale for many users ranging from recreation classes and small community meetings to large corporate functions and private events.

Many volunteer opportunities are provided by the city. Although we can tally the hours volunteered, the value to the community provided by the city’s many volunteers is immeasurable. These volunteers who help make Lakewood a better place to live are recognized as the cornerstone in maintaining the quality-of-life programs that make Lakewood uniquely charming. Lakewood Youth Sports coaches volunteer over 10,000 hours annually. Lakewood’s enthusiastic teens volunteer over 7,000 hours each year, and senior programming volunteers give over 25,000 hours annually.

The proposed Fiscal Year 2013-2014 Budget allocates funds to continue these highly successful programs — a quality truly distinctive of Lakewood.

5. PROMOTE ECONOMIC VITALITY

The city continues its collaboration with the business community to encourage commercial development and opportunities to rejuvenate existing businesses in Lakewood which provide our residents with both convenient shopping and employment opportunities.

In Fiscal Year 2013-2014, the city will see the completion of several new and reconstructed commercial developments. Among these facilities in Lakewood Center will be:

- Round 1 – It is reconstructing and adding to the mall's second story to create a 46,373 sq. ft. entertainment center that is scheduled to open in August.
- Ulta Beauty – It is opening a store in the east end of the Mall across from the newly opened Book-Off.
- Victoria's Secret – They are opening the new larger store in the mall.

The new food court in the Mall is attracting new food uses and many of the uses that were located in the previous location on the second floor (now Round 1) are now relocating near the Target wing. Lakewood continues to be a dining destination and new restaurants including Pieology to be located on Lakewood Square and Applebee's in Lakewood Center will add to the vast number of choices.

The proposed Fiscal Year 2013-2014 budget allocates the funds necessary to continue the city's exemplary level of service that has been so highly praised by developers and business owners.

6. SUPPORT A CARING COMMUNITY

Lakewood continues to focus on the preservation of the city's homes, most of which are now more than 50 years old,

and programs that support our residents in need. The proposed Fiscal Year 2013-2014 Budget allocates funds to assist low and moderate-income families, the disabled and medically fragile, and seniors in our community.

The Fix Up/Paint Up program offers grants of up to \$3,000 in exterior repairs for elderly and disabled residents who cannot attend to the property upkeep themselves. The Home Improvement Loan program makes major repairs possible by lending up to \$18,000 for home improvements to eligible homeowners. Both of these home renovation programs will continue in Fiscal Year 2013-2014 with the use of repayments of prior loans to the Housing Agency funds.

Utilizing Community Development Block Grant (CDBG) funds, the city supports and partners with the local organizations listed below to provide in-home care and counseling assistance to those in need:

- Community Family Guidance Center
- Human Services Association
- Lakewood Meals on Wheels
- Pathways Volunteer Hospice

Also noteworthy is the city's successful and rewarding practice of encouraging staff involvement in these programs. Many city staff members volunteer in these programs and are largely involved in their success.

The city also utilizes contract services to provide an innovative program designed for Lakewood's baby boomer population, "Nifty after Fifty." The program is offered at the Burns Community Center, and provides fitness and wellness opportunities for anyone age 50 and over.

Project Shepherd provides holiday assistance to Lakewood residents in need. Community organizations, businesses and residents contribute food, toys, clothing and monetary support. Over 500 families annually received assistance in the previous two years. This program also provides assistance throughout the year in the purchase of food and clothing and payment of essential utility services.

Volunteer Day is a collaborative event held each spring where a diverse collection of service groups, city staff and members of the community work together to fix, clean or paint selected work sites in the city for homeowners who are physically or economically unable to do so on their own. This year, over 35 sites ranging from homes to public facilities were attended to and/or repaired by over 450 volunteers.

The city also provides support for those in immediate danger or crisis through Su Casa Family Crisis and Support Center.

7. SECURE FISCAL RESOURCES: LOCAL, STATE AND FEDERAL

Lakewood staff is encouraged to readily take the steps necessary to acquire new and retain current funding sources.

New funding possibilities include various one-time competitive grants and on-going block grants. These grants fund public works projects, park and recreation facilities, and public safety, transportation and housing programs.

The city was recently successful in securing a \$1.4 million grant from the California Natural Resources Agency. The funds will be used to complete the final phase of the West San Gabriel River Parkway Nature Trail from Del Amo Boulevard to the Candlewood Avenue turnout. This project

is included in the Fiscal Year 2013-2014 Budget.

In Fiscal Year 2013-2014, the prolific funding of federal grants has long ended and even long-standing grants, such as the Community Development Block Grant (CDBG) funds, have been whittled away by 50 percent as the White House and Congress endeavor to balance the federal budget. Even so, we continue to apply for new funding sources to bolster park improvements and street repair.

8. HIGHLIGHT GOVERNMENTAL TRANSPARENCY

Lakewood continues its long tradition of communicating regularly with our residents about city government and civic life through detailed print newsletters, e-newsletters, city website, cable TV programs and many public gatherings.

Because of problems in some local government agencies, transparency has grown in importance. The proposed Fiscal Year 2013-2014 budget includes funding to disseminate Lakewood's fiscal information. It will include the city's supplemental materials to complete Lakewood's story of its financial and programmatic efforts and goals.

The city will also continue to explore methods to make it even easier for residents and the business community to communicate and interact with the Lakewood city government.

9. HOLD ON TO LOCAL AUTHORITY

The city remains very active in Sacramento's legislative process to protect local jobs, land use and redevelopment authority, and assure that local revenues are protected and state takeaways stopped. The proposed Fiscal Year 2013-2014 Budget allocates funds for council members and city

staff to continue engaging our legislators and members of the governor's staff to ensure minimal impact on cities and our residents, and to protect local authority in determining what is best for the Lakewood community.

The City of Lakewood prides itself in the neighborly and family-oriented character of its community. Over the past decade, many bills passed into law that prevent cities from determining development within their own borders. The city has a strong tradition of making practical and positive change to preserve the quality of life for the community, which also benefits the state. Retaining the city's right to make local land use decisions allows Lakewood to act in a manner that is both compatible with state goals and complementary to the community's character.

To rectify the California budget or cash flow problems, state legislators repeatedly author laws that shift municipal revenue to the state. Property tax is often the local revenue that is shifted. The state legislature justifies these actions given the impacts on state revenues caused by the voter approved 1973 Proposition 13 and 1988 Proposition 98. Lakewood residents and business owners have repeatedly joined with the city in our efforts to hold on to local authority.

10. PROTECT THE ENVIRONMENT

The city provides curbside recycling and automated refuse collection with the use of alternative fuel trash trucks. The refuse collection program provides residents with trash and recycling carts and unlimited green-waste disposal. The city's recycling program in the past year has diverted from landfills over: 2,342 tons of street sweepings, 30 tons of televisions, monitors, computers and other e-waste, 9,496 tons of green waste, 10,000 gallons of oil, 884 oil filters, 383 tons of mixed waste fiber paper, and 57 tons of Christmas

trees. The proposed Fiscal Year 2013-2014 Budget allocates funds to continue the city's recycling programs.

Additionally, the city is developing two measures— a construction and demolition ordinance, and a fats, oil and grease (FOG) ordinance — in an effort to free these substances from landfills and drainage systems.

The city itself is "green." The city has incorporated "green building" features by use of sustainable materials, energy efficiency and the recycling of demolition debris into all its construction plans. The city utilizes clean fuel vehicles to cut greenhouse gas emissions and uses recycled tires in street repairs that have kept old tires out of landfills, and 100 percent of city streets, both neighborhood streets and local highways, have been repaved using rubberized asphalt.

In 2008, solar panels were installed on one of the water storage tanks at the Arbor Maintenance Yard. The panels provide energy to run the water storage facility's booster station during daylight hours, reducing the use of electrical energy during periods of peak demand and peak time of use rates. For this undertaking, the city received a \$711,000 rebate from the California Solar Initiative Program, which will be paid to the city over five years. The city also operates a second solar panel project, which generates electricity to run the Arbor Maintenance Yard offices and operational buildings.

In Fiscal Year 2010-2011, Water Resources implemented a rebate program for the residential customers when they purchase and install water efficient sprinklers, controllers, rain sensors and drip irrigation, or remove thirsty grass and plant water-wise landscaping. This program continues in the Fiscal Year 2013-2014 Budget.

Budget Overview

The following overview highlights the major sources and uses of the city's resources in the proposed Fiscal Year 2013-2014 Budget, and makes comparisons to Fiscal Year 2012-2013 expected revenues received by year-end.

Revenues

General government operating and water utility revenues total \$59,988,361 for Fiscal Year 2013-2014.

Major sources for the city's revenues are as follows:

- **Property taxes** – Revenues are projected at \$3,895,979 a 0.3 percent increase from the prior year.
- **Sales tax** – Lakewood's share of the uniform state sales tax is the city's largest revenue source, estimated at \$13,223,850, an increase of 4.5 percent.
- **Utility users' tax** – The utility users' tax is levied at three percent. For Fiscal Year 2012-2013, the amount is projected at \$3,616,171, a decrease of one percent.
- **Franchises and business licenses** – Annual franchise and business license taxes are projected at \$2,137,320. This includes franchise fees to support CATV.
- **Refuse collection and disposal fees** – Current service charges to customers; revenues are projected at \$4,977,531. This revenue directly offsets the costs of the city's solid waste contract and related overhead.
- **Special public safety charges** – Revenue reimbursements to Lakewood for the Sky Knight program from two neighboring cities are estimated at \$286,925; however, one

of the cities, Hawaiian Gardens is contemplating dropping the program. Other public safety services are at \$768,020.

- **Recreation fees** – Fees for recreation classes, programs, and sports programs are projected at \$994,953. These revenues partially offset recreation operational costs.
- **Building permit fees** – Fiscal Year 2013-2014 construction permits and plan check fees are estimated at \$1,474,929, a 1.8 percent decrease.
- **State subventions** – state-collected local taxes (subventions) are estimated at \$9,733,502. The largest of these are motor vehicle in-lieu at \$7,019,901 and state gas tax and traffic congestion relief at \$2,428,601.
- **County and other agency grants** –

| | |
|-------------------|-------------|
| Prop A Transit | \$1,368,103 |
| Prop C Transit | \$1,134,806 |
| Measure R | \$851,102 |
| AQMD | \$100,000 |
| Prop A Recreation | \$186,233 |
- **State grants** –

| | |
|------------------|-------------|
| River Park Grant | \$1,446,203 |
| COPS | \$131,701 |
| Litter Reduction | \$22,450 |
| TDA | \$50,988 |
| Used Oil | \$23,022 |
- **Federal grants** –

| | |
|------|-----------|
| CDBG | \$475,961 |
| JAG | \$22,229 |
- **Water utility charges** – Water utility operating revenues are projected at \$10,406,535 for Fiscal Year 2013-2014. Of the

total revenue, reclaimed water sales are forecast at \$225,000, and the solar panel energy rebate is \$140,000.

Appropriations

General government and water enterprise operating appropriations total \$58,207,033 for Fiscal Year 2013-2014.

- **Personnel expenses** – Personnel costs comprise 39 percent of the proposed operating budget for Fiscal Year 2013-2014. In the past 20 years, Lakewood’s workforce has decreased and is now at 171 positions in Fiscal Year 2013-2014. No new positions are proposed in this budget.

- **Contract services** – Approximately 40 percent of the operating budget reflects contract services.

Major contracts for Fiscal Year 2013-2014 include law enforcement by the Los Angeles County Sheriff’s Department \$9,792,917 and refuse disposal and collection \$4,384,848.

Other contracts include street lighting maintenance \$668,000, street sweeping \$612,000, tree maintenance \$530,000, IT computer services \$495,000, Sky Knight \$321,000, animal control \$320,237, building and safety inspection \$318,000, and engineering services \$282,000.

- **Supplies and expenses** – This general classification of expenses represents 20 percent of the Fiscal Year 2013-2014 operating budget. The largest expenses are utilities \$1,457,040 and insurance costs for liability, property, earthquake, and workers’ compensation and unemployment programs at \$869,446.

- **Interdepartmental services** – These are services provided by the city’s Graphics and Copy Center and Fleet Maintenance and Geographic Information System (GIS).

Costs are collected in internal service funds and allocated through work orders and in the case of GIS, costs are allocated on estimated usage. These services comprise one percent of the budget. Graphics and Copy operations are expected to cost \$421,441. The fleet maintenance costs are budgeted at \$974,198, and GIS costs are budgeted at \$97,016.

- **Water utility services** – Water utility appropriations are proposed at \$9,964,406 for operational costs, which includes water replenishment of \$2,527,776, depreciation in the amount of \$1,450,000, debt service of \$817,394 and \$525,000 in electricity costs for pumping water.

- **Capital equipment** – Appropriations for vehicles are designated in an equipment replacement fund with the purpose to replace equipment that is unsafe or no longer serviceable.

Capital Improvements

Capital improvements are considered apart from the city’s operating budget. Capital improvement projects typically involve various funding sources, large outlays and cover multiple years.

Multi-year capital improvement projects, including water utility projects, totaling \$10,395,202 are slated for Fiscal Year 2013-2014, of which \$5,158,439 are projects continuing from prior years.

Park and facilities projects include: Palms Park activity building upgrade, West San Gabriel River trail, hardscape repair at various parks; refurbishment of Centre facilities; fire, security system and fencing improvements are on-going throughout the city; roofing and paint at the Nixon Yard, tennis court and parking lot at Mayfair Park, and various

small projects that attend to potential health and safety matters.

Public right-of-way projects include: Woodruff Ave. resurfacing; Candlewood St. pavement maintenance; local street and alley resurfacing; slurry seal of City Hall parking lot; ADA improvements and hardscape repairs throughout the city.

The water utility capital improvement budget is \$5,166,751 for Fiscal Year 2013-2014. Water utility capital projects include: Arbor Yard building roof and HVAC; water main replacement; the completion of Well #22 treatment facility; Plant #13 rehabilitation project; meter replacement; and implementation of field data work order system and upgrade of the SCADA computer system.

Expenditure Limit

Article XIIIB of the California Constitution limits the expenditures from the proceeds of taxes. These expenditures may increase over the prior year in the same percentage as inflation and population changes. Grants and non-tax revenues are exempt.

Prior to the adoption of the budget the City Council determines its annual appropriations that are subject to limitation pursuant to Article XIII.B of the State Constitution, which are adopted by separate resolution and made available for public inspection fifteen days prior to adoption. The total annual appropriations of the City of Lakewood subject to limitation as specified in Article XIII.B of the State Constitution for the Fiscal Year 2013-2014, commencing July 1, 2013, is determined to be \$28,778,546.85. Proceeds subject to the Gann limit are 60.7 percent of the imposed limit.

Reserves

The city has maintained a structural surplus to fund the city's capital improvement program. This surplus has ranged from over ten percent of revenues to a deficit of close to four percent depending on the capital projects funded in that particular year. On average, the structural surplus is five percent of General Fund operational revenues. The primary source of funds to create the structural surplus was the Lakewood Redevelopment Agency's annual interest payment to the city. In the current and future years, the maintenance of this structural surplus will need to be built into the revenue and expenditure structure without the Agency's interest payments.

The Fiscal Year 2013-2014 Budget calls for the use of General Fund reserves of \$788,429 for capital projects, which is proposed to be added to the projected \$482,713 in allocations for capital improvements made in prior years that are continuing into Fiscal Year 2013-2014, as many of the capital projects are multi-year.

Recommendation

It is respectfully recommended that the City Council hold the public hearing on the budget, and adopt the presented budget as the city's Financial Plan for Fiscal Year 2013-2014.

Respectfully submitted,



Howard L. Chambers
City Manager

SUMMARY OF FUNDS

FISCAL YEAR 2013-2014

| FUND | Estimated Fund Balance June 30, 2013 | Estimated Revenues | Reserves & Transfers In/Out | Appropriations | Estimated Fund Balance June 30, 2014 |
|--|--|-----------------------|--------------------------------|----------------------|--|
| <u>General Fund</u> | \$ 2,877,259 | \$ 40,181,162 | \$ 3,177,546 | \$ 43,473,777 | \$ 1,973,501 |
| Capital Improvements | 482,713 | - | - | 1,271,142 | - |
| Community Facility Fund | - | 288,000 | 598,963 | 886,963 | - |
| Retiree Medical Fund | 175,000 | - | 4,500 | 179,500 | - |
| Cable TV Fund | - | 537,100 | 58,542 | 595,902 | - |
| Housing Successor Agency Fund | 181,000 | 200,000 | | 200,000 | 181,000 |
| | - | | | | |
| <u>Special Revenue Funds</u> | - | | | | |
| CDBG Funds | 35,008 | 475,961 | | 294,077 | 31,149 |
| CDBG-Capital | - | | | 185,743 | |
| State COPS Grant | 325,480 | 131,701 | - | 131,701 | 325,480 |
| JAG Grant | - | 22,229 | - | 22,229 | - |
| Litter Reduction Grant | 51,151 | 22,450 | - | 22,200 | 51,401 |
| TDA Article-3-Capital | - | 50,988 | | 50,988 | - |
| Measure R | (1,183,237) | 852,102 | | 135,330 | (1,291,465) |
| Measure R-Capital | - | - | | 825,000 | |
| Used Oil Grant | 22,420 | 23,022 | - | 22,822 | 22,620 |
| PROP A Recreation | 22,817 | 186,233 | - | 193,138 | 15,912 |
| River Park Grant (see Capital Projects Fund) | (10,625) | 1,446,203 | - | 1,435,578 | - |
| Air Quality Management (AQMD) | 109,257 | 101,400 | - | 20,402 | 190,255 |
| State Gas Tax | - | 2,433,601 | (2,433,601) | - | - |
| Prop A Transit Fund | 445,496 | 1,372,103 | | 724,071 | 1,033,528 |
| Prop A Capital Project | - | | | 60,000 | |
| Prop C Transit Fund | 415,682 | 1,144,806 | | 1,196,173 | 364,315 |
| Prop C-Capital | 1,400,000 | | | 1,400,000 | |
| Sewer Reconstruction Fund | 95,151 | - | - | - | 95,151 |
| Business Development Loan Fund | 331,238 | 75,465 | - | 106,500 | 300,203 |
| CDBG Program Income Fund | 12,670 | 37,300 | - | 37,842 | 12,128 |
| Other Grant Funds | 106,163.00 | - | - | - | 106,163 |
| | | | | | |
| TOTAL GOVERNMENTAL FUNDS | \$ 5,894,642 | \$ 49,581,826 | \$ 1,405,950 | \$ 53,471,078 | \$ 3,411,340 |

FISCAL YEAR 2013-2014

| FUND | Estimated Fund Balance June 30, 2013 | Estimated Revenues | Reserves & Transfers In/Out | Appropriations | Estimated Fund Balance June 30, 2014 |
|---|--|---------------------------------|--------------------------------|---------------------------------|--|
| Water Debt Service | \$ 225,970 | \$ - | \$ 817,394 | \$ 817,394 | \$ 225,970 |
| Water Utility Operations ⁽¹⁾ | 3,433,828 | 10,406,535 | (2,223,344) | 7,697,012 | 2,039,607 |
| Water Utility Capital | <u>3,286,351</u> | | | <u>5,166,751</u> | |
| TOTAL ENTERPRISE FUNDS | \$ 6,946,149 | \$ 10,406,535 | \$ (1,405,950) | \$ 13,681,157 | \$ 2,265,577 |
| ⁽¹⁾ Less depreciation | | | | | |
| GRAND TOTAL | \$ <u>12,047,070</u> | \$ <u>59,988,361</u> | \$ <u>-</u> | \$ <u>67,152,235</u> | \$ <u>5,676,917</u> |
| Graphics and Copy Center | - | 421,441 | - | 421,441 | - |
| Fleet Maintenance Fund | - | 974,198 | - | 974,198 | - |
| Geographic Info. System Fund | <u>-</u> | <u>97,016</u> | <u>-</u> | <u>97,016</u> | <u>-</u> |
| TOTAL INTERNAL SERVICE FUNDS | \$ <u>-</u> | \$ <u>1,492,655</u> | \$ <u>-</u> | \$ <u>1,492,655</u> | \$ <u>-</u> |



APPROPRIATION SUMMARY



APPROPRIATION SUMMARY

CITY OF LAKEWOOD

CONTRACT SERVICES

| Rank | Description | Projected Actual 2012-2013 | % of Total | Adopted Budget 2013-2014 | % of Total | Amount of Change | % of Change |
|------|------------------------------------|----------------------------------|---------------|--------------------------------|---------------|---------------------|----------------|
| 1 | Law Enforcement | \$ 9,300,635 | 40.9% | \$ 9,792,917 | 42.2% | \$ 492,282 | 5.3% |
| 2 | Refuse Collection/Disposal Service | 4,287,576 | 18.8% | 4,384,848 | 18.9% | 97,272 | 2.3% |
| 3 | Street Lighting | 661,000 | 2.8% | 668,000 | 2.9% | 7,000 | 1.1% |
| 4 | Tree Maintenance | 517,000 | 2.2% | 530,000 | 2.3% | 13,000 | 2.5% |
| 5 | Computer Services | 495,000 | 2.1% | 495,000 | 2.1% | - | 0.0% |
| 6 | Street Sweeping | 620,000 | 2.6% | 612,000 | 2.6% | (8,000) | -1.3% |
| 7 | Sky Knight | 325,100 | 1.3% | 321,000 | 1.4% | (4,100) | -1.3% |
| 8 | Animal Control | 320,237 | 1.3% | 320,237 | 1.4% | - | 0.0% |
| 9 | Building Inspection | 326,000 | 1.3% | 318,000 | 1.4% | (8,000) | -2.5% |
| 10 | Engineering Services | 261,000 | 1.1% | 282,000 | 1.2% | 21,000 | 8.0% |
| | Sub-total | 17,113,548 | 74.5% | 17,724,002 | 76.4% | 610,454 | 3.6% |
| 11 | Street & Sidewalk Maintenance | 260,000 | 1.1% | 260,000 | 1.1% | - | 0.0% |
| 12 | Legal Services | 201,336 | 0.9% | 205,363 | 0.9% | 4,027 | 2.0% |
| 13 | Mail Processing | 141,580 | 0.6% | 147,450 | 0.6% | 5,870 | 4.1% |
| 14 | Long Beach Transit | 132,000 | 0.6% | 138,000 | 0.3% | 6,000 | 4.5% |
| 15 | Traffic Control | 138,000 | 0.6% | 138,000 | 0.6% | - | 0.0% |
| 16 | Facility Maintenance | 171,877 | 0.8% | 116,840 | 0.5% | (55,037) | -32.0% |
| 17 | Industrial Waste Inspection | 88,000 | 0.4% | 86,000 | 0.4% | (2,000) | -2.3% |
| 18 | Live Scan | 75,000 | 0.3% | 75,000 | 0.3% | - | 0.0% |
| 19 | Fire & Security Alarm | 66,000 | 0.3% | 69,000 | 0.3% | 3,000 | 4.5% |
| 20 | Code Enforcement | 68,000 | 0.3% | 66,000 | 0.3% | (2,000) | -2.9% |
| | Sub-total | 1,341,793 | 6.00% | 1,301,653 | 6.0% | (40,140) | -3.0% |
| | All other | 4,215,600 | 19.5% | 4,158,924 | 17.6% | (56,676) | -1.3% |
| | Grand total | \$ 22,670,941 | 100.0% | \$ 23,184,579 | 100.0% | \$ 513,638 | 2.3% |



APPROPRIATION SUMMARY

(by Program and Activity)

CITY OF LAKEWOOD**FISCAL YEAR 2013-2014**

| Program | Activity | Employee Services | Contract Services | Supplies and Expenses | Interdepartmental Charges | Equipment | Capital/ Construction | Total |
|---------------------------|----------------------------------|------------------------------|------------------------------|----------------------------------|--------------------------------------|-------------------|----------------------------------|------------------|
| LEGISLATIVE | | | | | | | | |
| | 1000 Legislative | \$ 175,251 | \$ 0 | \$ 39,700 | \$ 0 | \$ 0 | \$ 0 | 214,951 |
| | 1100 Legislative Advocacy | 0 | 0 | 14,000 | 0 | 0 | 0 | 14,000 |
| 1220/40/60 | Advisory Commisions | 11,047 | 0 | 19,755 | 0 | 0 | 0 | 30,802 |
| | 1300 Administration | 345,515 | 0 | 11,208 | 1,544 | 0 | 0 | 358,267 |
| | 3000 City Clerk | 221,852 | 0 | 11,540 | 4,957 | 0 | 0 | 238,349 |
| | 3100 Records Management | 143,206 | 10,150 | 2,380 | 0 | 0 | 0 | 155,736 |
| | 3220 City Legal Services | 0 | 207,363 | 0 | 0 | 0 | 0 | 207,363 |
| | Total Legislative | 896,871 | 217,513 | 98,583 | 6,501 | 0 | 0 | 1,219,468 |
| GENERAL GOVERNMENT | | | | | | | | |
| | 2000 Information Technology | 198,920 | 687,314 | 65,325 | 11 | 46,288 | 0 | 997,858 |
| | 2400 Public Information | 223,848 | 101,660 | 21,139 | 61,899 | 0 | 0 | 408,546 |
| | 2500 Customer Service | 307,197 | 13,850 | 7,770 | 35,395 | 0 | 0 | 364,212 |
| | 2550 Intergovernmental Relations | 98,153 | 75,774 | 51,882 | 0 | 0 | 0 | 225,809 |
| | 3240 Legal Services | 0 | 0 | 35,000 | 0 | 0 | 0 | 35,000 |
| | 3300 Internal Administration | 230,175 | 5,000 | 188,290 | 28,777 | 0 | 0 | 452,242 |
| | 3400 Personnel | 414,489 | 84,800 | 40,260 | 7,634 | 1,000 | 0 | 548,183 |
| | 5000 Finance | 842,267 | 141,600 | 82,223 | 23,655 | 100,000 | 0 | 1,189,745 |
| | 5200 Insurance | 0 | 7,900 | 1,041,046 | 0 | 0 | 0 | 1,048,946 |
| | 5400 Purchasing & Stores | 273,272 | 0 | 7,030 | 3,217 | 200 | 0 | 283,719 |
| | 6300 Building Maintenance | 546,065 | 101,160 | 229,157 | 44,259 | 0 | 0 | 920,641 |
| | 7500 Facilities Maintenance | 554,617 | 29,545 | 102,773 | 3,527 | 0 | 0 | 690,462 |
| | Total General Government | \$ 3,689,003 | \$ 1,248,603 | \$ 1,871,895 | \$ 208,374 | \$ 147,488 | \$ 0 | 7,165,363 |

APPROPRIATION SUMMARY

(by Program and Activity)

CITY OF LAKEWOOD
FISCAL YEAR 2013-2014

| Program | Activity | Employee Services | Contract Services | Supplies and Expenses | Interdepartmental Charges | Equipment | Capital/ Construction | Total |
|-----------------------|------------------------------|----------------------|----------------------|--------------------------|------------------------------|-----------------|--------------------------|-------------------|
| PUBLIC SAFETY | | | | | | | | |
| | 3600 Law Enforcement | \$ 673,502 | \$ 9,825,157 | \$ 93,420 | \$ 44,514 | \$ 30,000 | \$ 0 | 10,666,593 |
| | 3700 Sky Knight Program | 145,738 | 443,357 | 29,945 | 0 | 0 | 0 | 619,040 |
| | 3800 Safety Services - Other | 294,580 | 0 | 32,185 | 2,655 | 0 | 0 | 329,420 |
| | 5300 Parking Control | 544,025 | 11,380 | 7,595 | 14,317 | 0 | 0 | 577,317 |
| | 6200 Animal Control | 5,893 | 320,237 | 51 | 0 | 0 | 0 | 326,181 |
| | 6500 Graffiti Removal | 116,553 | 0 | 6,975 | 9,801 | 0 | 0 | 133,329 |
| | 6820 Street Lighting | 19,696 | 1,203,000 | 0 | 0 | 0 | 0 | 1,222,696 |
| | 7250 Emergency Preparedness | 93,466 | 4,160 | 20,849 | 2,359 | 15,000 | 0 | 135,834 |
| | Total Public Safety | 1,893,453 | 11,807,291 | 191,020 | 73,646 | 45,000 | 0 | 14,010,410 |
| TRANSPORTATION | | | | | | | | |
| | 4300 Transportation | 253,294 | 518,000 | 5,259 | 48,508 | 0 | 0 | 825,061 |
| | 6600 Hardscape Maintenance | 132,136 | 260,000 | 150 | 0 | 0 | 0 | 392,286 |
| | 6700 Tree Maintenance | 370,750 | 588,000 | 8,246 | 67,168 | 1,200 | 0 | 1,035,364 |
| | 6800 Street Maintenance | 73,306 | 840,000 | 102 | 0 | 0 | 0 | 913,408 |
| | 6810 Traffic Control | 134,448 | 189,000 | 25,282 | 0 | 0 | 0 | 348,730 |
| | 7200 DASH Program | 514,514 | 9,848 | 21,602 | 171,197 | 0 | 0 | 717,161 |
| | Total Transportation | \$ 1,478,448 | \$ 2,404,848 | \$ 60,641 | \$ 286,873 | \$ 1,200 | \$ 0 | 4,232,010 |

APPROPRIATION SUMMARY

(by Program and Activity)

CITY OF LAKEWOOD
FISCAL YEAR 2013-2014

| Program | Activity | Employee Services | Contract Services | Supplies and Expenses | Interdepartmental Charges | Equipment | Capital/ Construction | Total |
|------------------------------|--------------------------------------|----------------------|----------------------|--------------------------|------------------------------|------------------|--------------------------|----------------------|
| COMMUNITY DEVELOPMENT | | | | | | | | |
| | 2120 Media Services | \$ 709,964 | \$ 12,000 | \$ 34,181 | \$ 26,346 | \$ 0 | \$ 0 | 782,491 |
| | 2140 Media Production Center | 0 | 21,000 | 1,500 | 0 | 20,000 | 0 | 42,500 |
| | 2160 Transit CATV Program | 53,678 | 5,000 | 0 | 0 | 0 | 0 | 58,678 |
| | 2300 Economic Development | 54,785 | 22,000 | 0 | 0 | 0 | 0 | 76,785 |
| | 2600 Community Relations | 226,677 | 2,100 | 168,436 | 21,124 | 0 | 0 | 418,337 |
| | 4000 Planning | 600,162 | 19,700 | 23,700 | 14,542 | 0 | 0 | 658,104 |
| | 4100 Building & Safety | 403,249 | 790,500 | 3,671 | 134 | 0 | 0 | 1,197,554 |
| | 4400 Business Development Program | 0 | 106,250 | 250 | 0 | 0 | 0 | 106,500 |
| | 4600 Housing Program | 182,152 | 195,046 | 58,390 | 0 | 10,500 | 0 | 446,088 |
| | 4700 Code Enforcement | 323,591 | 1,500 | 4,549 | 0 | 0 | 0 | 329,640 |
| | 5100 Licensing | 94,756 | 0 | 1,175 | 140 | 0 | 0 | 96,071 |
| | 6000 Engineering | 590,389 | 341,688 | 84,940 | 17,308 | 0 | 0 | 1,034,325 |
| | Total Community Developme | 3,239,403 | 1,516,784 | 380,792 | 79,594 | 30,500 | 0 | 5,247,073 |
| HEALTH | | | | | | | | |
| | 6100 Solid Waste Collection | 270,877 | 4,488,776 | 50,750 | 0 | 0 | 0 | 4,810,403 |
| | Total Health | 270,877 | 4,488,776 | 50,750 | 0 | 0 | 0 | 4,810,403 |
| CULTURE AND LEISURE | | | | | | | | |
| | 6400 Park Maintenance | 909,327 | 122,048 | 89,250 | 36,478 | 50,000 | 0 | 1,207,103 |
| | 7000 RCS Administration | 1,118,121 | 54,072 | 40,860 | 17,308 | 0 | 0 | 1,230,361 |
| | 7050/7055 Aquatics Programs | 271,569 | 5,000 | 16,255 | 5,257 | 0 | 0 | 298,081 |
| | 7150 Centre Concessions | 385,863 | 91,377 | 178,415 | 2,219 | 0 | 0 | 657,874 |
| | 7300 Human Services Program | 492,830 | 44,200 | 108,167 | 15,306 | 20,367 | 0 | 680,870 |
| | 7350 Fleet Maintenance | 1,459,268 | 0 | 96,109 | 18,498 | 3,000 | 0 | 1,576,875 |
| | 7400 Social/Cultural Programs | 344,371 | 378,675 | 183,894 | 61,557 | 0 | 0 | 968,497 |
| | 7450 Sports Programs | 197,466 | 5,100 | 90,590 | 33,949 | 0 | 0 | 327,105 |
| | 7550 Turf Maintenance | 388,568 | 40,717 | 15,280 | 0 | 0 | 0 | 444,565 |
| | 7600 RCS Park Maintenance | 1,392,591 | 62,236 | 796,253 | 77,530 | 0 | 0 | 2,328,610 |
| | 7720/7740 Landscape/Turf Maintenance | 1,037,852 | 56,191 | 350,300 | 367,504 | 26,112 | 0 | 1,837,959 |
| | Total Culture and Leisure | \$ 7,997,826 | \$ 859,616 | \$ 1,965,373 | \$ 635,606 | \$ 99,479 | \$ 0 | \$ 11,557,900 |

APPROPRIATION SUMMARY

(by Program and Activity)

CITY OF LAKEWOOD

FISCAL YEAR 2013-2014

| Program | Activity | Employee Services | Contract Services | Supplies and Expenses | Interdepartmental Charges | Equipment | Capital/ Construction | Total |
|-------------------------------|-------------------------------------|----------------------|----------------------|--------------------------|------------------------------|-------------------|--------------------------|----------------------|
| WATER UTILITY | | | | | | | | |
| | 8000 Administration | \$ 296,885 | \$ 337,123 | \$ 2,377,716 | \$ 58,770 | \$ 250,000 | \$ 0 | \$ 3,320,494 |
| | 8100/8200 Supply/Pumping | 238,549 | 52,550 | 3,326,502 | 38,582 | 16,000 | 0 | 3,672,183 |
| | 8300 Water Treatment | 246,663 | 45,500 | 281,602 | 0 | 2,500 | 0 | 576,265 |
| | 8400 Maintenance Storage | 69,774 | 0 | 36,787 | 0 | 0 | 0 | 106,561 |
| | 8500 Reclaimed Water | 196,976 | 0 | 278,627 | 0 | 8,300 | 0 | 483,903 |
| | 8600-8800 Distribution | 573,210 | 67,400 | 85,717 | 87,803 | 286,599 | 0 | 1,100,729 |
| | 8900 Customer Services | 633,216 | 0 | 40,305 | 0 | 30,750 | 0 | 704,271 |
| | Total Water Utility | 2,255,273 | 502,573 | 6,427,256 | 185,155 | 594,149 | 0 | 9,964,406 |
| CAPITAL IMPROVEMENTS | | | | | | | | |
| | | 0 | 0 | 0 | 0 | 0 | 10,395,202 | 10,395,202 |
| | Total Capital Improvements | 0 | 0 | 0 | 0 | 0 | 10,395,202 | 10,395,202 |
| GRAND TOTAL | | | | | | | | |
| | | \$ 21,721,154 | \$ 23,046,004 | \$ 11,046,310 | \$ 1,475,749 | \$ 917,816 | \$ 10,395,202 | \$ 68,602,235 |
| INTERNAL SERVICE FUNDS | | | | | | | | |
| | 2450 Graphics and Copy Center | 277,691 | 78,700 | 55,050 | 0 | 10,000 | 0 | 421,441 |
| | 6020 Geographic Information System | 61,491 | 25,375 | 10,150 | 0 | 0 | 0 | 97,016 |
| | 6900 Fleet Maintenance | 450,301 | 34,500 | 450,491 | 16,906 | 22,000 | 0 | 974,198 |
| | Total Internal Service Funds | \$ 789,483 | \$ 138,575 | \$ 515,691 | \$ 16,906 | \$ 32,000 | \$ 0 | \$ 1,492,655 |

REVENUE SUMMARY



REVENUE ANALYSIS

CITY OF LAKEWOOD

REVENUE COMPOSITION

| Rank | Description | Projected Actual 2012-2013 | % of Total | Adopted Budget 2013-2014 | % of Total | Amount of Change | % of Change |
|------|-------------------------------|----------------------------------|---------------|--------------------------------|---------------|---------------------|----------------|
| 1 | Sales tax / ERAF | \$ 12,654,507 | 21.4% | \$ 13,223,850 | 21.5% | \$ 569,343 | 4.5% |
| 2 | Water utility service charges | 9,333,465 | 15.8% | 10,083,535 | 16.4% | 750,070 | 8.0% |
| 3 | Motor vehicle in lieu / ERAF | 6,697,904 | 11.3% | 7,019,901 | 11.4% | 321,997 | 4.8% |
| 4 | Refuse service charges | 4,921,500 | 8.3% | 4,977,531 | 8.1% | 56,031 | 1.1% |
| 5 | Property tax | 3,884,600 | 6.6% | 3,895,979 | 6.3% | 11,379 | 0.3% |
| 6 | Utility users tax | 3,653,000 | 6.2% | 3,616,171 | 5.9% | (36,829) | -1.0% |
| 7 | Gas tax | 1,982,834 | 3.4% | 2,428,601 | 4.0% | 445,767 | 22.5% |
| 8 | Franchise fees | 1,600,500 | 2.7% | 1,627,320 | 2.6% | 26,820 | 1.7% |
| 9 | Building Permits & Fees | 1,502,639 | 2.5% | 1,474,929 | 2.4% | (27,710) | -1.8% |
| 10 | Prop A Transit | 1,286,855 | 2.2% | 1,368,103 | 2.2% | 81,248 | 6.3% |
| | Sub-total | 47,517,804 | 80.4% | 49,715,920 | 80.9% | 2,116,868 | 4.5% |
| 11 | Prop C Transit | 1,061,249 | 1.8% | 1,134,806 | 1.8% | 73,557 | 6.9% |
| 12 | Recreation fees | 959,238 | 1.6% | 994,953 | 1.6% | 35,715 | 3.7% |
| 13 | Rents & Concession | 913,511 | 1.5% | 935,178 | 1.5% | 21,667 | 2.4% |
| 14 | Measure R | 798,735 | 1.4% | 851,102 | 1.4% | 52,367 | 6.6% |
| 15 | Fines & forfeitures | 759,830 | 1.3% | 743,300 | 1.2% | (16,530) | -2.2% |
| 16 | Other Public Safety Fees | 716,600 | 1.2% | 786,020 | 1.3% | 69,420 | 9.7% |
| 17 | Business licenses | 508,490 | 0.9% | 510,000 | 0.8% | 1,510 | 0.3% |
| 18 | CDBG (Block Grant) | 441,961 | 0.7% | 475,961 | 0.8% | 34,000 | 7.7% |
| 19 | Use of money and property | 299,365 | 0.5% | 291,020 | 0.5% | (8,345) | -2.8% |
| 20 | Sky Knight | 284,463 | 0.5% | 286,925 | 0.5% | 2,462 | 0.9% |
| | Sub-Total | 6,743,442 | 11.4% | 7,009,265 | 11.4% | 192,266 | 2.9% |
| | All other | 4,859,461 | 8.2% | 4,755,831 | 7.7% | (103,630) | -2.1% |
| | Grand total | \$ 59,120,707 | 100% | \$ 61,481,016 | 100% | \$ 2,360,309 | 4.0% |



REVENUE SUMMARY

CITY OF LAKEWOOD

| Description | 2009-2010 Actual | 2010-2011 Actual | 2011-2012 Actual | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|-----------------------------------|---------------------|---------------------|---------------------|--------------------------------|----------------------------------|--------------------------------|
| GENERAL FUND: | | | | | | |
| Property taxes | \$ 3,629,144 | \$ 3,671,332 | \$ 3,661,314 | \$ 4,002,745 | \$ 3,884,600 | \$ 3,895,979 |
| Sales tax | 8,043,073 | 8,492,663 | 9,097,832 | 9,399,011 | 9,477,616 | 9,860,458 |
| ERAF - Sales tax | 2,200,951 | 2,949,995 | 2,787,872 | 3,331,761 | 3,176,891 | 3,363,392 |
| Utility users tax | 3,591,722 | 3,508,512 | 3,365,149 | 3,415,379 | 3,653,000 | 3,616,171 |
| Other taxes | 1,707,285 | 1,801,721 | 1,915,726 | 1,902,700 | 2,041,500 | 2,052,320 |
| Licenses & permits | 713,054 | 770,650 | 635,099 | 746,021 | 778,869 | 642,678 |
| Fines & forfeitures | 1,013,090 | 881,450 | 817,093 | 917,500 | 759,830 | 743,300 |
| Use of money & property | 1,322,852 | 947,703 | 811,983 | 958,102 | 933,511 | 942,178 |
| From other agencies | 8,144,491 | 12,059,326 | 10,626,753 | 6,999,036 | 7,394,489 | 7,304,901 |
| Current service charges | 7,406,097 | 10,832,777 | 6,989,802 | 7,154,552 | 7,200,876 | 7,436,485 |
| Other revenue | 55,037 | 228,052 | 822,276 | 661,400 | 1,136,315 | 323,300 |
| Total General Fund | 37,826,795 | 46,144,181 | 41,530,900 | 39,488,207 | 40,437,497 | 40,181,162 |
| COMMUNITY FACILITY FUND: | | | | | | |
| Use of money & property | 183,774 | 148,606 | 229,143 | 244,000 | 250,000 | 260,000 |
| Current service charges | 20,670 | 22,845 | 32,341 | 18,000 | 28,000 | 28,000 |
| Total Community Facility | 204,444 | 171,451 | 261,484 | 262,000 | 278,000 | 288,000 |
| CABLE TV FUND: | | | | | | |
| Other taxes | 376,483 | 369,340 | 350,317 | 335,000 | 335,000 | 355,000 |
| Other revenue | 156,430 | 150,183 | 175,118 | 164,000 | 162,100 | 182,100 |
| Total Cable TV Fund | \$ 532,913 | \$ 519,523 | \$ 525,435 | \$ 499,000 | \$ 497,100 | \$ 537,100 |
| PARK DEDICATION FUND: | | | | | | |
| Other taxes | 330 | 40,760 | 40,760 | 0 | 990 | 0 |
| Total Park Dedication Fund | 330 | 40,760 | 40,760 | 0 | 990 | 0 |

REVENUE SUMMARY

CITY OF LAKEWOOD

| Description | 2009-2010 Actual | 2010-2011 Actual | 2011-2012 Actual | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|--|---------------------|---------------------|---------------------|--------------------------------|----------------------------------|--------------------------------|
| AQMD FUND: | | | | | | |
| Use of money & property | \$ 2,633 | \$ 2,445 | \$ 1,502 | \$ 2,500 | \$ 1,500 | \$ 1,400 |
| From other agencies | <u>94,554</u> | <u>91,199</u> | <u>100,675</u> | <u>95,000</u> | <u>95,000</u> | <u>100,000</u> |
| Total AQMD Fund | 97,187 | 93,644 | 102,177 | 97,500 | 96,500 | 101,400 |
| CDBG GRANT FUND: | | | | | | |
| Current year allocation | 504,776 | 1,207,303 | 400,720 | 441,961 | 441,961 | 475,961 |
| Program income | <u>64,901</u> | <u>34,183</u> | <u>29,183</u> | <u>31,724</u> | <u>36,157</u> | <u>37,300</u> |
| Total CDBG Fund | 569,677 | 1,241,486 | 429,903 | 473,685 | 478,118 | 513,261 |
| STATE GAS TAX/TRAFFIC CONGESTION RELIEF FUND: | | | | | | |
| Use of money & property | 20,508 | 21,583 | 13,423 | 10,000 | 5,000 | 5,000 |
| Other revenue | <u>2,098,710</u> | <u>2,058,477</u> | <u>2,311,196</u> | <u>2,175,910</u> | <u>1,982,834</u> | <u>2,428,601</u> |
| Total State Gas Tax Fund | 2,119,218 | 2,080,060 | 2,324,619 | 2,185,910 | 1,987,834 | 2,433,601 |
| HOUSING SUCCESSOR AGENCY FUND | | | | | | |
| Current year allocation | 0 | 0 | 0 | 0 | 1,000 | 1,000 |
| Program income | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>180,000</u> | <u>199,000</u> |
| Total Housing Successor Agency Fund | | 0 | 0 | 0 | 181,000 | 200,000 |
| BUSINESS DEVELOPMENT LOAN FUND: | | | | | | |
| Use of money & property | 19,578 | 16,845 | 14,868 | 20,000 | 13,640 | 12,170 |
| Other revenue | <u>15,777</u> | <u>28,748</u> | <u>58,205</u> | <u>60,695</u> | <u>60,695</u> | <u>63,295</u> |
| Total Business Dev Loan Fund | \$ 35,355 | \$ 45,593 | \$ 73,073 | \$ 80,695 | \$ 74,335 | \$ 75,465 |

REVENUE SUMMARY
CITY OF LAKEWOOD

| Description | 2009-2010 Actual | 2010-2011 Actual | 2011-2012 Actual | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|----------------------------------|---------------------|---------------------|---------------------|--------------------------------|----------------------------------|--------------------------------|
| PROP A TRANSIT FUND: | | | | | | |
| Other taxes | \$ 1,062,167 | \$ 1,129,424 | \$ 1,222,169 | \$ 1,216,721 | \$ 1,286,855 | \$ 1,368,103 |
| Use of money & property | 26,893 | 18,017 | 7,601 | 5,000 | 4,500 | 4,000 |
| Total Prop A Fund | 1,089,060 | 1,147,441 | 1,229,770 | 1,221,721 | 1,291,355 | 1,372,103 |
| PROP C TRANSIT FUND: | | | | | | |
| Other taxes | 881,114 | 938,583 | 1,015,865 | 1,009,238 | 1,061,249 | 1,134,806 |
| Use of money & property | 62,227 | 107,332 | 21,563 | 25,000 | 12,311 | 10,000 |
| Total Prop C Fund | 943,341 | 1,045,915 | 1,037,428 | 1,034,238 | 1,073,560 | 1,144,806 |
| MEASURE R FUND | | | | | | |
| Other taxes | 534,848 | 700,252 | 755,399 | 756,949 | 798,735 | 851,102 |
| Use of money & property | | 13,657 | 7,703 | 16,000 | 2,000 | 1,000 |
| Total Measure R Fund | 534,848 | 713,909 | 763,102 | 772,949 | 800,735 | 852,102 |
| SPECIAL GRANT FUNDS: | | | | | | |
| Prop A Recreation Funds | 91,229 | 167,590 | 74,272 | 191,995 | 195,378 | 186,233 |
| State COPS Grant | 88,499 | 228,489 | 200,102 | 102,000 | 102,500 | 131,701 |
| JAG Grant | 0 | 266,979 | 0 | 26,412 | 26,412 | 22,229 |
| Litter Reduction | 1,735 | 8,627 | 44,252 | 22,200 | 22,440 | 22,450 |
| TDA Article 3 - SB821 | 36,156 | 33,571 | 40,292 | 59,513 | 59,513 | 50,988 |
| Used Oil Grant | 0 | 27,125 | -2,938 | 23,712 | 33,991 | 23,022 |
| Beverage Container Recycling | 0 | 17,981 | 86,596 | 0 | 0 | 0 |
| STPL TEA-LU | 0 | 173,976 | 1,624,502 | 0 | 149,520 | 0 |
| Sewer Reconstruction Fund | 0 | 0 | 0 | 0 | 8,432 | 0 |
| River Park Grant | 0 | 0 | 95,974 | 0 | 0 | 1,446,203 |
| Total Special Grant Funds | \$ 217,619 | \$ 924,338 | \$ 2,163,053 | \$ 425,832 | \$ 598,186 | \$ 1,882,826 |

REVENUE SUMMARY

CITY OF LAKEWOOD

| Description | 2009-2010 Actual | 2010-2011 Actual | 2011-2012 Actual | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---|---------------------|---------------------|---------------------|--------------------------------|----------------------------------|--------------------------------|
| CAPITAL IMPROVEMENT PROJECT FUND | \$ 2,146,718 | \$ 1,872,947 | \$ 593,357 | \$ 49,723 | \$ 0 | \$ 0 |
| | 2,146,718 | 1,872,947 | 593,357 | 49,723 | 0 | 0 |
| TOTAL GOVERNMENTAL FUNDS: | 46,317,505 | 56,041,248 | 51,075,061 | 46,591,460 | 47,795,210 | 49,581,826 |
| WATER OPERATIONS FUND: | | | | | | |
| Use of money & property | 341,297 | 253,897 | 172,945 | 283,000 | 160,000 | 183,000 |
| Other revenue | 299,467 | 244,713 | 180,476 | 140,000 | 490,000 | 140,000 |
| Operating revenues | 7,746,269 | 7,804,382 | 8,824,236 | 9,333,465 | 9,333,465 | 10,083,535 |
| TOTAL WATER FUND: | 8,387,033 | 8,302,992 | 9,177,656 | 9,756,465 | 9,983,465 | 10,406,535 |
| TOTAL GOVERNMENTAL AND WATER FUND: | 54,704,539 | 64,344,240 | 60,252,717 | 56,347,925 | 57,778,675 | 59,988,361 |
| INTERNAL SERVICE FUNDS: | | | | | | |
| Graphics and Copy Center | 367,728 | 385,269 | 396,468 | 412,678 | 405,480 | 421,441 |
| Fleet maintenance | 826,224 | 962,029 | 841,896 | 861,853 | 870,100 | 974,198 |
| Geographic Info Systems | 87,677 | 73,762 | 99,090 | 95,458 | 66,452 | 97,016 |
| TOTAL INTERNAL SERVICE FUNDS: | \$ 1,281,629 | \$ 1,421,060 | \$ 1,337,454 | \$ 1,369,989 | \$ 1,342,032 | \$ 1,492,655 |

CITY OPERATIONS

DEPARTMENT/DIVISION 1000 - LEGISLATIVE

The purpose of this activity is for the City Council to serve as the legislative and policy-making body of the City of Lakewood; to act on behalf of the general health, comfort, safety and welfare of the City's inhabitants; and to provide overall direction to the activities, programs, projects and services of the City government.

PROGRAMS AND FUNCTIONS

To enact ordinances and resolutions necessary for governing the affairs of the City.

To authorize contracts on behalf of the City.

To approve the annual budget.

To confirm personnel appointments.

To adopt such measures as may be necessary for the protection of the health, comfort, safety, life, welfare and property of the City's inhabitants.

To represent the City at the local, regional, state and federal levels on matters of concern to the City.

BUDGET SUMMARY

Changed Conditions: None.

Proposed Activities: City Council will oversee the Budget focus areas:

- Budget for sustainability
- Keep Lakewood safe
- Preserve neighborhood quality of life
- Foster a sense of community
- Promote economic vitality
- Support a caring community
- Secure fiscal resources: Local, State and Federal
- Highlight governmental transparency and online resources
- Hold on to local authority
- Protect the environment

ADMINISTRATION - 1000 LEGISLATIVE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 165,982.41 | 165,102.57 | 171,651.22 | 174,355.00 | 164,111.00 | 175,251.00 |
| Office Expense | 378.83 | 491.12 | 606.66 | 800.00 | 600.00 | 800.00 |
| Meetings Expense | 9,486.30 | 6,801.52 | 6,736.81 | 15,200.00 | 5,602.00 | 15,200.00 |
| Special Department | 23,356.18 | 22,055.81 | 23,214.01 | 23,700.00 | 22,249.00 | 23,700.00 |
| TOTAL EXPENDITURES | \$ 199,203.72 | \$ 194,451.02 | \$ 202,208.70 | \$ 214,055.00 | \$ 192,562.00 | \$ 214,951.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 199,203.72 | \$ 194,451.02 | \$ 202,208.70 | \$ 214,055.00 | \$ 192,562.00 | \$ 214,951.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

The purpose of this activity is to provide support to obtain supplemental funding and to provide representation in intergovernmental decision-making.

PROGRAMS AND FUNCTIONS

To organize intergovernmental activities in support of the Annual Statement of Intergovernmental Objectives.

To seek assistance to the City through grants of supplemental funds.

To provide ongoing State Capitol representation and, as needed, Federal representation of City interests.

To establish and expand key coalitions to influence policy outcomes where appropriate.

BUDGET SUMMARY

Changed Conditions: None.

Proposed Activities: None.

Intergovernmental priorities include:

- Preservation and enhancement of funding sources for cities.
- Preservation and enhancement of local control.
- Funding for critical items like Community Development Block Grant, COPS, and JAG.
- Support continued operation of the Boeing C-17 program.
- Support legislation that protects and preserves adequate quality and quantity of water resources to the community.
- Support water infrastructure funding to address water infrastructure challenges.
- Support job creation legislation and programs.
- Oppose efforts to impose moratoria on state and local taxes on mobile services.
- Oppose efforts to eliminate net neutrality on the Internet.
- Support legislation and funding that promote enhanced law enforcement services.
- Support reasonable reform of local government pension systems.
- Support the provision of municipal services through contracting.
- Support legislation that protects and preserves adequate quality of water resources to the community.
- Oppose proposals to take additional revenue from local governments or to shift responsibilities and costs to local government without providing funding.
- Oppose further state prison realignment proposals that negatively affect crime rates in the city.

ADMINISTRATION - 1100 LEGISLATIVE ADVOCACY

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Meetings Expense | 7,442.91 | 8,283.63 | 4,151.18 | 14,000.00 | 1,400.00 | 14,000.00 |
| TOTAL EXPENDITURES | \$ 7,442.91 | \$ 8,283.63 | \$ 4,151.18 | \$ 14,000.00 | \$ 1,400.00 | \$ 14,000.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|-------------|-------------|-------------|--------------|-------------|--------------|
| 1010 General Fund | \$ 7,442.91 | \$ 8,283.63 | \$ 4,151.18 | \$ 14,000.00 | \$ 1,400.00 | \$ 14,000.00 |
|-------------------|-------------|-------------|-------------|--------------|-------------|--------------|

DEPARTMENT/DIVISION 1220/1240/1260 - ADVISORY COMMISSIONS

The purpose of this activity is to provide for the Advisory Commissions as appointed by the City Council.

PROGRAMS AND FUNCTIONS

The Planning and Environment Commission established by Resolution 2011-15, which derives its authority from the Government Code of the State of California and Lakewood Ordinance 72-16, acts in an advisory capacity to the City Council. It has the responsibility for studying, planning and making recommendations on matters pertaining to zoning, land use and to the City's long-range comprehensive General and Specific Plans.

The Community Safety Commission, established by Resolution 78-22 and amended by Resolution 2011-16, performs all functions and duties assigned to it by the City Council and the Lakewood Municipal Code.

The Recreation and Community Services Commission, established by Resolution 78-22 and amended by Resolution 2011-17, performs all functions and duties assigned to it by the City Council and by the Lakewood Municipal Code.

All three Commissions perform other duties as assigned by the City Council.

BUDGET SUMMARY

Significant Detail:

2013-2014

| | | |
|--|----|--------|
| Planning and Environment Commission | \$ | 11,603 |
| Community Safety Commission | \$ | 9,558 |
| Recreation and Community Services Commission | \$ | 9,423 |

Changed Conditions:

None.

Proposed Activities:

- The Planning and Environment Commission will review ways to implement the General Plan, update the zoning ordinance to conform to the General Plan and current trends and review cases as prescribed by the zoning ordinance.
- The Community Safety Commission will continue to review issues of traffic operations and traffic safety referred to it by the public, City Council or staff.
- The Recreation and Community Services Commission will continue to review the City's Recreation and Community Services programs.

ADMINISTRATION - 1220/1240/1260 ADVISORY COMMISSIONS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 6,990.71 | 7,453.57 | 6,516.07 | 10,894.00 | 7,140.00 | 11,047.00 |
| Office Expense | 309.63 | 752.02 | 169.65 | 400.00 | 400.00 | 400.00 |
| Meetings Expense | 2,940.90 | 4,169.92 | 1,611.00 | 18,000.00 | 5,927.00 | 18,000.00 |
| Special Department | 434.45 | 573.56 | 243.28 | 1,130.00 | 815.00 | 815.00 |
| Other Operating | 525.00 | 554.42 | 525.00 | 525.00 | 540.00 | 540.00 |
| Interdepartmental | 0.00 | 0.00 | 5,475.22 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 11,200.69 | \$ 13,503.49 | \$ 14,540.22 | \$ 30,949.00 | \$ 14,822.00 | \$ 30,802.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1010 General Fund | \$ 11,200.69 | \$ 13,503.49 | \$ 14,540.22 | \$ 30,949.00 | \$ 14,822.00 | \$ 30,802.00 |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|

The purpose of this activity is to direct the operations and activities of the City, in accordance with City Council policies, in a manner that enhances the effectiveness and efficiency of services, plans and programs.

PROGRAMS AND FUNCTIONS

- To supervise the establishment of the levels of service, plans and programs for each City function.
- To provide for an annual analysis of the City's revenues.
- To direct the preparation of the annual budget.
- To direct a continuing review and evaluation of City services.
- To provide continuing personal contact with the City Council.
- To maintain working relationships with other agencies whose actions affect the City.

BUDGET SUMMARY

Changed Conditions:

- Increase in Employee Services is due to funding realignment after the dissolution of the Redevelopment Agency.

Proposed Activities:

- City Administration will oversee the Budget focus areas:
- Budget for sustainability.
 - Keep Lakewood safe.
 - Preserve neighborhood quality of life.
 - Foster a sense of community.
 - Promote economic vitality.
 - Support a caring community.
 - Secure fiscal resources: Local, State and Federal.
 - Highlight governmental transparency and online resources.
 - Hold on to local authority.
 - Protect the environment.

ADMINISTRATION - 1300 CITY ADMINISTRATION

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 188,992.33 | 172,900.24 | 183,223.21 | 297,175.00 | 314,596.00 | 345,515.00 |
| Office Expense | 957.88 | 974.92 | 985.27 | 1,350.00 | 974.00 | 1,518.00 |
| Meetings Expense | 773.00 | 3,565.08 | 4,996.61 | 3,600.00 | 4,000.00 | 4,000.00 |
| Special Department | 1,584.62 | 2,197.39 | 2,108.00 | 2,520.00 | 2,982.00 | 3,690.00 |
| Other Operating | 493.30 | 400.00 | 1,620.00 | 1,550.00 | 2,000.00 | 2,000.00 |
| Interdepartmental | 989.18 | 2,598.66 | 2,159.45 | 1,438.00 | 1,367.00 | 1,544.00 |
| Capital Outlay | 0.00 | 0.00 | 3,030.25 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 193,790.31 | \$ 182,636.29 | \$ 198,122.79 | \$ 307,633.00 | \$ 325,919.00 | \$ 358,267.00 |

FUNDING SOURCES

| | | | | | | |
|--------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 141,440.99 | \$ 141,225.40 | \$ 173,714.85 | \$ 307,633.00 | \$ 325,276.00 | \$ 358,267.00 |
| 1030 CDBG - Current Year | \$ 52,349.32 | \$ 41,410.89 | \$ 24,407.94 | \$ - | \$ 643.00 | \$ - |

DEPARTMENT/DIVISION 2000 - INFORMATION TECHNOLOGY

The purpose of this activity is to account for the equipment, development and operating costs of Information Technology, which includes network applications, office automation systems, Internet, email and Enterprise Resource Planning applications for all departments.

PROGRAMS AND FUNCTIONS

To support all departments in the use of their systems.

To assure the appropriate levels of network and desktop security and anti-virus protection are in place and maintained.

To maintain and update the management of Information Technologies for all departments of the City.

To obtain and/or develop, implement and maintain additional applications to meet the information needs of all departments.

To provide scheduled maintenance and updates for all workstations, servers and networking equipment.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|-----------------------|-------------------------|
| Contractual Services | \$ 495,000 | Non-Capital Equipment | \$ 31,288 |
| Maintenance and Licenses | \$ 185,939 | Capital Equipment | \$ 15,000 |
| Disaster Recovery | \$ 36,000 | | |

- Changed Conditions:**
- Increased equipment costs (server replacements and desktop memory upgrades).
 - Increased software cost for Windows 2007.

- Proposed Activities:**
- Replace four end-of-life servers.
 - Upgrade all user desktops to Windows 2007 (requires memory upgrades).
 - Provide security awareness training for all users.

- Productivity Initiatives:**
- User training will improve effectiveness of desktop software tools and limit security risks.

- Proposed Activities:**
- Respond to a minimum of 90% of the Help Desk calls within 30 minutes.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|------------------------|---|---|---|--|--|
| IT Services | \$ 492,232 | \$ 495,000 | \$ 495,000 | \$ 495,000 | \$ 495,000 |
| Maintenance & Licenses | \$ 180,172 | \$ 201,000 | \$ 240,515 | \$ 209,421 | \$ 185,939 |
| Disaster Recovery | \$ 77,393 | \$ 76,800 | \$ 54,000 | \$ 36,525 | \$ 36,000 |
| Servers/Computers | \$ 6,468 | \$ 9,000 | \$ 32,000 | \$ 19,300 | \$ 46,288 |

ADMINISTRATIVE SERVICES - 2000 INFORMATION TECHNOLOGY

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 171,416.83 | 180,462.20 | 191,143.55 | 191,225.00 | 186,019.00 | 198,920.00 |
| Contract Services | 766,990.79 | 756,626.80 | 757,098.54 | 724,608.00 | 699,297.00 | 687,314.00 |
| Facilities Expense | 0.00 | 0.00 | 0.00 | 24,639.00 | 24,360.00 | 23,160.00 |
| Special Department | 17,825.59 | 5,746.98 | 25,777.41 | 15,528.00 | 3,234.00 | 32,565.00 |
| Other Operating | 2,531.42 | 0.00 | 0.00 | 3,750.00 | 3,750.00 | 9,600.00 |
| Interdepartmental | 226.30 | 81.85 | 2,921.22 | 233.00 | 11.00 | 11.00 |
| Capital Outlay | 11,982.59 | 26,908.66 | 42,587.43 | 22,466.00 | 20,000.00 | 46,288.00 |
| TOTAL EXPENDITURES | \$ 970,973.52 | \$ 969,826.49 | \$ 1,019,528.15 | \$ 982,449.00 | \$ 936,671.00 | \$ 997,858.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|-----------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 970,973.52 | \$ 969,826.49 | \$ 1,019,528.15 | \$ 982,449.00 | \$ 936,671.00 | \$ 997,858.00 |
|-------------------|---------------|---------------|-----------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 2120 - MEDIA PRODUCTION

The purpose of this activity is to produce programming for the City cable channel, City website and radio station to promote community identity. Franchise fees and contract revenue support 100 percent of these activities. Additionally, audio visual services are provided for The Centre at Sycamore Plaza and the City.

PROGRAMS AND FUNCTIONS

To produce video programming for CityTV, the City's cable channel.
To produce monthly and emergency audio programming for KLWD 1620 AM.
To port video programming to social media outlets such as "YouTube," "Facebook," and "Twitter."
To provide training aids and presentation support for City Departments.
To provide audio visual services for meetings and events at The Centre.
To provide audio visual support to select City events off the Centre property.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|-----------------------|-------------------------|
| Contractual Services | \$ 14,000 | Advertising | \$ 6,500 |
| Special Supplies | \$ 10,000 | Equipment Maintenance | \$ 6,000 |

Changed Conditions:

- Computer-based production equipment requires less maintenance.

Proposed Activities:

- Special video projects will promote recycling, senior and youth activities, public safety and current public issues.
- Prop C funded programs will encourage and explain the use of local transit resources.
- Scheduled projects include coverage of City Council meetings and special events, Community Digest, recreation activities, historical video and the Annual Report.
- Contract services include actors, writers and other "talent" used in City TV productions.
- Support wireless web access for Centre clients.
- Promote CityTV viewership to outlets such as Time Warner, FiOS, YouTube and Facebook.

Productivity Initiatives:

- Refresh evergreen programs on earthquake preparedness, emergency communications and Lakewood parks.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---------------------------------|---|---|---|--|--|
| Number of New Programs Per Year | 109 | 100 | 90 | 90 | 85 |
| Franchise Revenues | \$ 376,483 | \$ 745,597 | \$ 785,385 | \$ 890,000 | \$ 950,000 |
| Audio Visual Fees | \$ 20,670 | \$ 22,845 | \$ 32,341 | \$ 28,000 | \$ 28,000 |

ADMINISTRATION - 2120 MEDIA PRODUCTION

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 656,879.53 | 656,049.33 | 676,351.28 | 648,530.00 | 652,497.00 | 709,964.00 |
| Contract Services | 12,068.75 | 9,696.25 | 13,698.75 | 12,000.00 | 8,000.00 | 12,000.00 |
| Facilities Expense | 350.29 | 747.25 | 201.54 | 130.00 | 0.00 | 0.00 |
| Office Expense | 476.14 | 0.00 | 110.71 | 0.00 | 50.00 | 0.00 |
| Meetings Expense | 170.47 | 454.66 | 300.00 | 500.00 | 500.00 | 500.00 |
| Special Department | 24,711.93 | 16,198.66 | 17,085.62 | 26,581.00 | 24,575.00 | 25,581.00 |
| Other Operating | 6,918.09 | 4,775.26 | 3,115.00 | 8,600.00 | 2,600.00 | 8,100.00 |
| Interdepartmental | 12,708.43 | 8,355.83 | 14,674.37 | 24,603.00 | 24,603.00 | 26,346.00 |
| Capital Outlay | 2,887.95 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 717,171.58 | \$ 696,277.24 | \$ 725,537.27 | \$ 720,944.00 | \$ 712,825.00 | \$ 782,491.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1020 Cable TV Fund | \$ 503,769.24 | \$ 499,154.96 | \$ 521,180.28 | \$ 496,393.00 | \$ 504,610.00 | \$ 553,402.00 |
| 1050 Community Facility | \$ 213,402.34 | \$ 197,122.28 | \$ 204,356.99 | \$ 210,988.00 | \$ 208,215.00 | \$ 229,089.00 |

DEPARTMENT/DIVISION 2140 - MEDIA PRODUCTION CENTER

The purpose of this division is to strengthen community identity by fostering the development of locally produced cable television programs for the enlightenment of the Lakewood community over Telco and FiOS Broadband. Access support payments by the cable company and Verizon pay for expenses of Department/Division.

PROGRAMS AND FUNCTIONS

To schedule and operate the mobile production van and television studio located at The Centre at Sycamore Plaza.

To schedule and facilitate commercial use of the studio and van.

To stream the City channel on the internet.

To schedule and operate the City radio station KLWD 1620 AM.

To promote the cost-effective use of the media production center.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|---------------------------------|------------------|-------------------|------------------|
| Computer Maintenance Agreements | \$ 13,600 | Capital Equipment | \$ 10,000 |

Changed Conditions:

- Less frequent updating of software.
- Installation of system for converting existing legacy tape to an archival format for future use.

Proposed Activities:

- Research long term, cost effective upgrade path to digital acquisition format.
- Computer Maintenance Agreements includes maintenance agreements for cablecasting, edit and streaming systems.

Productivity Initiatives:

- Add evergreen footage, music, sound effects and graphics to AVID storage network.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|--|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Number of Studio Productions | 60 | 60 | 60 | 55 | 55 |
| Media Service Fees | \$ 14,000 | \$ 2,978 | \$ 17,000 | \$ 2,100 | \$ 2,100 |
| Revenue from Video Franchise-holders to Fund Studio Equipment | \$ 126,000 | \$ 145,529 | \$ 154,668 | \$ 168,000 | \$ 177,000 |

ADMINISTRATION - 2140 MEDIA PRODUCTION CENTER

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Contract Services | 15,864.40 | 16,052.40 | 20,064.72 | 21,000.00 | 20,000.00 | 21,000.00 |
| Special Department | 4,461.81 | 3,999.99 | 838.12 | 4,000.00 | 1,500.00 | 1,500.00 |
| Capital Outlay | 6,038.30 | 109,912.75 | 71,470.26 | 10,000.00 | 10,000.00 | 20,000.00 |
| TOTAL EXPENDITURES | \$ 26,364.51 | \$ 129,965.14 | \$ 92,373.10 | \$ 35,000.00 | \$ 31,500.00 | \$ 42,500.00 |

FUNDING SOURCES

| | | | | | | |
|--------------------|--------------|---------------|--------------|--------------|--------------|--------------|
| 1020 Cable TV Fund | \$ 26,364.51 | \$ 129,965.14 | \$ 92,373.10 | \$ 35,000.00 | \$ 31,500.00 | \$ 42,500.00 |
|--------------------|--------------|---------------|--------------|--------------|--------------|--------------|

DEPARTMENT/DIVISION 2300 - ECONOMIC DEVELOPMENT

The purpose of this activity is to preserve and enhance the economic development climate in Lakewood's commercial-zoned areas.

PROGRAMS AND FUNCTIONS

To retain existing enterprises that provide an employment or tax base for the betterment of Lakewood.

To attract new businesses to the community and to meet needs or provide quality goods and services at affordable costs.

To encourage transactions between owners of commercial-zoned parcels and prospective developers and tenants to further the economic development goals of the General Plan.

To develop and implement an annual economic development action plan to focus on municipal economic development activities.

To develop policies and programs to further the objectives of this budgetary division.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> |
|------------------------------|-------------------------|
| Chamber of Commerce Contract | \$ 22,000 |

Changed Conditions:

- Due to recession and the elimination of Redevelopment Agency funding, there will be a significant impact on the overall economic development strategy.

Proposed Activities:

- The economic development priorities for FY 2013-14 include the shopping center at the southeast corner of Palo Verde Avenue and South Street, vacancies in the Gordon Ranch Plaza Center, the rehab of the shopping center at the southeast corner of Palo Verde Avenue and Del Amo Boulevard, vacancies in the tenant spaces behind Buffalo Wild Wings, and the continuing development of the Candlewood Street shops and restaurants.

Productivity Initiatives:

- Analysis of intergovernmental proposals impacting property tax, redevelopment tax increment or sales tax.

Performance Measures:

| | <u>Actual 2009-2010</u> | <u>Actual 2010-2011</u> | <u>Actual 2011-2012</u> | <u>Estimated 2012-2013</u> | <u>Projected 2013-2014</u> |
|---------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|
| Sales Tax Revenue | \$ 10,658,959 | \$ 11,262,520 | \$ 14,217,422 | \$ 12,730,772 | \$ 13,199,826 |
| Business License Receipts | \$ 456,599 | \$ 469,595 | \$ 505,519 | \$ 507,500 | \$ 510,000 |

ADMINISTRATION - 2300 ECONOMIC DEVELOPMENT

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 95,842.80 | 46,070.75 | 50,699.16 | 54,311.00 | 50,215.00 | 54,785.00 |
| Contract Services | 41,748.00 | 49,838.00 | 22,000.00 | 22,000.00 | 22,000.00 | 22,000.00 |
| Special Department | 267.75 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 137,858.55 | \$ 95,908.75 | \$ 72,699.16 | \$ 76,311.00 | \$ 72,215.00 | \$ 76,785.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|--------------|--------------|--------------|--------------|--------------|
| 1010 General Fund | \$ 137,858.55 | \$ 95,908.75 | \$ 72,699.16 | \$ 76,311.00 | \$ 72,215.00 | \$ 76,785.00 |
|-------------------|---------------|--------------|--------------|--------------|--------------|--------------|

DEPARTMENT/DIVISION 2400 - PUBLIC INFORMATION

The purpose of this activity is to enhance communications among the City, the public, City staff and the news media.

PROGRAMS AND FUNCTIONS

To provide information to public, City Council and City staff.

To present an accurate view of the City through active, ongoing communication rather than in reaction to events or news media reports.

To provide messages (through print media, the Internet and other forms of electronic communication) and to manage the communication infrastructure in support of City and community information goals.

To manage the City's photo unit.

To introduce new residents to City services and Lakewood's civic culture.

To organize and provide emergency public information in the event of a disaster using the best available technologies.

To provide technical assistance in the form of oral, written and audio-visual materials to the various departments of City government.

To support citizen participation in public policy formulation and facilitate civic activities and programs.

To coordinate media relations.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|-------------------|-------------------------|------------------------|-------------------------|
| City Newsletter | \$ 49,660 | Graphics & Copy Center | \$ 24,882 |
| Contract Services | \$ 25,000 | Computer Maintenance | \$ 19,000 |

Changed Conditions:

- Review and update of City's web pages.
- Employee Services decreased due to staffing realignment.
- Change in Contract Services due to photography-related increases.

Proposed Activities:

- The City's e-media will include weekly (and occasional twice-weekly alerts) eMagazines to about 18,000 subscribers.
- The Public Information Office will publish 7 editions of the city newsletter and 6 editions of bill inserts in FY 2013-2014.

Productivity Initiatives:

- Increased integration of the City's Web presence will improve the efficiency and timeliness of postings and eMagazines.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|--------------|---|---|---|--|--|
| Newsletters | 7 | 6 | 7 | 7 | 7 |
| eMagazines | 52 | 52 | 55 | 56 | 56 |
| Bill Inserts | 7 | 7 | 6 | 6 | 6 |

ADMINISTRATION - 2400 PUBLIC INFORMATION

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|---------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 328,730.12 | 351,976.78 | 287,035.34 | 295,929.00 | 213,467.00 | 223,848.00 |
| Contract Services | 85,470.93 | 92,635.56 | 79,147.75 | 106,660.00 | 127,440.00 | 101,660.00 |
| Office Expense | 6,971.45 | 4,622.99 | 4,692.81 | 6,000.00 | 6,000.00 | 6,000.00 |
| Meetings Expense | 2,843.49 | 2,350.86 | 1,298.39 | 2,500.00 | 2,500.00 | 2,500.00 |
| Special Department | 3,552.58 | 13,657.92 | 4,630.11 | 13,939.00 | 12,183.00 | 12,189.00 |
| Other Operating | 175.00 | 225.00 | 225.00 | 225.00 | 225.00 | 450.00 |
| Interdepartmental | 32,832.73 | 27,079.50 | 43,020.86 | 59,555.00 | 59,555.00 | 61,899.00 |
| Capital Outlay | 0.00 | 1,168.84 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 460,576.30 | \$ 493,717.45 | \$ 420,050.26 | \$ 484,808.00 | \$ 421,370.00 | \$ 408,546.00 |

FUNDING SOURCES

| | | | | | | |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 443,610.93 | \$ 475,532.29 | \$ 400,650.81 | \$ 431,900.00 | \$ 364,361.00 | \$ 382,819.00 |
| 3060 Transit - Prop A Fund | \$ 16,965.37 | \$ 18,185.16 | \$ 19,399.45 | \$ 25,502.00 | \$ 25,009.00 | \$ 25,727.00 |

DEPARTMENT/DIVISION 2500 - CUSTOMER SERVICE

The purpose of this activity is to enhance responsiveness to approximately 10,000 annual requests for service and approximately 50,000 requests for information.

PROGRAMS AND FUNCTIONS

To efficiently and effectively process and monitor requests for services from Lakewood residents.

To efficiently and quickly process RV and trailer parking permits from Lakewood residents and out-of-town visitors.

To measure quality assurance by recontacting residents through a *Customer Satisfaction Questionnaire* after the fulfillment of service requests to determine satisfaction in such areas as effectiveness, promptness, employee courteousness and overall satisfaction.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|---------------------|------------------|------------------------|------------------|
| Contract Services | \$ 13,850 | Graphics & Copy Center | \$ 12,039 |

Changed Conditions:

- Launched the Lakewood Connect mobile app to enable users to submit service requests using their Apple iPhones.

Proposed Activities:

- An Android version of the Lakewood Connect mobile app will launch this coming year.

Performance Measures:

| | <u>Actual CY2009</u> | <u>Actual CY2010</u> | <u>Actual CY2011</u> | <u>Actual CY2012</u> | <u>Projected CY2013</u> |
|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|
| Total Service Requests | 7,525 | 10,941 | 8,057 | 8,599 | 8,750 |
| Tree Trimming Requests | 529 | 398 | 494 | 553 | 600 |
| Total Graffiti Requests | 901 | 613 | 589 | 696 | 800 |
| Total Street Sweeping Requests | 119 | 123 | 111 | 86 | 100 |
| Total TV/Trailer Parking Requests | 231 | 221 | 250 | 234 | 250 |
| Total Trash/Recycling Requests | 823 | 4,231 | 1,722 | 774 | 600 |
| Employee Courteousness Positive Score | 95% | 93% | 92% | 96.3% | 97% |
| Employee Helpfulness Positive Score | 94% | 93% | 93% | 95.5% | 97% |
| Service-One E-mail Processing | 3,519 | 5,938 | 4,581 | 5,239 | 5,500 |

ADMINISTRATION - 2500 CUSTOMER SERVICE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 344,477.33 | 275,540.04 | 289,409.05 | 291,878.00 | 291,506.00 | 307,197.00 |
| Contract Services | 7,578.00 | 7,578.00 | 12,806.00 | 13,850.00 | 13,850.00 | 13,850.00 |
| Office Expense | 411.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Meetings Expense | 1,624.82 | 1,762.39 | 2,188.04 | 6,000.00 | 6,000.00 | 6,000.00 |
| Special Department | 599.31 | 893.30 | 1,676.25 | 2,985.00 | 1,768.00 | 1,770.00 |
| Other Operating | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Interdepartmental | 10,436.73 | 20,261.25 | 18,699.62 | 34,055.00 | 34,055.00 | 35,395.00 |
| TOTAL EXPENDITURES | \$ 365,127.23 | \$ 306,034.98 | \$ 324,778.96 | \$ 348,768.00 | \$ 347,179.00 | \$ 364,212.00 |

FUNDING SOURCES

| | | | | | | |
|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 335,256.27 | \$ 305,928.88 | \$ 324,694.01 | \$ 330,610.00 | \$ 346,973.00 | \$ 364,212.00 |
| 1020 Cable TV Fund | \$ 29,870.96 | \$ 106.10 | \$ 84.95 | \$ - | \$ 206.00 | \$ - |

DEPARTMENT/DIVISION 2550 - INTERGOVERNMENTAL RELATIONS

The purpose of this activity is to provide support to obtain supplemental funding and to provide representation in intergovernmental decision-making.

PROGRAMS AND FUNCTIONS

To organize intergovernmental activities in support of the Annual Statement of Intergovernmental Objectives.

To seek assistance to the City through grants of supplemental funds.

To provide ongoing State Capitol representation and, as needed Federal representation of City interests.

To establish and expand key coalitions to influence policy outcomes where appropriate.

BUDGET SUMMARY

| | |
|----------------------------|-------------------------|
| Significant Detail: | <u>2013-2014</u> |
| Legislative Advocacy | \$ 53,244 |

Changed Conditions:

- There are several issues that the City is closely monitoring this legislative session. New this year is tracking of the winding down of the affairs of redevelopment agencies.
- Change in employee services is due to staff reallocation.

Proposed Activities: None.

Intergovernmental priorities include:

- Preservation and enhancement of funding sources for cities.
- Preservation and enhancement of local control.
- Funding for critical items like Community Development Block Grant, COPS, and JAG.
- Support continued operation of the Boeing C-17 program.
- Support legislation that protects and preserves adequate quality and quantity of water resources to the community.
- Support water infrastructure funding to address water infrastructure challenges.
- Support job creation legislation and programs.
- Oppose efforts to impose moratoria on state and local taxes on mobile services.
- Oppose efforts to eliminate net neutrality on the Internet.
- Support legislation and funding that promote enhanced law enforcement services.
- Support reasonable reform of local government pension systems.
- Support the provision of municipal services through contracting.
- Support legislation that protects and preserves adequate quality of water resources to the community.
- Oppose proposals to take additional revenue from local governments or to shift responsibilities and costs to local government without providing funding.
- Oppose further state prison realignment proposals that negatively affect crime rates in the city.

ADMINISTRATION - 2550 INTERGOVERNMENTAL RELATIONS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 279,382.74 | 140,413.16 | 81,901.65 | 97,134.00 | 83,229.00 | 98,153.00 |
| Contract Services | 57,024.50 | 56,960.64 | 74,529.21 | 75,779.00 | 74,854.00 | 75,774.00 |
| Meetings Expense | 13,437.38 | 18,118.35 | 14,466.45 | 13,500.00 | 10,500.00 | 13,500.00 |
| Special Department | 1,334.71 | 1,898.79 | 1,596.07 | 1,702.00 | 1,380.00 | 1,382.00 |
| Other Operating | 35,098.70 | 34,750.52 | 35,639.12 | 37,000.00 | 37,000.00 | 37,000.00 |
| TOTAL EXPENDITURES | \$ 386,554.72 | \$ 252,141.46 | \$ 208,132.50 | \$ 225,115.00 | \$ 206,963.00 | \$ 225,809.00 |

FUNDING SOURCES

| | | | | | | |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 371,114.72 | \$ 236,341.46 | \$ 192,332.50 | \$ 209,315.00 | \$ 191,163.00 | \$ 210,009.00 |
| 3000 AQMD Fund | \$ 4,718.00 | \$ 4,800.00 | \$ 4,800.00 | \$ 4,800.00 | \$ 4,800.00 | \$ 4,800.00 |
| 3060 Transit - Prop A Fund | \$ 10,722.00 | \$ 11,000.00 | \$ 11,000.00 | \$ 11,000.00 | \$ 11,000.00 | \$ 11,000.00 |

DEPARTMENT/DIVISION 2600 - COMMUNITY RELATIONS

The purpose of this activity is to enhance community pride and identification and to serve as a liaison between the City and various civic and community groups, residents and community leaders.

PROGRAMS AND FUNCTIONS

To educate, inform and engage community stakeholders about important issues facing the City through outreach activities, special events and strategic communications.

To enhance interactions and increase contacts with community stakeholders.

To organize annual special events for community promotion purposes, including Mayor's Prayer Breakfast, Award of Valor, State of the City, Memorial Day, as well as Lakewood Celebrates Receptions.

To involve residents in activities designed to enhance the quality of life in the neighborhood environment through community beautification via the Lakewood Beautiful Home Awards Program.

To organize civic involvement opportunities for residents and to facilitate interactions between stakeholders and local government officials.

To promote community pride and identification through Club Lakewood promotional materials and commemorative items.

To solicit event sponsorships from corporate and community groups to defray out-of-pocket expenses for City-sponsored special events.

To design and purchase commemorative and commendatory items consistent with fulfilling the purpose of this activity.

To host civic and municipal groups and other meetings to advance key communications objectives.

To commemorate civic milestones, individual achievement and achievements by community members through events, publications and presentations.

To facilitate and promote key messages and communications objectives through street banner campaigns, advertising and other strategic outreach efforts.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|------------------|-------------------------|
| Graphics & Copy Center | \$ 26,608 | Special Supplies | \$ 23,000 |

- Projections:**
- Reduction in special commendations due to economic conditions.
 - Begin preparations for city's 60th anniversary.

- Changed Conditions:**
- Economic conditions have continued to impact attendance at City events.
 - Economic pressures on the business community may continue to affect their ability to provide corporate sponsorships for City events and programs.
 - Change in Lakewood Beautiful photography.
 - Memorial Day tent.

- Proposed Activities:**
- The Lakewood Beautiful Home Awards Program will retain the "Water-Wise" award category, honoring irrigation and landscaping efforts that reduce water usage and result in attractive gardens.
 - New community promotional items will be available through Club Lakewood.
 - Commendatory items and recognition items will be considered.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---|---|---|---|--|--|
| Special Events Revenue and Sponsorships | \$ 39,000 | \$ 21,500 | \$ 31,445 | \$ 25,033 | \$ 24,000 |
| Club Lakewood | \$ 1,682 | \$ 1,315 | \$ 1,549 | \$ 1,245 | \$ 1,300 |

ADMINISTRATION - 2600 COMMUNITY RELATIONS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 228,700.19 | 230,079.81 | 228,207.24 | 231,846.00 | 215,165.00 | 226,677.00 |
| Contract Services | 17,050.00 | 15,426.59 | 10,243.18 | 2,000.00 | 3,100.00 | 2,100.00 |
| Office Expense | 721.49 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Meetings Expense | 4,270.34 | 5,324.33 | 4,536.17 | 6,000.00 | 6,000.00 | 6,000.00 |
| Special Department | 91,194.00 | 102,109.29 | 74,206.69 | 82,811.00 | 76,183.00 | 161,211.00 |
| Other Operating | 425.00 | 2,349.00 | 1,010.00 | 1,250.00 | 1,225.00 | 1,225.00 |
| Interdepartmental | 43,120.09 | 19,303.40 | 22,961.74 | 20,414.00 | 20,324.00 | 21,124.00 |
| Capital Outlay | 0.00 | 0.00 | 1,126.66 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 385,481.11 | \$ 374,592.42 | \$ 342,291.68 | \$ 344,321.00 | \$ 321,997.00 | \$ 418,337.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 385,481.11 | \$ 374,592.42 | \$ 342,291.68 | \$ 344,321.00 | \$ 321,997.00 | \$ 418,337.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 3000 - CITY CLERK

The purpose of this activity is to provide prompt, efficient and comprehensive service to the public, the City Council, City commissions and committees, and staff in the area of information flow, providing research and dissemination of official recorded data and certification of the authority of that data. The City Clerk is the filing officer for Statements of Economic Interests and administers the Municipal elections.

PROGRAMS AND FUNCTIONS

- To coordinate and produce the agenda for City Council meetings.
- To process ordinances and resolutions as required by law.
- To provide and be responsible for the necessary filing of forms in accordance with the Political Reform Act.
- To provide updates of the Municipal Code amendments.
- To conduct Municipal elections.
- To provide voter registration forms and information.
- To provide certification and duplication of City records.
- To accept service and coordinate research pertaining to claims and litigation against the City.
- To prepare and issue appropriate public notices pertaining to Council hearings and actions.
- To publicize public works projects, issue plans and specifications, receive bids and provide results.
- To monitor City contracts, agreements and franchises to ensure compliance is maintained with regard to insurance, bonds and expiration.
- To respond to inquiries and requests pursuant to the California Public Records Act.

BUDGET SUMMARY

- Changed Conditions:**
- Decrease in Contract Services. There is no election this year.
- Proposed Activities:**
- Administer state-mandated conflict of interest laws, including the biennial review of the City's Conflict of Interest Code and annual filing of Statements of Economic Interests.
 - Maintaining Bidder's Information available through the City's website provides contractors, as potential bidders, with access to Notices Inviting Bids, Planholders Lists and Bid Results.
 - Be responsive to requests for records pursuant to the California Public Records Act.
- Productivity Initiatives:**
- Storage of Municipal Code on imaging system and distribution on optical disk will reduce cost of updates.
- Performance Measures:**
- Effective and timely management of liability claims will sustain volume of claims closed without liability to the City.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Damage Claims Processed | 36 | 35 | 41 | 32 | 30 |
| Claims Closed without Liability | 32 | 19 | 33 | 22 | 20 |

ADMINISTRATION - 3000 CITY CLERK

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 183,029.10 | 205,078.75 | 205,783.35 | 218,222.00 | 203,891.00 | 221,852.00 |
| Contract Services | 0.00 | 88,473.14 | 0.00 | 103,000.00 | 4,000.00 | 0.00 |
| Office Expense | 2,512.66 | 3,283.94 | 27.33 | 1,000.00 | 500.00 | 1,000.00 |
| Meetings Expense | 460.00 | 0.00 | 0.00 | 1,100.00 | 375.00 | 1,100.00 |
| Special Department | 3,787.84 | 3,797.65 | 3,998.36 | 5,141.00 | 4,539.00 | 5,140.00 |
| Other Operating | 1,909.03 | 3,837.30 | 1,954.20 | 4,300.00 | 2,830.00 | 4,300.00 |
| Interdepartmental | 15,370.16 | 22,005.24 | 9,740.59 | 4,849.00 | 4,769.00 | 4,957.00 |
| TOTAL EXPENDITURES | \$ 207,068.79 | \$ 326,476.02 | \$ 221,503.83 | \$ 337,612.00 | \$ 220,904.00 | \$ 238,349.00 |

FUNDING SOURCES

| | | | | | | |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 197,054.36 | \$ 314,249.74 | \$ 212,287.58 | \$ 339,441.00 | \$ 211,264.00 | \$ 238,349.00 |
| 1030 CDBG Current Year | \$ 10,014.43 | \$ 12,226.28 | \$ 9,216.25 | \$ 9,971.00 | \$ 9,640.00 | \$ - |

DEPARTMENT/DIVISION 3100 - RECORDS MANAGEMENT

The purpose of this activity is to maintain an effective records management system for the storage, preservation and efficient retrieval of official City records.

PROGRAMS AND FUNCTIONS

To maintain, preserve and effectively retrieve records, files and indexes of all legal documents, as required by law, and good records management practices.
To maintain the active and inactive vaults as an efficient resource by eliminating outdated or useless records, through use of optical storage, and the establishment of effective retention schedules.
To provide assistance at departments' requests in determining value and appropriate retention of their records.
To coordinate the annual destruction of obsolete records in accordance with the California Government Code and other State and Federal requirements.

BUDGET SUMMARY

Significant Detail:
Document Imaging System Support 2013-2014
\$ 9,400

Changed Conditions: None.

Proposed Activities:

- Document imaging software and hardware will be utilized for records retrieval and reference.
- Newly-created records and records from previous years will be prepared for transfer to optical storage.
- Conversion of permanent, low-reference records to optical storage to free storage space will continue.
- Case file scanning will free physical storage space.

Productivity Initiative:

- The transfer of records to optical storage will enhance file integrity and speed retrieval.

Performance Measures:

- Available storage space will be maximized by managing retention of records.
- Obsolete and duplicate records will be purged to accommodate active files.
- Permanent and frequently retrieved records will be transferred to optical storage as they are approved.

| | <u>Actual 2009-2010</u> | <u>Actual 2010-2011</u> | <u>Actual 2011-2012</u> | <u>Projected 2012-2013</u> | <u>Estimated 2013-2014</u> |
|--|-----------------------------|-----------------------------|-----------------------------|--------------------------------|--------------------------------|
| Types of Records Controlled by Retention Schedules | 86 | 87 | 93 | 94 | 96 |
| Volume of Records Available Through Document Imaging System | 940,000 | 975,000 | 996,000 | 1,070,000 | 1,150,000 |

ADMINISTRATION - 3100 RECORDS MANAGEMENT

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 115,179.26 | 129,890.14 | 148,603.15 | 137,642.00 | 136,395.00 | 143,206.00 |
| Contract Services | 10,998.57 | 9,463.52 | 8,894.22 | 9,940.00 | 9,102.00 | 10,150.00 |
| Office Expense | 192.89 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Meetings Expense | 31.40 | 0.00 | 0.00 | 250.00 | 20.00 | 250.00 |
| Special Department | 117.20 | 478.85 | 561.66 | 960.00 | 1,034.00 | 1,600.00 |
| Other Operating | 230.00 | 230.00 | 230.00 | 430.00 | 230.00 | 530.00 |
| TOTAL EXPENDITURES | \$ 126,749.32 | \$ 140,062.51 | \$ 158,289.03 | \$ 149,222.00 | \$ 146,781.00 | \$ 155,736.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 126,749.32 | \$ 140,062.51 | \$ 158,289.00 | \$ 149,222.00 | \$ 146,781.00 | \$ 155,736.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 3220/3240 - CITY LEGAL SERVICES

The purpose of this activity is to provide legal advice and guidance to the City Council, City Commissions and City staff in a manner assuring a sound legal basis for contemplated policies and administrative decisions, through the City Attorney, City Prosecutor and outside legal services.

PROGRAMS AND FUNCTIONS

City Attorney:

- To render legal opinions and deliver legal services as requested by authorized City officials.
- To prepare all agreements and contracts to be executed by and on behalf of the City or to approve the same as to form.
- To approve all notices given by any City officer at any official City hearing or concerning any official City business.
- To frame all ordinances and resolutions by the legislative body.
- To attend all regular meetings of the City Council and attend meetings of the Planning and Environment Commission, as needed, and other Commissions when the business requires legal services or advice.
- To perform extraordinary services as required.

City Prosecutor:

- To render legal opinions and deliver legal services as it relates to City prosecution in the abatement of cases in violation of the Lakewood Municipal Code.
- To file charges and prosecute cases, which have not been abated as authorized by City officials.
- To provide legal advice on all abatement team related cases and determine the best course of action.

Outside Legal Services:

- To provide legal representation in those matters requiring specific expertise.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|-------------------------|------------------|-----------------|------------------|
| Contract Legal Services | \$ 207,363 | City Prosecutor | \$ 35,000 |

Changed Conditions:

None.

Proposed Activity:

- No change in function is anticipated from prior year.

ADMINISTRATION - 3220/3240 LEGAL SERVICES

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Contract Services | 195,470.34 | 198,359.04 | 198,359.04 | 201,336.00 | 203,186.00 | 207,363.00 |
| Special Department | 21,972.00 | 18,141.00 | 20,220.75 | 35,000.00 | 35,000.00 | 35,000.00 |
| TOTAL EXPENDITURES | \$ 217,442.34 | \$ 216,500.04 | \$ 218,579.79 | \$ 236,336.00 | \$ 238,186.00 | \$ 242,363.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 217,442.34 | \$ 216,500.04 | \$ 218,579.79 | \$ 236,336.00 | \$ 238,186.00 | \$ 242,363.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 3300 - INTERNAL ADMINISTRATION

The purpose of this activity is to provide for certain Citywide support services.

PROGRAMS AND FUNCTIONS

Support services include: telephone service, mail processing and City postage costs.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|------------------------|-------------------------|
| Postage | \$ 110,000 | Graphics & Copy Center | \$ 26,878 |
| Communications | \$ 73,590 | Mail Processing | \$ 5,000 |

Changed Conditions: None.

Productivity Initiative: None.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|------------------------------|---|---|---|--|--|
| Special Event Mailers | 23,700 | 35,847 | 35,847 | 35,847 | 38,160 |
| Business Licenses & Renewals | 4,489 | 4,052 | 4,659 | 4,713 | 4,713 |

ADMINISTRATION - 3300 INTERNAL ADMINISTRATION

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 239,758.22 | 202,722.46 | 208,802.77 | 215,662.00 | 216,386.00 | 230,175.00 |
| Contract Services | 7,157.32 | 6,510.36 | 3,535.95 | 5,000.00 | 5,000.00 | 5,000.00 |
| Facilities Expense | 71,744.47 | 69,002.43 | 71,367.98 | 64,980.00 | 64,580.00 | 74,590.00 |
| Office Expense | 139,022.59 | 131,587.03 | 117,537.89 | 110,700.00 | 110,700.00 | 110,700.00 |
| Meetings Expense | 1,996.73 | 2,193.98 | 2,538.82 | 2,000.00 | 2,000.00 | 2,000.00 |
| Special Department | 702.92 | 1,387.42 | 407.22 | 1,000.00 | 700.00 | 1,000.00 |
| Other Operating | 50.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Interdepartmental | 17,373.61 | 24,690.78 | 28,504.18 | 27,870.00 | 27,567.00 | 28,777.00 |
| TOTAL EXPENDITURES | \$ 477,805.86 | \$ 438,094.46 | \$ 432,694.81 | \$ 427,212.00 | \$ 426,933.00 | \$ 452,242.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 477,805.86 | \$ 438,094.46 | \$ 432,304.67 | \$ 422,462.00 | \$ 426,933.00 | \$ 452,242.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 3400 - HUMAN RESOURCES

The purpose of this activity is to operate and maintain a professional personnel and employee relations program in accordance with City Rules, Regulations and Procedures, and the Memorandum of Understanding between the City and employee association.

PROGRAMS AND FUNCTIONS

To maintain personnel records.
To administer the employees' benefit programs.
To provide qualified candidates to departments for appointment to positions, by efficient and consistent application of the merit system.
To maintain effective employee-management relations through timely communications and prompt resolution of personnel problems.
To meet and confer with employee association and maintain the Memorandum of Understanding.
To fairly and effectively administer the City's Personnel System, including the Personnel Rules, Regulations and Procedures and the Memorandum of Understanding.
To emphasize employee safety and accident prevention through the administration of an effective employee Injury and Illness Prevention Program.
To manage the Workers' Compensation Program with emphasis on early return to work.
To respond in a timely manner to new or changed employment, health and safety mandates promulgated by State and Federal agencies.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|---------------------------------|-------------------------|-------------------|-------------------------|
| Advertising | \$ 5,000 | Equipment Testing | \$ 1,600 |
| Software Maintenance Agreements | \$ 4,200 | Contract Services | \$ 1,700 |

- Changed Conditions:**
- New subscription to testing and scoring service.
 - Majority of job applicants are now submitting their applications online.
 - The number of employees retiring this year is expected to increase.
 - Recruitments increased due to changes in personnel such as retirements.

- Proposed Activities:**
- Continue to update and maintain the job classification plan.
 - Continue to train supervisors on best management practices for employment and safety.
 - Continue to update health and safety written programs and post on the City Intranet.

| Performance Measures: | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---|---|---|---|--|--|
| Safety and Risk Management Training Hours | 5,419 | 4,512 | 3,975 | 4,250 | 4,200 |
| Total Job Applications | 1,228 | 1,713 | 1,035 | 1,395 | 1,500 |
| New Hires/Promotions: | | | | | |
| * Full-Time Employees | N/A | 9 | 4 | 14 | 15 |
| * Part-Time & Seasonal Employees | 106 | 87 | 99 | 71 | 71 |
| Total Employment Recruitments | 23 | 23 | 20 | 34 | 40 |
| NEOGOV online applicant tracking: | | | | | |
| * Total Job Posting Hits | | 20,130 | 12,082 | 23,000 | 25,000 |
| * Total Online Job Applications | | 1,557 | 887 | 1,300 | 1,500 |
| * Total Paper Applications | | 201 | 148 | 95 | 80 |
| * Percent Received Online | | 89% | 86% | 93% | 95% |

ADMINISTRATION - 3400 HUMAN RESOURCES

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 359,096.28 | 359,774.00 | 394,114.68 | 397,376.00 | 405,421.00 | 414,489.00 |
| Contract Services | 69,442.48 | 65,486.90 | 76,723.59 | 75,700.00 | 79,800.00 | 84,800.00 |
| Office Expense | 1,732.99 | 1,343.47 | 1,212.72 | 1,500.00 | 1,500.00 | 1,500.00 |
| Meetings Expense | 210.00 | 702.00 | 2,105.49 | 3,000.00 | 3,000.00 | 2,500.00 |
| Special Department | 21,730.85 | 23,042.72 | 21,622.36 | 24,960.00 | 24,960.00 | 25,960.00 |
| Other Operating | 4,041.19 | 7,660.63 | 4,628.94 | 9,250.00 | 9,750.00 | 10,300.00 |
| Interdepartmental | 11,692.68 | 13,799.32 | 10,653.30 | 7,367.00 | 7,345.00 | 7,634.00 |
| Capital Outlay | 845.93 | 288.01 | 0.00 | 1,000.00 | 1,000.00 | 1,000.00 |
| TOTAL EXPENDITURES | \$ 468,792.40 | \$ 472,097.05 | \$ 511,061.08 | \$ 520,153.00 | \$ 532,776.00 | \$ 548,183.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 468,792.40 | \$ 472,097.05 | \$ 511,061.08 | \$ 520,153.00 | \$ 532,776.00 | \$ 548,183.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 3600 - LAW ENFORCEMENT

The purpose of this activity is to provide law enforcement services under contract with the Los Angeles County Sheriff's Department.

PROGRAMS AND FUNCTIONS

To provide, under contract with Los Angeles County Sheriff's Department, general law enforcement and traffic enforcement, jail services, community relations and the Criminal and Nuisance Abatement program.

To provide a comprehensive community-based policing program through Neighborhood Watch, STAR, LAW, LAND, Business Watch, Mall Watch, Park Watch, the Special Assignment Officer's Program, the neighborhood beat patrol, PAVE and the Lakewood Sheriff's Community Safety Center.

To recognize meritorious service by Sheriff's personnel through the annual Award of Valor program.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|--------------------------------|------------------|---------------------------------|------------------|
| Sheriff's General Law Contract | \$ 6,663,783 | Liability Insurance & State Fee | \$ 330,096 |
| Specially-Assigned Officers | \$ 911,618 | Star Deputy Program | \$ 85,700 |
| Special Mall Patrol | \$ 773,291 | Holiday Patrol | \$ 25,000 |
| | | Mobile Digital computers | \$ 30,000 |

Changed Conditions:

- The change in Contract Services will provide for a 2.4% increase in Sheriff's service costs.
- Increase in Capital Outlay for Mobile Digital computers for the Community Services Officer vehicles

Proposed Activities:

- Instructional and recognition programs will be held for the block captains participating in Neighborhood Watch.
- Increased patrol, special deployment and educational programs to reduce residential burglary and auto theft.
- Increased recruitment efforts for Neighborhood Watch, Business Watch, Mall Watch and LAND members.

Productivity Initiatives:

- STAR costs will be shared with school districts serving Lakewood.
- Cost of Specially Assigned Officers and Mall deputies will be shared with Lakewood Center.
- The Abatement Team, enhanced patrol, park patrol and special project teams will be partially funded by State and Federal grants.

Performance Measures:

- Total number of active block captains will be increased to 405, and 1,120 vehicles will be registered in the Operation L.A.W. program by the end of this budget period.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|----------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Part I Crimes | 2,309 | 2,126 | 2,212 | 2,463 | 2,278 |
| Response Times | 3.7 | 3.3 | 3.4 | 3.4 | 3.5 |
| Cases Handled | 7,711 | 7,366 | 6,436 | 6,771 | 7,071 |
| Calls for Service | 23,230 | 21,663 | 22,110 | 23,777 | 22,695 |
| L.A.W. Registered Vehicles | 1,107 | 1,110 | 1,107 | 1,115 | 1,120 |
| Block Captain Participants | 400 | 400 | 400 | 404 | 405 |
| LAND Participants | 146 | 150 | 144 | 140 | 150 |

ADMINISTRATION - 3600 PUBLIC SAFETY-LAW ENFORCEMENT

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 350,676.96 | 514,163.81 | 533,525.27 | 631,268.00 | 607,837.00 | 673,502.00 |
| Contract Services | 9,060,158.41 | 8,998,257.22 | 8,685,529.91 | 9,457,804.00 | 9,331,899.00 | 9,825,157.00 |
| Facilities Expense | 7,546.75 | 7,834.72 | 7,560.49 | 7,700.00 | 7,700.00 | 8,090.00 |
| Office Expense | 394.84 | 492.70 | 101.72 | 600.00 | 300.00 | 600.00 |
| Meetings Expense | 4,074.66 | 2,775.38 | 4,210.02 | 5,000.00 | 5,000.00 | 5,000.00 |
| Special Department | 12,273.54 | 8,310.43 | 8,942.51 | 15,600.00 | 12,729.00 | 16,230.00 |
| Other Operating | 58,002.62 | 56,143.26 | 58,178.58 | 60,850.00 | 61,206.00 | 63,500.00 |
| Interdepartmental | 35,847.13 | 40,689.16 | 32,230.85 | 42,804.00 | 42,627.00 | 44,514.00 |
| Capital Outlay | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 30,000.00 |
| TOTAL EXPENDITURES | <u>\$ 9,528,974.91</u> | <u>\$ 9,628,666.68</u> | <u>\$ 9,330,279.35</u> | <u>\$10,221,626.00</u> | <u>\$10,069,298.00</u> | <u>\$10,666,593.00</u> |

FUNDING SOURCES

| | | | | | | |
|-------------------|-----------------|-----------------|-----------------|------------------|-----------------|------------------|
| 1010 General Fund | \$ 9,451,194.59 | \$ 9,546,422.66 | \$ 9,267,270.56 | \$ 10,019,774.00 | \$ 9,941,836.00 | \$ 10,512,663.00 |
| 1336 STATE COPS | \$ 88,498.88 | \$ 43,994.89 | \$ 60,566.91 | \$ 102,000.00 | \$ 101,050.00 | \$ 131,701.00 |
| 1371 JAG Grant | \$ - | \$ 264,505.72 | \$ 2,441.88 | \$ 26,412.00 | \$ 26,412.00 | \$ 22,229.00 |

DEPARTMENT/DIVISION 3700 - SKY KNIGHT

The purpose of this activity is to provide airborne law enforcement to the cities of Cerritos, Lakewood and Hawaiian Gardens.

PROGRAMS AND FUNCTIONS

To provide helicopter patrol service to the Lakewood Sheriff's Station region, with the costs shared by the three participating cities.
To provide airborne law enforcement observation, direction and backup to ground units in handling all types of calls for service.
To patrol remote areas such as open space recreational areas, flood control channels, vacant areas and rooftops.
To provide airborne law enforcement mutual aid support to Los Angeles County Sheriff's Aero Bureau and surrounding policing agencies.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|---------------------------------|------------------|---------------------------------|------------------|
| Helicopter Maintenance Contract | \$ 321,000 | Sky Knight Helicopter Insurance | \$ 24,000 |
| Sky Knight Observers Contract | \$ 122,154 | Safety Training | \$ 2,500 |

Changed Conditions:

- Four major helicopter components are scheduled to be changed in FY 2013-14.
- Estimate for fuel cost increased from \$6 to \$7 per gallon due to the constantly-changing fuel prices.

Proposed Activities:

- Continue mutual aid response program between Sky Knight and Los Angeles County Sheriff's Aero Bureau.
- Train relief deputy observers assigned to Sky Knight.
- Hire and train an additional relief pilot.

Productivity Initiatives:

- Cost of deputy observers will be shared with Los Angeles County Sheriff's Department.
- Sky Knight schedule will be adjusted as necessary to address the high-call service hours.
- Work with maintenance contractor to ensure continued quality aircraft maintenance.

Performance Measures:

- Sky Knight will respond to an estimated 1,600 calls for service this program year.
- Sky Knight emergency response time will average under 2.5 minutes from dispatch to crime scene.
- Sky Knight will provide a minimum of 1,000 flight hours of law enforcement to the three-city region.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|-----------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Calls for Service | 3,733 | 2,417 | 1,612 | | 1,600 |
| Flight Time in Hours | 1,428 | 1,232 | 942 | 1,040 | 1,040 |
| Percent Share by City | | | | | |
| Bellflower | 30 | N/A | N/A | N/A | N/A |
| Cerritos | 26 | 38 | 38 | 38 | 38 |
| Hawaiian Gardens | 9.5 | 9 | 9 | 9 | 9 |
| Lakewood | 34.5 | 53 | 53 | 53 | 53 |

ADMINISTRATION - 3700 PUBLIC SAFETY-SKY KNIGHT

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 197,149.74 | 102,623.47 | 119,165.61 | 135,752.00 | 121,067.00 | 145,738.00 |
| Contract Services | 434,835.95 | 351,720.57 | 368,126.92 | 447,398.00 | 447,398.00 | 443,357.00 |
| Facilities Expense | 505.39 | 522.73 | 301.69 | 0.00 | 0.00 | 0.00 |
| Meetings Expense | 50.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Special Department | 1,011.50 | 4,096.40 | 1,755.60 | 3,395.00 | 3,068.00 | 3,395.00 |
| Other Operating | 24,382.00 | 21,972.00 | 22,203.00 | 26,550.00 | 19,676.00 | 26,550.00 |
| Capital Outlay | 0.00 | 23,607.75 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 657,934.58 | \$ 504,542.92 | \$ 511,552.82 | \$ 613,095.00 | \$ 591,209.00 | \$ 619,040.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 657,934.58 | \$ 504,542.92 | \$ 511,552.82 | \$ 613,095.00 | \$ 591,209.00 | \$ 619,040.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 3800 - SAFETY SERVICES

The purpose of this activity is to provide crossing guard service at locations throughout the city and a continuing program for traffic safety, crime prevention education, substance abuse and gang diversion education in the elementary schools of Lakewood. The primary focus of the program is to reduce traffic accidents due to lack of knowledge of proper bicycle and pedestrian safety habits. The program also focuses on informing Lakewood youth on Internet safety.

PROGRAMS AND FUNCTIONS

To provide a comprehensive safety program to Lakewood youth.

To present multi-media teaching modules (using DVDs, video and PowerPoint presentations) keyed to different class levels.

To evaluate the learning outcomes of the educational program.

To adapt and modify the education program.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|------------------|------------------|------------------|------------------|
| Crossing Guards | \$ 185,100 | Bike Safety Expo | \$ 3,000 |
| Special Supplies | \$ 24,800 | Uniforms | \$ 2,000 |

Changed Conditions:

- LBUSD will close Monroe K-8 School due to budget issues and declining enrollment.
- Special Supplies increased due to purchase of School Safety Program books to be used for over two years.

Proposed Activities:

- Public Safety Bike Expo will be held in conjunction with Lakewood Youth Sports Opening Day for better outreach.
- Crossing Guard posts will be updated with the "Suggested Route to School" maps and number of children crossing.
- "Suggested Route to School" maps will be updated and printed in four colors.

Productivity Initiatives:

- Post hours will be adjusted to accommodate walking students.
- Enhanced training for crossing guards in safety programs.
- Bicycle Safety Expo will be partially funded by sponsorships from community groups.

Performance Measures:

- The School Safety program will be taught in over 265 classrooms, reaching over 8,000 students.

| | <u>Actual 2009-2010</u> | <u>Actual 2010-2011</u> | <u>Actual 2011-2012</u> | <u>Projected 2012-2013</u> | <u>Estimated 2013-2014</u> |
|--------------------|-----------------------------|-----------------------------|-----------------------------|--------------------------------|--------------------------------|
| Crossing Guards | 30 | 30 | 30 | 30 | 30 |
| Classrooms Visited | 298 | 280 | 256 | 283 | 269 |
| Students Reached | 8,351 | 7,842 | 8,064 | 8,632 | 8,282 |

ADMINISTRATION - 3800 PUBLIC SAFETY-SAFETY SERVICES

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 327,074.16 | 265,745.41 | 251,809.27 | 285,845.00 | 278,796.00 | 294,580.00 |
| Office Expense | 9.83 | 4.80 | 15.39 | 0.00 | 0.00 | 0.00 |
| Meetings Expense | 424.23 | 129.72 | 814.16 | 1,240.00 | 1,240.00 | 1,240.00 |
| Special Department | 12,853.13 | 5,992.26 | 12,640.81 | 12,070.00 | 7,518.00 | 30,820.00 |
| Other Operating | 95.00 | 0.00 | 75.00 | 100.00 | 100.00 | 125.00 |
| Interdepartmental | 46.08 | 1,002.00 | 3,709.37 | 2,554.00 | 2,554.00 | 2,655.00 |
| TOTAL EXPENDITURES | \$ 340,502.43 | \$ 272,874.19 | \$ 269,064.00 | \$ 301,809.00 | \$ 290,208.00 | \$ 329,420.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 340,502.43 | \$ 272,874.19 | \$ 269,064.00 | \$ 301,809.00 | \$ 290,208.00 | \$ 329,420.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 4000 - PLANNING

The purpose of this activity is to plan for, coordinate, and monitor growth and development of the City through preparation and implementation of the General Plan, Specific Plans, zoning and subdivision ordinances, the California Environmental Quality Act of 1970 and other State and Federal planning-related laws, and to administer the Community Development Block Grant Program.

PROGRAMS AND FUNCTIONS

To review all proposed development for compliance with applicable ordinances and regulations of the City.

To provide information on, enforce requirements and monitor the mitigation measures as required by the California Environmental Quality Act of 1970.

To serve as the professional staff to the Planning & Environment Commission and Development Review Board (DRB) and to respond to any City Council inquiries.

To conduct special studies on areas dealing with the urban, physical and social environment.

To inform the public on the procedures and regulations for all development, and serve as the center for coordinated development permit processes.

To prepare, review and recommend revisions to the General Plan, and enforce the goals and policies of the General Plan during and after development.

To prepare the environmental documents required by the Housing and Community Development Act.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|---------------------------------------|------------------|----------------------------|------------------|
| Gateway Cities Council of Governments | \$ 9,000 | DRB Architectural Services | \$ 7,500 |
| Maintenance Agreement | \$ 3,200 | | |

Changed Conditions:

- Change in Contract Services due to change in funding of loans and grants from CDBG to Housing Successor Agency.
- The Housing Element is being updated in-house to avoid additional cost.
- The number of cases being heard by the Development Review Board for both residential and commercial projects has increased since FY 2011-2012, and this trend is expected to continue into FY 2013-2014.

Proposed Activities:

- Efforts to revitalize the City's commercially-zoned properties and preserve its economic base will continue.
- Expected development activities: Completion of Round1, Ulta Beauty and various in-fill housing development projects.
- Certification and implementation of the Housing Element.
- Continue to participate in subregional local government groups, including the Gateway Cities Council of Government (COG) Economic Development Committee and the Planning Director's Committee.
- Coordination with SCAG/Gateway Cities COG on the update of the Sustainable Communities Strategy.

Productivity Initiatives:

- Continue to provide and maintain all planning forms for access through the Internet.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|--------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Site Plan Approvals | 653 | 663 | 731 | 660 | 680 |
| Development Review Board Cases | 138 | 112 | 106 | 182 | 196 |
| Conditional Use Permit Cases | 21 | 20 | 18 | 21 | 25 |

COMMUNITY DEVELOPMENT - 4000 PLANNING

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 284,819.49 | 298,906.81 | 393,019.69 | 625,613.00 | 617,773.00 | 600,162.00 |
| Contract Services | 22,805.70 | 37,456.50 | 17,258.84 | 169,260.00 | 169,760.00 | 19,700.00 |
| Office Expense | 4,357.02 | 3,712.60 | 3,436.32 | 4,982.00 | 4,982.00 | 4,982.00 |
| Meetings Expense | 1,403.35 | 3,435.47 | 5,144.00 | 5,000.00 | 5,000.00 | 5,000.00 |
| Special Department | 4,038.40 | 4,005.08 | 4,869.65 | 9,283.00 | 9,400.00 | 8,468.00 |
| Other Operating | 3,721.99 | 3,248.55 | 3,641.33 | 5,250.00 | 5,250.00 | 5,250.00 |
| Interdepartmental | 17,525.39 | 18,831.77 | 13,527.69 | 13,672.00 | 13,583.00 | 14,542.00 |
| Capital Outlay | 0.00 | 0.00 | 0.00 | 370.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 338,671.34 | \$ 369,596.78 | \$ 440,897.52 | \$ 833,430.00 | \$ 825,748.00 | \$ 658,104.00 |

FUNDING SOURCES

| | | | | | | |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 300,770.41 | \$ 323,164.67 | \$ 396,644.82 | \$ 481,478.00 | \$ 466,844.00 | \$ 495,971.00 |
| 1030 CDBG Current Year | \$ 37,900.93 | \$ 46,432.11 | \$ 44,252.70 | \$ 302,712.00 | \$ 305,597.00 | \$ 162,133.00 |
| 1621 Measure R | \$ - | \$ - | \$ - | \$ 52,170.00 | \$ 53,307.00 | \$ - |

DEPARTMENT/DIVISION 4100 - BUILDING REGULATION

The purpose of this activity is to protect the public health and safety through implementation of the regulations of the building code, plumbing code, electrical code, mechanical code and all other related codes of the City.

PROGRAMS AND FUNCTIONS

To provide plan check services by utilizing plan checkers through a contract with Los Angeles County Department of Public Works Building & Safety (DPWBS), with a plan checker in City Hall.

To provide building inspections by utilizing building inspectors through a contract with Los Angeles County.

To enforce the building laws of the City via contract employees under a service agreement.

To provide for building inspection of inadequately maintained or substandard structures, which are a detriment to the health, safety and general welfare of the public or occupants thereof, under the provisions of the building code.

To provide for pollution control inspection, inspections of ground disposal wastewater, checking of special plans, map updating, and special engineering services beyond the resources of the existing staff.

BUDGET SUMMARY

Significant Detail: 2013-2014
LA County DPWBS \$ 790,500

Changed Conditions: - Los Angeles County DPWBS is increasing its Building and Safety contract service fees by 2.5% in FY 2013-2014.

Proposed Activities: - Expected development activities: Continued improvements at Lakewood Center, construction and various in-fill housing development projects.

Productivity Initiatives: - Will continue to scan building records for retrieval by computer and accessibility to the public through a public computer at the counter.
- Continued use of the Los Angeles County Data and Permit Tracking System (DAPTS) building and safety permit system, which will improve tracking of plan check status.

Performance Measures: - Seventy-five percent of plan checks will receive their first review within ten days.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Building & Safety Permits Issued | 2,822 | 2,889 | 2,781 | 2,800 | 2,800 |
| Number of Inspections | 5,618 | 5,278 | 5,100 | 5,000 | 5,000 |
| Completed Plan Checks | 563 | 560 | 459 | 528 | 500 |
| Revenue Generated: | | | | | |
| Plan Check | \$ 262,108 | \$ 272,994 | \$ 183,070 | \$ 201,564 | \$ 294,108 |
| Building Permits | \$ 388,235 | \$ 417,672 | \$ 330,008 | \$ 414,177 | \$ 337,866 |

COMMUNITY DEVELOPMENT - 4100 BUILDING REGULATIONS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 199,970.07 | 182,339.23 | 218,464.63 | 344,980.00 | 354,133.00 | 403,249.00 |
| Contract Services | 753,101.61 | 735,131.45 | 712,997.76 | 778,824.00 | 754,500.00 | 790,500.00 |
| Special Department | 1,231.07 | 1,296.11 | 1,604.75 | 3,371.00 | 3,371.00 | 3,371.00 |
| Other Operating | 255.00 | 326.00 | 215.00 | 300.00 | 300.00 | 300.00 |
| Interdepartmental | 1,744.95 | 2,504.76 | 0.00 | 163.00 | 129.00 | 134.00 |
| TOTAL EXPENDITURES | \$ 956,302.70 | \$ 921,597.55 | \$ 933,282.14 | \$ 1,127,638.00 | \$ 1,112,433.00 | \$ 1,197,554.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|-----------------|-----------------|-----------------|
| 1010 General Fund | \$ 956,302.70 | \$ 921,597.55 | \$ 933,282.14 | \$ 1,127,638.00 | \$ 1,112,433.00 | \$ 1,197,554.00 |
|-------------------|---------------|---------------|---------------|-----------------|-----------------|-----------------|

DEPARTMENT/DIVISION 4300 - GENERAL TRANSPORTATION

The purpose of this activity is to plan and supervise the implementation of transportation improvement projects.

PROGRAMS AND FUNCTIONS

To provide plans for the implementation of transportation facility/service improvements.

To ensure continued ready access to community centers, social service offices, medical care, shopping areas, recreational facilities and other essential destinations.

To provide a means of improving the infrastructure necessary to support transit services.

To perform ongoing research into the transportation needs of all residents and integrate this into future transportation planning.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|----------------------|-------------------------|
| Long Beach Transit | \$ 132,000 | 91-605 Freeway Study | \$ 11,000 |
| GIS Services | \$ 47,906 | | |

Changed Conditions:

- Contract Services includes Prop A fund exchange with other municipalities.
- The increase in the cost of fuel is reflected in the higher cost of services.

Proposed Activities:

- Continue planning for improved transit facilities.
- Provide for operating subsidies to Long Beach Transit for fixed route and Dial-A-Lift services.
- Continue to work with the Gateway Council of Governments and pursue grants with MTA and SCAQMD to fund projects that will improve transportation and reduce air emissions.
- Continue to implement the Congestion Management Program while working with MTA to change the regulations.

Productivity Initiatives:

- Use computer and appropriate software for tracking all new development.
- Continue to work with a consortium of cities on common projects of regional nature.
- Continue to use GIS to obtain data and produce maps more efficiently.

Performance Measures:

| | <u>Actual 2009-2010</u> | <u>Actual 2010-2011</u> | <u>Actual 2011-2012</u> | <u>Projected 2012-2013</u> | <u>Estimated 2013-2014</u> |
|-----------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|
| Long Beach Transit: | | | | | |
| Fixed Route Ridership | 1,041,622 | 1,003,986 | 1,129,678 | 1,065,194 | 1,037,054 |
| Fixed Route Subsidy | \$ 87,159 | \$ 73,350 | \$ 71,078 | \$ 70,860 | \$ 71,404 |
| Dial-A-Lift Ridership | 2,494 | 2,154 | 2,169 | 2,184 | 2,409 |
| Dial-A-Lift Subsidy | \$ 56,115 | \$ 49,844 | \$ 52,381 | \$ 54,928 | \$ 60,596 |

COMMUNITY DEVELOPMENT - 4300 GENERAL TRANSPORTATION

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 195,909.87 | 197,541.87 | 221,433.52 | 188,785.00 | 182,582.00 | 253,294.00 |
| Contract Services | 154,274.00 | 381,393.56 | 1,134,459.35 | 943,000.00 | 943,000.00 | 518,000.00 |
| Meetings Expense | 35.50 | 0.00 | 250.00 | 250.00 | 200.00 | 250.00 |
| Special Department | 2,572.83 | 2,091.92 | 2,425.34 | 2,962.00 | 2,957.00 | 3,454.00 |
| Other Operating | 27.00 | 0.00 | 1,237.50 | 1,555.00 | 1,555.00 | 1,555.00 |
| Interdepartmental | 43,838.01 | 31,191.75 | 54,996.47 | 47,729.00 | 33,226.00 | 48,508.00 |
| TOTAL EXPENDITURES | \$ 396,657.21 | \$ 612,219.10 | \$ 1,414,802.18 | \$ 1,184,281.00 | \$ 1,163,520.00 | \$ 825,061.00 |

FUNDING SOURCES

| | | | | | | |
|----------------------------|---------------|---------------|-----------------|-----------------|-----------------|---------------|
| 3000 AQMD Fund | \$ 15,088.64 | \$ 15,190.81 | \$ 15,346.40 | \$ 15,460.00 | \$ 15,347.00 | \$ 15,602.00 |
| 3060 Transit - Prop A Fund | \$ 277,450.57 | \$ 492,464.10 | \$ 1,282,224.97 | \$ 1,025,813.00 | \$ 1,008,575.00 | \$ 602,152.00 |
| 3070 Transit - Prop C Fund | \$ 104,118.00 | \$ 104,564.19 | \$ 117,230.81 | \$ 143,008.00 | \$ 139,598.00 | \$ 207,307.00 |

DEPARTMENT/DIVISION 4400 - BUSINESS DEVELOPMENT PROGRAM

The purpose of this activity is to administer the Lakewood Business Development Program, which is funded by an EDA grant, a state grant and Community Development Block Grant funds to provide access to affordable capital for business expansion, economic development, and job creation in the City of Lakewood. This access will be provided by repayable loans which will be made at favorable rates.

PROGRAMS AND FUNCTIONS

To provide financing and leveraging of private financing to create or attract new businesses in or to the City.

To provide financing and leveraging of private financing for expansion purposes to businesses that result in significant economic improvements in the City.

To provide financing and leveraging of private financing to retain existing commercial and industrial businesses in the City.

To provide financing for startup or early-stage high-technology firms.

To provide financing and leveraging of private capital to strategically assist retail businesses to maintain essential services and stimulate related development and job creation activities.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|--------------------------|------------------|-------------------------|------------------|
| Business Loan Consultant | \$ 6,000 | Commercial Loan Program | \$ 100,000 |

Changed Conditions:

- Additional loans will be made to qualified Lakewood Business applicants from repaid funds as available.

Proposed Activities:

- Business loans of \$50,000 to \$250,000 will be made to Lakewood businesses.
- Creation of minimum of one job for each \$35,000 loaned.
- Provision of access capital for industrial/commercial enterprises in the City of Lakewood.
- Establishment of a network with key financial institutions to assist creditworthy small businesses that are unable to receive financing from the private sector.

Productivity Initiative:

- Contracting for a highly experienced loan officer to serve as the Loan Administrator will minimize administration costs.

Performance Measures:

Placement of the original EDA grant and matching funds within EDA's three-year grant timeline.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Number of Loan Applicants | 1 | 1 | 0 | 0 | 2 |
| Number of Loans | 1 | 1 | 0 | 0 | 1 |
| Amount Loaned | \$ 250,000 | 0 | 0 | 0 | \$ 100,000 |
| Amount Repaid | \$ 24,710 | \$ 26,098 | \$ 58,205 | \$ 60,696 | \$ 63,294 |

COMMUNITY DEVELOPMENT - 4400 BUSINESS DEVELOPMENT PROGRAM

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Contract Services | 253,900.00 | 4,680.00 | 4,680.00 | 106,250.00 | 41,100.00 | 106,250.00 |
| Special Department | 0.00 | 20.00 | 0.00 | 250.00 | 40.00 | 250.00 |
| TOTAL EXPENDITURES | \$ 253,900.00 | \$ 4,700.00 | \$ 4,680.00 | \$ 106,500.00 | \$ 41,140.00 | \$ 106,500.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------------------|---------------|-------------|-------------|---------------|--------------|---------------|
| 8000 Busines Development Loan | \$ 253,900.00 | \$ 4,700.00 | \$ 4,680.00 | \$ 106,500.00 | \$ 41,140.00 | \$ 106,500.00 |
|-------------------------------|---------------|-------------|-------------|---------------|--------------|---------------|

DEPARTMENT/DIVISION 4600 - HOUSING PROGRAMS

The main function of this activity is to utilize Community Development Block Grant (CDBG) and General Funds to provide affordable housing and rehabilitation programs for Lakewood residents. Fair housing activities, including enforcement, education and outreach, are provided to landlords and tenants.

PROGRAMS AND FUNCTIONS

To administer the CDBG Program as required by the Consolidated Plan.

To administer CDBG funds for housing rehabilitation and create programs to meet housing assistance goals.

To make residents aware of available rental assistance programs, including the Section 8 Housing Choice Voucher Program.

To provide and monitor the fair housing program for Lakewood residents.

To encourage residents to participate in property rehabilitation programs.

BUDGET SUMMARY

Changed Conditions:

- Change in Contract Services due to the single family rehabilitation loan programs being funded through the repayment of Lakewood Housing Successor Agency (LHSA) Loans.
- Change in Special Department due to the single family rehabilitation grant program being funded through the repayment of the LHSA Loans.
- Existing Successor Agency properties are being maintained prior to development.

Proposed Activities:

- Continue programs to encourage property rehabilitation and maintenance by offering deferred loans and Fix-up/Paint-up Program grants using repayment of Lakewood Housing Successor Agency Loans.
- Continue to contract with a fair housing consultant to affirmatively further fair housing.
- Continue to market housing programs using City newsletters and area newspapers.

Performance Measures:

- Fund 9 single-family rehabilitation loans.
- Fund up to 12 Fix-Up/Paint-Up grants.
- Provide 6 neighborhood cleanup dates.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Number of Loans Funded - CDBG | 0 | 0 | 0 | 5 | 0 |
| Number of Grants - CDBG | 0 | 0 | 0 | 15 | 0 |
| Amount Loan - CDBG | 0 | 0 | 0 | 90,000 | 0 |
| Amount Repaid - CDBG | \$ 63,652 | \$ 32,320 | \$ 27,273 | \$ 35,000 | \$ 35,000 |
| Number of Loans Funded - RDA/LHSA | 10 | 9 | 0 | 0 | 9 |
| Number of Grants - RDA/LHSA | 15 | 15 | 0 | 0 | 12 |
| Amount Loan - RDA/LHSA | \$ 180,000 | \$ 153,000 | 0 | 0 | \$ 162,000 |
| Amount Repaid - RDA/LHSA | \$ 218,370 | \$ 167,508 | \$ 136,465 | \$ 210,000 | \$ 200,000 |

COMMUNITY DEVELOPMENT - 4600 HOUSING PROGRAMS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 49,592.92 | 33,575.68 | 114,422.64 | 134,267.00 | 207,518.00 | 182,152.00 |
| Contract Services | 1,583,114.31 | 1,831,140.69 | 51,916.41 | 38,310.00 | 36,482.00 | 195,046.00 |
| Office Expense | 14.54 | 50.00 | 0.00 | 300.00 | 350.00 | 350.00 |
| Meetings Expense | 0.00 | 0.00 | 65.00 | 500.00 | 500.00 | 500.00 |
| Special Department | 443.77 | 397.79 | 2,719.77 | 8,276.00 | 17,440.00 | 54,240.00 |
| Other Operating | 194.54 | 160.00 | 699.00 | 3,020.00 | 3,300.00 | 3,300.00 |
| Interdepartmental | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Capital Outlay | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10,500.00 |
| TOTAL EXPENDITURES | \$ 1,633,360.08 | \$ 1,865,324.16 | \$ 169,822.82 | \$ 184,673.00 | \$ 265,590.00 | \$ 446,088.00 |

FUNDING SOURCES

| | | | | | | |
|------------------------|-----------------|-----------------|---------------|--------------|---------------|---------------|
| 1010 General Fund | \$ 5,104.16 | \$ 30,725.69 | \$ 121,453.71 | \$ 55,745.00 | \$ 197,193.00 | \$ 175,200.00 |
| 1030 CDBG-Fair Housing | \$ 32,239.92 | \$ 9,672.00 | \$ 8,056.72 | \$ 32,240.00 | \$ 32,240.00 | \$ 33,046.00 |
| 3040 HSG Program* | \$ 1,531,115.00 | \$ 1,790,743.00 | \$ - | \$ - | \$ - | \$ - |
| 3901 Housing Admin | \$ - | \$ - | \$ 10,348.44 | \$ - | \$ - | \$ 200,000.00 |
| 8010 CDBG Program Inc. | \$ 64,901.00 | \$ 34,183.47 | \$ 29,963.95 | \$ 31,156.00 | \$ 36,157.00 | \$ 37,842.00 |

DEPARTMENT/DIVISION 4700 - CODE ENFORCEMENT

The main function of this activity is a responsive Community Conservation Program dedicated to preserving and improving the aesthetic and environmental quality of the City. The City has been divided into three areas, each with a Community Conservation Representative who responds to citizen service requests regarding property maintenance, building, planning and zoning, and public health and safety concerns.

PROGRAMS AND FUNCTIONS

To implement and direct the Community Conservation Program, which enforces the City property maintenance standards.

To educate residents on State, County, and local ordinances.

To respond to complaints concerning residential, commercial and public right-of-way violations.

To coordinate enforcement efforts with outside agencies, such as the Fire Department, Law Enforcement, and the Health Department.

To carry out the goals and policies of the General Plan concerning the preservation of the aesthetic and environmental quality of the city.

BUDGET SUMMARY

Changed Conditions:

- The downturn in the economy and the persistent foreclosures continue to result in unusually high numbers of vacant properties and unsightly conditions.

Proposed Activities:

- Focus on property maintenance programs to ensure preservation of the City's housing stock.
- Aging housing and problem property owners continue to require a strong code enforcement program.
- Review standards and continue efforts to stimulate residential and commercial property maintenance.
- Continued use of the Nuisance Abatement Team.
- Review and update property maintenance standards.
- Target declining areas for code enforcement.

Productivity Initiative:

- Continue to use Civica for efficient tracking of code enforcement cases.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---------------------------|---|---|---|--|--|
| Service Requests Received | 1,422 | 1,464 | 1,248 | 1,480 | 1,470 |
| Service Requests Cleared | 1,327 | 1,236 | 1,010 | 1,212 | 1,220 |

COMMUNITY DEVELOPMENT - 4700 CODE ENFORCEMENT

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 71,171.35 | 95,527.55 | 203,982.54 | 304,662.00 | 303,631.00 | 323,591.00 |
| Contract Services | 0.00 | 0.00 | 0.00 | 1,500.00 | 1,500.00 | 1,500.00 |
| Meetings Expense | 50.00 | 0.00 | 110.85 | 200.00 | 200.00 | 200.00 |
| Special Department | 1,634.28 | 967.56 | 2,331.91 | 3,523.00 | 3,605.00 | 3,599.00 |
| Other Operating | 320.00 | 277.50 | 485.00 | 750.00 | 750.00 | 750.00 |
| TOTAL EXPENDITURES | \$ 73,175.63 | \$ 96,772.61 | \$ 206,910.30 | \$ 310,635.00 | \$ 309,686.00 | \$ 329,640.00 |

FUNDING SOURCES

| | | | | | | | |
|------|---------------------|--------------|--------------|---------------|---------------|---------------|---------------|
| 1010 | General Fund | \$ 25,811.31 | \$ 39,578.61 | \$ 156,587.57 | \$ 257,759.00 | \$ 257,126.00 | \$ 275,173.00 |
| 1030 | CDBG - Current Year | \$ 47,364.32 | \$ 57,194.00 | \$ 50,322.73 | \$ 52,876.00 | \$ 52,560.00 | \$ 54,467.00 |

DEPARTMENT/DIVISION 5000 - ADMINISTRATIVE SERVICES

The purpose of this activity is to maintain strict accountability of all money received by and disbursed by the City, and to provide complete and accurate financial information in proper form and on a timely basis.

PROGRAMS AND FUNCTIONS

To maintain and operate the general accounting system of the City and its departments.
To invest, the maximum safety, yield and liquidity, cash in excess of that required to meet current obligations.
To maintain and operate the customer services, billing, and collection system for City utilities.
To determine water and trash billing rates for City utilities.
To assist the City Manager in the preparation of the budget.
To prepare the payroll and maintain payroll records on all employees.
To file all required tax reports.
To prepare monthly financial reports.
To prepare financial reports requested by the State Controller's Office and other agencies, as required.
To provide risk management services in an effort to safeguard the assets and resources of the City.
To prepare the City's Annual Financial Report.
To maintain an inventory of all assets of the City.
To track grants from all sources.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|------------------------------|-------------------------|------------------------|-------------------------|
| Contract Services | \$ 98,400 | Audits | \$ 38,000 |
| Credit Card/Banking Services | \$ 54,200 | Graphics & Copy Center | \$ 23,393 |

- Changed Conditions:**
- Increase in Graphics & Copy Center is due to additional reports.
- Proposed Activities:**
- Financial statements will be submitted to the GFOA. "Outstanding Awards" have been received for the past 25 consecutive years.
- Productivity Initiatives:**
- The budget will be closely monitored to ensure adjustments for impacts by the economy.
- Performance Measures:**
- Water bills will continuously be mailed to customers within 48 hours of reading the meter.
 - The City will, at all times, have 99% of temporary idle funds invested in order to optimize interest earned on these funds.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|----------------------------|---|---|---|--|--|
| Accounts Payable Invoices | 11,272 | 11,452 | 10,997 | 9,844 | 11,234 |
| Accounts Payable Checks | 7,186 | 7,218 | 6,877 | 7,297 | 7,094 |
| Regular Utility Bills | 143,052 | 144,749 | 144,871 | 144,963 | 145,000 |
| Investment Earnings - City | \$ 653,888 | \$ 427,427 | \$ 406,538 | \$ 330,000 | \$ 350,000 |

ADMINISTRATIVE SERVICES - 5000 FINANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 675,616.93 | 682,381.02 | 773,607.23 | 763,889.00 | 773,941.00 | 842,267.00 |
| Contract Services | 130,945.45 | 108,803.97 | 115,146.23 | 132,695.00 | 133,695.00 | 141,600.00 |
| Office Expense | 12,683.65 | 13,891.67 | 13,507.06 | 12,300.00 | 12,900.00 | 12,872.00 |
| Meetings Expense | 3,893.94 | 3,026.20 | 6,694.23 | 3,100.00 | 3,400.00 | 3,500.00 |
| Special Department | 67,254.59 | 64,062.88 | 111,668.16 | 66,315.00 | 60,392.00 | 63,551.00 |
| Other Operating | 2,043.00 | 2,268.00 | 179,096.52 | 2,100.00 | 2,256.00 | 2,300.00 |
| Interdepartmental | 15,438.37 | 7,968.35 | 12,021.33 | 22,758.00 | 22,758.00 | 23,655.00 |
| Capital Outlay | 0.00 | 1,102.99 | 0.00 | 20,784.00 | 20,784.00 | 100,000.00 |
| TOTAL EXPENDITURES | \$ 907,875.93 | \$ 883,505.08 | \$ 1,211,740.76 | \$ 1,023,941.00 | \$ 1,030,126.00 | \$ 1,189,745.00 |

FUNDING SOURCES

| | | | | | | |
|------------------------|---------------|---------------|---------------|-----------------|-----------------|-----------------|
| 1010 General Fund | \$ 875,398.38 | \$ 860,711.18 | \$ 968,952.10 | \$ 1,012,779.00 | \$ 1,018,908.00 | \$ 1,178,314.00 |
| 1030 CDBG Current Year | \$ 32,477.55 | \$ 22,793.90 | \$ 18,500.14 | \$ 11,162.00 | \$ 11,218.00 | \$ 11,431.00 |

DEPARTMENT/DIVISION 5100 - LICENSING AND REVENUE COLLECTION

The purpose of this activity is to administer and enforce the business license ordinance of the City. This activity also provides for centralized cashiering for all City activities.

PROGRAMS AND FUNCTIONS

- To maintain all records relating to over four thousand business licenses.
- To maintain records on resale permits issued by State Board of Equalization to businesses in Lakewood.
- To investigate business license applications requiring study and to investigate complaints.
- To maintain records on business permits issued using a computerized business license system.
- To provide staff support for the License and Permit Hearing Board.
- To provide centralized cashiering for all City activities.
- To collect and record all revenues of the City.

BUDGET SUMMARY

- Changed Conditions:**
- Senate Bill 1186 imposed a fee of \$1.00 to all business license applications and renewals starting January 1, 2013, sunsetting December 31, 2018.
- Proposed Activities:**
- The field enforcement program will continue, which results in many unlicensed businesses obtaining a City license.
- Productivity Initiatives:**
- Due date is changed to June 30th to ensure timely collection of Business License renewals.
 - All business locations will be inspected annually to determine that each business is licensed.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Home Occupation Licenses | 1,191 | 729 | 851 | 801 | 801 |
| Lakewood Business Locations | 1,658 | 1,298 | 1,633 | 1,771 | 1,771 |
| Contractors and Businesses Outside Lakewood | 1,640 | 2,025 | 2,175 | 2,141 | 2,141 |
| Total Business License Applications Mailed | 4,489 | 4,052 | 4,659 | 4,713 | 4,713 |
| Total Business Licenses Issued | 3,342 | 3,509 | 3,599 | 3,545 | 3,580 |
| Total Annual Revenue | \$ 456,599 | \$ 469,595 | \$ 505,519 | \$ 507,500 | \$ 510,000 |

ADMINISTRATIVE SERVICES - 5100 LICENSING AND REVENUE COLLECTION

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 93,454.70 | 88,563.10 | 90,557.14 | 91,547.00 | 90,150.00 | 94,756.00 |
| Office Expense | 234.23 | 104.87 | 177.58 | 100.00 | 100.00 | 100.00 |
| Meetings Expense | 68.90 | 50.00 | 0.00 | 50.00 | 50.00 | 75.00 |
| Special Department | 1,619.02 | 759.60 | 1,075.43 | 1,000.00 | 1,000.00 | 1,000.00 |
| Interdepartmental | 250.70 | 0.00 | 0.00 | 135.00 | 135.00 | 140.00 |
| TOTAL EXPENDITURES | \$ 95,627.55 | \$ 89,477.57 | \$ 91,810.15 | \$ 92,832.00 | \$ 91,435.00 | \$ 96,071.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1010 General Fund | \$ 95,627.55 | \$ 89,477.57 | \$ 91,810.15 | \$ 92,832.00 | \$ 91,435.00 | \$ 96,071.00 |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|

DEPARTMENT/DIVISION 5200 - INSURANCE

The purpose of this activity is to coordinate and administer risk management and insurance either secured by the City or through participation in the Joint Powers Insurance Authority.

PROGRAMS AND FUNCTIONS

To secure proposals in anticipation of the expiration of insurance policies.
 To maintain liaison with insurance carriers.
 To process claims against the City filed with the California Joint Powers Insurance Authority (CJPIA).
 To administer risk management for the City.
 To administer retiree medical plan.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|-------------------------------|-------------------------|-----------------------------------|-------------------------|
| Liability Insurance (CJPIA) | \$ 480,319 | Property Damage Insurance (CJPIA) | \$ 32,000 |
| Worker's Compensation (CJPIA) | \$ 147,327 | Environmental Liability Insurance | \$ 20,000 |
| Earthquake Insurance (CJPIA) | \$ 125,000 | Employee Bond | \$ 5,000 |
| Retiree Medical | \$ 49,700 | Employee Assistance Program | \$ 5,000 |
| Unemployment Insurance | \$ 40,000 | | |

Changed Conditions:

- The decrease in Other Operating is due to a decline in the exposure of liability claims.
- The increase in Contract Services is due to actuarial services.

Proposed Activities:

- Annual applications for liability, property and workers' compensation insurance will be completed.
- Bi-monthly meetings of the Safety Committee will continue.

Productivity Initiatives:

- Designated safety coordinators will perform department safety inspections, along with periodic CJPIA inspections, to insure safety procedures are being followed.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|------------------------------|---|---|---|--|--|
| Liability Program Costs | \$ 965,748 | \$ 537,774 | \$ 385,785 | \$ 501,184 | \$ 480,319 |
| Property Damage | \$ 29,157 | \$ 27,741 | \$ 29,665 | \$ 31,194 | \$ 32,000 |
| Earthquake Insurance | \$ 122,371 | \$ 109,087 | \$ 122,315 | \$ 122,677 | \$ 125,000 |
| Workers' Compensation* | \$ 221,571 | \$ 137,616 | \$ 246,894 | \$ 188,808 | \$ 147,327 |
| Unemployment Insurance | \$ 52,836 | \$ 60,122 | \$ 90,813 | \$ 35,000 | \$ 40,000 |
| Liability Claims | 36 | 35 | 41 | 32 | 30 |
| Workers' Compensation Claims | 6 | 13 | 17 | 21 | 15 |

*Includes rebates based on actual experience

ADMINISTRATIVE SERVICES - 5200 INSURANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|--------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Contract Services | 5,333.56 | 0.00 | 5,818.08 | 2,964.00 | 3,912.00 | 7,900.00 |
| Office Expenses | 1,749.00 | 1,782.00 | 1,949.00 | 2,000.00 | 2,149.00 | 2,150.00 |
| Meetings Expense | 851.66 | 0.00 | 0.00 | 1,000.00 | 1,000.00 | 2,150.00 |
| Other Operating | 2,083,082.79 | 1,079,012.27 | 1,098,437.08 | 1,254,502.00 | 1,084,990.00 | 1,036,746.00 |
| TOTAL EXPENDITURE | \$ 2,091,017.01 | \$ 1,080,794.27 | \$ 1,106,204.16 | \$ 1,260,466.00 | \$ 1,092,051.00 | \$ 1,048,946.00 |

FUNDING SOURCES

| | | | | | | |
|---------------------------|-----------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 1,462,659.48 | \$ 945,679.24 | \$ 912,258.35 | \$ 984,056.00 | \$ 920,051.00 | \$ 869,446.00 |
| 1070 Retiree Medical Fund | \$ 628,357.53 | \$ 135,115.03 | \$ 193,945.81 | \$ 276,410.00 | \$ 172,000.00 | \$ 179,500.00 |

DEPARTMENT/DIVISION 5300 - PARKING CONTROL

The purpose of this activity is to enforce parking regulations throughout the city. It is the City's desire to reduce the number of citations issued and obtain compliance with parking laws.

PROGRAMS AND FUNCTIONS

To obtain compliance with the City's parking ordinances.

To collect revenue in payment of parking fines.

To process citations, issue "Notices of Illegal Parking" to those who do not pay citations on time, and generate Department of Motor Vehicle "holds" for unpaid citations. (70% of citations are issued to vehicles parked in violation of the ordinance prohibiting parking during street sweeping hours.)

To investigate service requests related to parking of vehicles on city streets.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|-------------------------------------|------------------|---------------------|------------------|
| Cardinal Tracking Contract Services | \$ 9,030 | Vehicle Maintenance | \$ 14,129 |
| Hearing Officer | \$ 2,000 | | |

Changed Conditions:

- The number of street sweeping citations continues to decrease annually.
- Online payment system has increased revenue collection.

Proposed Activities:

- Service requests will be cleared within seven days.

Productivity Initiatives:

- A total in-house parking control program, under the supervision of the Administrative Services Department, has improved the enforcement of City parking regulations.
- Aggressive follow-up on delinquent citations through DMV and collection services.
- Implement online citation appeals to improve customer service.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|--|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Amount Collected | \$ 703,711 | \$ 583,571 | \$ 503,263 | \$ 520,000 | \$ 500,000 |
| Number of Citations Issued (Includes Warnings) | 29,561 | 22,428 | 22,270 | 22,200 | 22,000 |
| Administrative Towing Fees | \$ 30,713 | \$ 40,397 | \$ 28,021 | \$ 30,000 | \$ 30,000 |
| Number of Service Requests Handled | 1,085 | 1,170 | 1,199 | 1,300 | 1,200 |
| Number of Vehicles Towed (By the City) | 45 | 58 | 50 | 55 | 55 |

ADMINISTRATIVE SERVICES - 5300 PARKING CONTROL

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 464,567.27 | 470,506.78 | 486,827.83 | 524,622.00 | 514,099.00 | 544,025.00 |
| Contract Services | 7,249.78 | 11,523.43 | 9,990.07 | 11,380.00 | 11,079.00 | 11,380.00 |
| Meetings Expense | 1,347.95 | 559.00 | 0.00 | 650.00 | 603.00 | 1,300.00 |
| Special Department | 5,116.35 | 4,070.91 | 6,864.08 | 6,160.00 | 5,758.00 | 6,160.00 |
| Other Operating | 125.00 | 125.00 | 125.00 | 125.00 | 135.00 | 135.00 |
| Interdepartmental | 16,470.73 | 14,466.21 | 14,621.55 | 12,889.00 | 12,707.00 | 14,317.00 |
| Capital Outlay | 0.00 | 457.26 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 494,877.08 | \$ 501,708.59 | \$ 518,428.53 | \$ 555,826.00 | \$ 544,381.00 | \$ 577,317.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 494,877.08 | \$ 501,708.59 | \$ 518,428.53 | \$ 555,826.00 | \$ 544,381.00 | \$ 577,317.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 5400 - PURCHASING AND STORES

The purpose of this activity is to provide efficient and cost effective administration of the Purchasing and Warehouse operations. Obtaining necessary and authorized supplies and equipment at the lowest cost, through the competitive process, remains a primary objective.

PROGRAMS AND FUNCTIONS

- To solicit informal and formal bids for the purchase of equipment and supplies.
- To exercise quantity and quality control over purchases.
- To deliver purchased equipment and supplies to departments.
- To maintain an inventory of supplies for recurring City needs.
- To update stock specifications and standard purchasing forms.
- To maintain strong relationships with vendors.
- To continually search the market for lower prices in equipment and supplies.
- To collect and dispose of surplus equipment and materials.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|------------------------------|-------------------------|---------------------|-------------------------|
| Office Equipment Maintenance | \$ 1,200 | Vehicle Maintenance | \$ 1,500 |

Changed Conditions:

- Copier expense moved to Graphics and Copy Center.

Proposed Activities:

- Inventory will continue to be maintained at economically efficient levels.
- Products made from recycled and recyclable materials will be purchased, when available, operationally practical and economically beneficial.

Productivity Initiatives:

- Expand use of the Internet for procurement activities to increase operational efficiency.

Performance Measures:

- Disposition of surplus equipment will be done as soon as practical to optimize the salvage value received.
- Stock items required by City departments will be delivered within three working days after receipt of requisitions. Buyout items will be delivered usually within 7 working days.
- Formal bid packages will be generated and distributed within 10 working days after receipt from City departments.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---------------------------------|---|---|---|--|--|
| Purchase Orders Issued | 3,900 | 3,565 | 3,553 | 3,100 | 3,100 |
| Warehouse Stock Items (On hand) | 709 | 709 | 694 | 694 | 694 |
| Revenue - Surplus Property | \$ 8,782 | \$ 9,276 | \$ 5,035 | \$ 3,000 | \$ 2,000 |

ADMINISTRATIVE SERVICES - 5400 PURCHASING AND STORES

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 296,526.34 | 303,691.70 | 254,418.57 | 259,573.00 | 256,009.00 | 273,272.00 |
| Facilities Expense | 585.43 | 120.73 | 0.00 | 300.00 | 265.00 | 300.00 |
| Office Expense | 9,092.69 | 10,709.21 | 11,124.30 | 16,700.00 | 13,400.00 | 1,600.00 |
| Meetings Expense | 20.00 | 0.00 | 39.00 | 300.00 | 200.00 | 300.00 |
| Special Department | 4,385.88 | 4,147.59 | 4,484.92 | 4,590.00 | 3,984.00 | 4,540.00 |
| Other Operating | 230.00 | 230.00 | 308.33 | 310.00 | 240.00 | 290.00 |
| Interdepartmental | 7,695.93 | 2,015.65 | 1,405.15 | 3,170.00 | 2,991.00 | 3,217.00 |
| Capital Outlay | 0.00 | 11.43 | 0.00 | 500.00 | 312.00 | 200.00 |
| TOTAL EXPENDITURES | \$ 318,536.27 | \$ 320,926.31 | \$ 271,780.27 | \$ 285,443.00 | \$ 277,401.00 | \$ 283,719.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 318,536.27 | \$ 320,926.31 | \$ 271,780.27 | \$ 285,443.00 | \$ 277,401.00 | \$ 283,719.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 6000 - ENGINEERING AND ADMINISTRATION

The purpose of this activity is to provide for ongoing administrative functions of the City's Public Works Department. The department's activities encompass most functions within the public rights-of-way and city-owned property.

PROGRAMS AND FUNCTIONS

- To manage capital improvement projects within the established budget and schedule.
- To maintain ongoing administrative functions and provide a high standard of physical facilities and services.
- To continuously monitor and supervise public works functions being conducted by Los Angeles County and private contractors.
- To study, plan and implement an integrated solid waste reduction program.
- To provide traffic engineering, safety programs and staff support to the Community Safety Commission.
- To administer the "Gatekeeper" emergency response programs which responds to emergency requests during non-business hours.
- To maintain the City's phone and security systems and provide input to management on changing issues affecting the City.
- To administer the City's National Pollutant Discharge Elimination System (NPDES) stormwater program.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|-------------------------------|-------------------------|
| Professional Services | \$ 117,000 | Communications | \$ 35,475 |
| Consulting Services | \$ 270,688 | Permit Fees NPDES | \$ 32,417 |
| Graphics & Copy Center | \$ 11,448 | Vehicle/Equipment Maintenance | \$ 11,113 |

- Changed Conditions:**
- New municipal stormwater permit became effective December 28, 2012. Significant changes and requirements for activities, reporting, monitoring and outreach will result in increased expenses.
 - Professional services is increasing to provide contract facility management services.

- Proposed Activities:**
- Continue maintenance projects for the City's infrastructure, including administration of water projects.
 - Identify alternative funding sources for public improvements and stormwater regulations.
 - Develop fats, oil and grease program for food services establishments.
 - Adopt low impact development (LID) and Green Street policies.

- Productivity Initiatives:**
- Continue to closely monitor construction activities to ensure highest quality result and minimize change orders.
 - Implement computerized data management in all divisions in order to evaluate productivity and target improvements.
 - Evaluate feasibility and cost effectiveness of existing and potential privatized services.
 - Complete capital improvement projects.

| Performance Measures: | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Projected</u> | <u>Estimated</u> |
|---------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | <u>2009-2010</u> | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> |
| Street Clean-up | 6 | 11 | 7 | 2 | 3 |
| Hazardous Waste Clean-up | 21 | 10 | 20 | 11 | 10 |
| Catch Basin Clean-up | 18 | 11 | 8 | 8 | 6 |
| Total Service Requests Received | 678 | 502 | 480 | 450 | 450 |

PUBLIC WORKS - 6000 ENGINEERING AND ADMINISTRATION

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 569,392.04 | 589,373.04 | 604,229.60 | 547,950.00 | 558,893.00 | 590,389.00 |
| Contract Services | 116,658.09 | 195,988.15 | 140,419.04 | 227,557.00 | 274,700.00 | 341,688.00 |
| Facilities Expense | 44,941.13 | 42,149.97 | 40,565.94 | 40,000.00 | 32,000.00 | 35,475.00 |
| Office Expense | 1,376.42 | 1,138.80 | 1,927.14 | 2,000.00 | 2,000.00 | 2,000.00 |
| Meetings Expense | 8,669.47 | 9,857.85 | 9,242.32 | 8,550.00 | 8,600.00 | 8,675.00 |
| Special Department | 21,080.19 | 21,131.78 | 28,068.87 | 36,522.00 | 36,557.00 | 36,522.00 |
| Other Operating | 10,963.75 | 5,630.15 | 11,080.00 | 11,930.00 | 1,996.00 | 2,268.00 |
| Interdepartmental | 21,077.43 | 22,325.96 | 19,701.88 | 15,961.00 | 15,858.00 | 17,308.00 |
| TOTAL EXPENDITURES | \$ 794,158.52 | \$ 887,595.70 | \$ 855,234.79 | \$ 890,470.00 | \$ 930,604.00 | \$ 1,034,325.00 |

FUNDING SOURCES

| | | | | | | |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 768,511.65 | \$ 856,470.88 | \$ 831,940.51 | \$ 642,874.00 | \$ 652,627.00 | \$ 736,106.00 |
| 1030 CDBG Current Year | \$ 25,646.87 | \$ 31,124.82 | \$ 22,870.06 | \$ - | \$ 538.00 | \$ - |
| 3060 Prop A | \$ - | \$ - | \$ 424.22 | \$ 22,134.00 | \$ 23,463.00 | \$ 24,136.00 |
| 3070 Prop C | \$ - | \$ - | \$ - | \$ 235,405.00 | \$ 253,976.00 | \$ 274,083.00 |

DEPARTMENT/DIVISION 6100 - SOLID WASTE MANAGEMENT

The purpose of this activity is to provide for the efficient and economical collection of refuse and recyclable materials. A private contractor collects the City's refuse, recycling and commercial/multi-residential family recycling. This service is provided through regulations established by City ordinance, collection contract, and State legislation.

PROGRAMS AND FUNCTIONS

- To administer the City's municipal solid waste collection and disposal.
- To provide the Dial-A-Dump program for bulky residential items.
- To comply with the regulations of the Integrated Waste Management Act - AB939.
- To comply with the regulations of AB 341 - Mandatory Commercial Recycling.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|--------------------------|-------------------------|
| Collection Services | \$ 4,384,848 | Used Oil | \$ 22,822 |
| | | Litter Reduction Program | \$ 22,200 |

Changed Conditions:

- Contract Services increase for refuse collection and disposal contract.

Proposed Activities:

- Continue to administer contract for collection of refuse and recyclables with EDCO.
- Work with EDCO on promoting, monitoring, and reporting commercial and multi-family recycling activities.
- Monitor compliance with AB 939 requirements.
- Continue specialized recycling programs for residents, such as Christmas tree and residential paper shredding event.
- Continue specialized recycling programs such as greenwaste, concrete and other recyclable items from City facilities.
- Continue to administer grants for used oil and beverage container collection program.
- Encourage developers to recycle Construction & Demolition (C&D) debris and finalize a C&D ordinance.
- Continue to promote county programs such as: Household Hazardous Waste Round-Ups, Smart Gardening Program and the Clean LA website.

Performance Measures:

- The following statistics are based upon the City's annual reports to the Cal Recycle using Los Angeles County Disposal Reporting System.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|----------------------------------|---|---|---|--|--|
| Residential to SERRF | 19,227 | 7,273 | 12,571 | 7,100 | 7,100 |
| Residential Trash | 10,296 | 14,141 | 10,319 | 15,400 | 15,400 |
| Commercial Tonnage | 16,868 | 23,190 | 19,071 | 20,500 | 20,500 |
| All Other Disposal* | 56,273 | 57,000 | 55,000 | 54,000 | 54,000 |
| Residential Recycling | 3,348 | 7,035 | 6,647 | 6,600 | 6,700 |
| Residential Greenwaste | 3,266 | 11,931 | 9,302 | 9,300 | 9,400 |
| Additional Trash Cart Requests | 500 | 269 | 221 | 150 | 165 |
| Additional Recycle Cart Requests | 463 | 297 | 133 | 80 | 100 |

*Represent disposal at other landfills, self-haul and C&D Disposal

PUBLIC WORKS - 6100 SOLID WASTE MANAGEMENT

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 147,114.02 | 175,075.38 | 190,630.81 | 259,131.00 | 258,142.00 | 270,877.00 |
| Contract Services | 4,123,929.43 | 4,242,494.32 | 4,314,063.15 | 4,438,439.00 | 4,394,329.00 | 4,488,776.00 |
| Office Expense | 0.00 | 29.46 | 0.00 | 250.00 | 250.00 | 250.00 |
| Meetings Expense | 150.00 | 145.00 | 1,887.83 | 2,500.00 | 2,500.00 | 2,500.00 |
| Special Department | 4,878.18 | 32,168.24 | 24,227.22 | 44,860.00 | 42,154.00 | 44,000.00 |
| Other Operating | 0.00 | 0.00 | 0.00 | 2,000.00 | 4,000.00 | 4,000.00 |
| TOTAL EXPENDITURES | \$ 4,276,071.63 | \$ 4,449,912.40 | \$ 4,530,809.01 | \$ 4,747,180.00 | \$ 4,701,375.00 | \$ 4,810,403.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1010 General Fund | \$ 4,271,867.96 | \$ 4,417,288.43 | \$ 4,497,423.36 | \$ 4,701,268.00 | \$ 4,655,663.00 | \$ 4,765,381.00 |
| 1600 Litter Reduction | \$ 1,735.17 | \$ 1,286.38 | \$ - | \$ 22,200.00 | \$ 22,200.00 | \$ 22,200.00 |
| 1630 Used Oil Grant | \$ 2,033.50 | \$ 19,185.09 | \$ 33,385.65 | \$ 23,712.00 | \$ 23,512.00 | \$ 22,822.00 |
| 1640 Beverage Container Grant | \$ 435.00 | \$ 12,152.50 | \$ - | \$ - | \$ - | \$ - |

DEPARTMENT/DIVISION 6200 - ANIMAL CONTROL

The purpose of this activity is to provide for animal control services for the City by contract. The City contracts with the Southeast Animal Control Authority (SEAACA) in Downey for animal control services. SEAACA is a joint powers authority with eight cities as member agencies serving as their Board.

PROGRAMS AND FUNCTIONS

To administer the animal control services contract with SEAACA which includes dog licensing, field patrol, pet adoption programs, and investigation of complaints regarding animal cruelty, barking, and strays.

To provide and promote pet vaccination clinics.

BUDGET SUMMARY

Significant Detail:

SEAACA

2013-2014

\$ 320,237

Changed Conditions:

- SEAACA contract projected to increase.
- Utilize CityTV to promote animal adoptions.

Proposed Activities:

- Promote SEAACA's public education campaigns to help residents understand how to live with local wildlife such as opossums, raccoons and coyotes.
- Coordinate with SEAACA to provide vaccination clinics. These clinics give residents an opportunity to obtain low-cost vaccinations in conjunction with obtaining licenses for their pets.
- Propose municipal code amendment to reflect SEAACA's model ordinance.
- Review license fees.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|--------------------------------------|---|---|---|--|--|
| Number of Dogs Licensed | 9,263 | 9,498 | 10,372 | 10,543 | 10,543 |
| Service Calls Handled by SEAACA | 3,711 | 4,262 | 3,618 | 3,352 | 3,300 |
| Service Requests Handled by Lakewood | 86 | 62 | 36 | 65 | 60 |
| Dogs Returned to Their Owners | 121 | 121 | 101 | 110 | 115 |
| Cats Returned to Their Owners | 55 | 55 | 13 | 10 | 15 |
| Dogs Placed in New Homes | 110 | 148 | 123 | 100 | 130 |
| Cats Placed in new Homes | 35 | 55 | 47 | 36 | 40 |

PUBLIC WORKS - 6200 ANIMAL CONTROL

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|---|--|--|---|---|---|
| Employee Services | 5,267.48 | 5,320.32 | 5,617.56 | 5,598.00 | 5,609.00 | 5,893.00 |
| Contract Services | 260,453.00 | 269,757.00 | 283,010.00 | 299,661.00 | 320,237.00 | 320,237.00 |
| Special Department | 51.33 | 49.20 | 51.34 | 51.00 | 51.00 | 51.00 |
| TOTAL EXPENDITURES | \$ 265,771.81 | \$ 275,126.52 | \$ 288,678.90 | \$ 305,310.00 | \$ 325,897.00 | \$ 326,181.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 265,771.81 | \$ 275,126.52 | \$ 288,678.90 | \$ 305,310.00 | \$ 325,897.00 | \$ 326,181.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 6300 - BUILDING MAINTENANCE

The purpose of this activity is to provide skill trades services to repair and maintain City Hall, The Centre, Community Safety Center, Well Site buildings, City-owned and Housing-owned parcels and Nixon and Arbor Yards.

PROGRAMS AND FUNCTIONS

- To administer service contracts for HVAC, elevator, security, roof warranty, electrical and fire protection systems.
- To provide setup and logistical support for block parties and special events held city-wide.
- To install the City's street banner and holiday decorations program or coordinate the contract to do the same.
- To troubleshoot, repair and maintain building-related structures, maintenance systems and equipment.
- To provide for utilities for City Hall, The Centre, Nixon and Arbor Yards.
- To provide for the disposal of hazardous materials used at the Nixon and Arbor Yards, and hazardous material brought in from public right-of-way.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|--------------------------------|-------------------------|------------------------------|-------------------------|
| Utilities (Electric/Gas/Water) | \$ 147,850 | Contract Services | \$ 35,000 |
| Street Banner Program | \$ 40,000 | Fire/Security Alarm Contract | \$ 40,760 |
| Vehicle/Equipment Maintenance | \$ 38,403 | Building Maintenance | \$ 20,000 |
| | | HVAC Maintenance and Repair | \$ 18,000 |

Changed Conditions:

- The change in Fire/Security expense reflects estimated 2.5% CPI increase plus the increase of the upgrade of CCTV Security System at the Civic Center.
- Five-year testing of fire sprinklers conducted in 2012-2013, so budget reduced by \$1,500.
- The change in Facilities Expense reflects projected increase in cost of electricity and natural gas for general building operations.

Proposed Activities:

- Perform routine and extraordinary maintenance on HVAC systems, plumbing and electrical systems, telephone and security systems, elevators and building structures.

Performance Measures:

- Continue developing inventory and assessment of all facilities maintained under this Department/Division.
- Continue joint Centre/Public Works coordination meetings to facilitate completion of work orders and facility rehabilitation at The Centre.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|-----------------------|---|---|---|--|--|
| Work Orders Completed | 500 | 569 | 576 | 415 | 525 |

PUBLIC WORKS - 6300 BUILDING MAINTENANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 512,978.99 | 517,139.22 | 522,961.08 | 537,465.00 | 508,087.00 | 546,065.00 |
| Contract Services | 77,515.61 | 87,495.74 | 90,384.81 | 94,400.00 | 94,400.00 | 101,160.00 |
| Facilities Expense | 169,069.60 | 178,920.62 | 163,559.87 | 156,190.00 | 154,690.00 | 161,800.00 |
| Office Expense | 300.09 | 571.11 | 635.04 | 500.00 | 500.00 | 500.00 |
| Meetings Expense | 0.00 | 12.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Special Department | 63,059.71 | 63,920.08 | 57,985.38 | 68,857.00 | 67,705.00 | 66,357.00 |
| Other Operating | 252.80 | 83.68 | 253.89 | 500.00 | 500.00 | 500.00 |
| Interdepartmental | 33,987.40 | 50,467.27 | 45,235.69 | 39,347.00 | 39,285.00 | 44,259.00 |
| Capital Outlay | 0.00 | 4,046.15 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 857,164.20 | \$ 902,655.87 | \$ 881,015.76 | \$ 897,259.00 | \$ 865,167.00 | \$ 920,641.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 857,164.20 | \$ 902,655.87 | \$ 881,015.76 | \$ 897,259.00 | \$ 865,167.00 | \$ 920,641.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 6400/6470/6475 - PARK MAINTENANCE

The purpose of this activity is to provide skill trades services to repair and maintain all park and recreational facilities including swimming and wading pools, except for landscaping, irrigation and janitorial services.

PROGRAMS AND FUNCTIONS

To administer service contracts for HVAC, elevator, security, roof warranty, electrical and fire protection systems.

To repair and maintain all park buildings, including Burns Center, Weingart Senior Center, the Lakewood Youth Center and Nye Library.

To repair and maintain the City swimming and wading pools.

To repair and maintain park fencing and park site furnishings.

To repair and maintain playground equipment, athletic fields and court lighting, area lighting and hardscape on park/community center facilities.

To provide setup and logistical support for special park and recreational events, such as Pan American Fiesta, Halloween carnivals, Safety Expo and Concerts in the Parks.

To troubleshoot and repair building-related structures, systems and equipment.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|------------------------------------|-------------------------|----------------------|-------------------------|
| Security Contract | \$ 69,000 | HVAC Maintenance | \$ 26,000 |
| Special Department (Parks & Pools) | \$ 39,668 | Capital Equipment | \$ 20,000 |
| Parts and Materials | \$ 32,300 | Facility Maintenance | \$ 17,400 |

Changed Conditions: None.

Proposed Activities:

- Continue to update the inventory and assessment of all facilities maintained under this Department/Division.
- Facility Preservation Committee annually inspects each facility to identify minor capital improvements.
- Continue to enter city equipment assets into computerized work order system.

Productivity Initiatives:

- 75% of work orders will be completed within five working days.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|-----------------------|---|---|---|--|--|
| Work Orders Completed | 1,420 | 2,535 | 2,915 | 2,975 | 2,950 |

PUBLIC WORKS - 6400 PARK MAINTENANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 869,944.41 | 851,274.50 | 921,641.70 | 906,221.00 | 844,372.00 | 909,327.00 |
| Contract Services | 103,521.50 | 130,234.06 | 110,906.48 | 123,051.00 | 119,708.00 | 122,048.00 |
| Facilities Expense | 30,411.40 | 35,017.07 | 30,625.46 | 32,300.00 | 32,000.00 | 32,300.00 |
| Special Department | 48,430.47 | 53,684.18 | 46,598.50 | 55,350.00 | 53,365.00 | 56,950.00 |
| Interdepartmental | 19,881.84 | 24,083.93 | 23,395.35 | 32,378.00 | 32,378.00 | 36,478.00 |
| Capital Outlay | 46,992.31 | 40,052.00 | 74,562.47 | 48,661.00 | 45,000.00 | 50,000.00 |
| TOTAL EXPENDITURES | <u>\$ 1,119,181.93</u> | <u>\$ 1,134,345.74</u> | <u>\$ 1,207,729.96</u> | <u>\$ 1,197,961.00</u> | <u>\$ 1,126,823.00</u> | <u>\$ 1,207,103.00</u> |

FUNDING SOURCES

| | | | | | | |
|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1010 General Fund | \$ 1,119,181.93 | \$ 1,134,345.74 | \$ 1,207,729.96 | \$ 1,197,961.00 | \$ 1,126,823.00 | \$ 1,207,103.00 |
|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|

DEPARTMENT/DIVISION 6500 - GRAFFITI REMOVAL

The purpose of this activity is to remove graffiti from all City-owned buildings and private structures. Residents, business owners and staff members are encouraged to report graffiti visible on public and private property.

PROGRAMS AND FUNCTIONS

To remove graffiti from City-owned buildings and facilities.

To respond to all requests to remove graffiti identified by City departments and others through work orders, city service requests or emergency calls.

To remove graffiti from privately-owned buildings and fences upon request by the property owner.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|-------------------------------|-------------------------|
| Paint & Equipment | \$ 6,000 | Vehicle/Equipment Maintenance | \$ 10,371 |

Changed Conditions: None.

Proposed Activities: - Continue to remove highly offensive graffiti within hours and notify Sheriff on weekly basis.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---|---|---|---|--|--|
| <u>Number of Service Requests Received:</u> | | | | | |
| Private Property | 311 | 215 | 207 | 229 | 200 |
| Public Right of Way | 376 | 371 | 358 | 415 | 375 |
| <u>Number of Work Orders Received:</u> | | | | | |
| Graffiti Removal on City Facilities | 15 | 19 | 15 | 5 | 10 |

PUBLIC WORKS - 6500 GRAFFITI REMOVAL

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 102,290.07 | 104,845.37 | 109,232.49 | 110,985.00 | 107,726.00 | 116,553.00 |
| Special Department | 5,275.84 | 5,772.84 | 6,684.73 | 6,975.00 | 6,975.00 | 6,975.00 |
| Interdepartmental | 9,516.70 | 11,778.49 | 8,928.79 | 8,732.00 | 8,700.00 | 9,801.00 |
| TOTAL EXPENDITURES | \$ 117,082.61 | \$ 122,396.70 | \$ 124,846.01 | \$ 126,692.00 | \$ 123,401.00 | \$ 133,329.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 117,082.61 | \$ 122,396.70 | \$ 124,846.01 | \$ 126,692.00 | \$ 123,401.00 | \$ 133,329.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 6600 - HARDSCAPE MAINTENANCE

The purpose of this activity is to provide a comprehensive hardscape maintenance and improvement program for public rights-of-way, parks and City-owned facilities. Hardscape includes sidewalk, curb, gutter, asphalt and American Disability Act (ADA) handicapped ramps.

PROGRAMS AND FUNCTIONS

To provide an ongoing public information program which responds to residential hardscape maintenance requests.
To conduct annual sidewalk, curb and gutter repairs citywide.
To conduct annual citywide sidewalk inspection to assess sidewalk conditions.
To administer hardscape-related capital improvement projects.
To maintain hardscape database.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|---------------------|------------------|----------|------------------|
| Hardscape Repair | \$ 200,000 | Patching | \$ 60,000 |

Changed Conditions: None.

Proposed Activities:

- Coordinate contract hardscape repairs in response to service requests.
- Continue a citywide inspection of sidewalks to eliminate vertical displacements.
- Continue grinding program to eliminate minor vertical displacements without costly concrete replacement.
- Continue alternative repair methods that will allow preservation of trees, where possible, such as bridging sidewalk over roots or obtaining sidewalk easements on private property.

Performance Measures:

| | <u>Actual 2009-2010</u> | <u>Actual 2010-2011</u> | <u>Actual 2011-2012</u> | <u>Projected 2012-2013</u> | <u>Estimated 2013-2014</u> |
|---|-----------------------------|-----------------------------|-----------------------------|--------------------------------|--------------------------------|
| Sidewalk Grinding | 384 | 1,453 | 1,512 | 1,500 | 1,500 |
| Sidewalk Ramping | 685 | 338 | 448 | 400 | 400 |
| * Sidewalk Repair – Square Footage | 18,583 | 24,815 | 25,630 | 25,000 | 25,000 |
| * Curb/Gutter – Lineal Footage | 3,789 | 6,121 | 6,673 | 6,500 | 6,500 |
| * Access Ramps Installed | 11 | 2 | 6 | 1 | 3 |
| *Does not include concrete repairs done under street projects | | | | | |

PUBLIC WORKS - 6600 HARDSCAPE MAINTENANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 53,210.85 | 138,901.35 | 141,137.88 | 141,420.00 | 99,950.00 | 132,136.00 |
| Contract Services | 229,508.38 | 133,121.96 | 259,652.00 | 260,000.00 | 260,000.00 | 260,000.00 |
| Special Department | 292.77 | 284.64 | 640.42 | 150.00 | 150.00 | 150.00 |
| TOTAL EXPENDITURES | \$ 283,012.00 | \$ 272,307.95 | \$ 401,430.30 | \$ 401,570.00 | \$ 360,100.00 | \$ 392,286.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 283,012.00 | \$ 272,307.95 | \$ 401,430.30 | \$ 401,570.00 | \$ 360,100.00 | \$ 392,286.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 6700 - TREE MAINTENANCE

The purpose of this activity is to provide a comprehensive management program for the approximately 30,000 trees located on public rights-of-way, parks, and other City-owned facilities.

PROGRAMS AND FUNCTIONS

To provide an ongoing inspection program which responds to residential tree maintenance requests.

To provide emergency tree service 24 hours per day, 7 days per week.

To conduct an ongoing reforestation program to replace trees removed where hardscape damage, storm damage, disease, and vandalism have occurred.

To maintain and manage computerized inventory and work order databases.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|-------------------------------|-------------------------|---------------|-------------------------|
| Contract Tree Maintenance | \$ 530,000 | Tree Planting | \$ 50,000 |
| Vehicle/Equipment Maintenance | \$ 66,631 | | |

Changed Conditions:

- West Coast Arborist due CPI adjustment.

Proposed Activities:

- Continue contracting tree maintenance services to support special projects or programs.
- Apply for tree planting grants.
- Continue using private sector contracting to augment scheduled trimming, as well as to remove large tree species for hardscape improvement citywide.
- Continue tree replanting.
- Continue to recycle greenwaste.
- Maintenance of easement rights-of-way.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|------------------|---|---|---|--|--|
| Contract Trims | 6,718 | 8,434 | 8,349 | 8,400 | 8,000 |
| Tree Plantings | 238 | 132 | 257 | 263 | 250 |
| Tree Removals | 376 | 323 | 429 | 220 | 200 |
| Service Requests | 1,346 | 1,080 | 749 | 700 | 700 |

PUBLIC WORKS - 6700 TREE MAINTENANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 404,616.71 | 351,950.70 | 371,136.58 | 359,376.00 | 365,303.00 | 370,750.00 |
| Contract Services | 561,180.46 | 535,992.50 | 573,014.58 | 575,000.00 | 575,000.00 | 588,000.00 |
| Office Expense | 357.56 | 500.00 | 499.11 | 500.00 | 500.00 | 500.00 |
| Meetings Expense | 0.00 | 100.00 | 0.00 | 200.00 | 200.00 | 200.00 |
| Special Department | 6,821.39 | 8,304.85 | 7,473.08 | 7,250.00 | 7,246.00 | 7,246.00 |
| Other Operating | 669.42 | 350.00 | 190.00 | 300.00 | 300.00 | 300.00 |
| Interdepartmental | 50,210.85 | 70,875.28 | 62,687.74 | 59,661.00 | 59,623.00 | 67,168.00 |
| Capital Outlay | 1,200.00 | 1,191.89 | 1,199.99 | 1,200.00 | 1,200.00 | 1,200.00 |
| TOTAL EXPENDITURES | <u>\$ 1,025,056.39</u> | <u>\$ 969,265.22</u> | <u>\$ 1,016,201.08</u> | <u>\$ 1,003,487.00</u> | <u>\$ 1,009,372.00</u> | <u>\$ 1,035,364.00</u> |

FUNDING SOURCES

| | | | | | | |
|-------------------|-----------------|---------------|-----------------|-----------------|-----------------|-----------------|
| 1010 General Fund | \$ 1,025,056.39 | \$ 969,265.22 | \$ 1,016,201.08 | \$ 1,003,487.00 | \$ 1,009,372.00 | \$ 1,035,364.00 |
|-------------------|-----------------|---------------|-----------------|-----------------|-----------------|-----------------|

DEPARTMENT/DIVISION 6800 - STREET MAINTENANCE

The purpose of this activity is to maintain city streets, bridges, alleys, drainage facilities, parkway panels and medians, street striping and markings, and traffic and street name signs. Various contractors and the Los Angeles Department of Public Works provide these services.

PROGRAMS AND FUNCTIONS

To maintain the City's public rights-of-way in a safe condition for use by motorists and pedestrians.

To provide improvements recommended by the City's Community Safety Commission and adopted by the City Council.

To administer the City's street sweeping contract, and investigate and resolve all related service requests.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|-----------------|-------------------------|
| Street Sweeping | \$ 612,000 | Bridge Repair | \$ 46,000 |
| Street Maintenance/Repair | \$ 60,000 | Traffic Control | \$ 40,000 |
| Engineering Services | \$ 60,000 | | |

Changed Conditions:

Change in Contract Services due to:

- Non-National Bridge Inventory (NBI) bridge inspection carried over to FY 2013-2014.
- Federal Bridge Preventive Maintenance Program.
- Street and Alley Monthly Inspection Program by LACDPW.
- Reduced routine street maintenance costs.

Proposed Activities:

- Conduct repairs identified in latest bridge inspection report provided by LACDPW.
- Maintain pavement evaluation and inventory, and update as needed.
- Continue to maintain house number curb painting as needed.

Performance Measures:

| | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Projected</u> | <u>Estimated</u> |
|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | <u>2009-2010</u> | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> |
| Curb Number Addresses Painted | 10,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| Streets Overlaid (Sq. Ft.) | | | | | |
| Major | 1,200,000 | 1,111,380 | 1,300,000 | 0 | 400,000 |
| Collector | 0 | 0 | 381,300 | 0 | 250,000 |
| Local | 0 | 792,000 | 0 | 1,065,450 | 0 |
| Paving CIP Projects | \$1,950,000 | \$3,100,000 | \$2,875,000 | \$2,385,000 | \$2,400,000 |

PUBLIC WORKS - 6800 STREET MAINTENANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 173,668.22 | 148,406.28 | 150,146.53 | 77,147.00 | 70,887.00 | 73,306.00 |
| Contract Services | 755,655.52 | 786,351.13 | 790,260.38 | 920,000.00 | 822,000.00 | 840,000.00 |
| Special Department | 885.68 | 848.92 | 867.30 | 102.00 | 99.00 | 102.00 |
| TOTAL EXPENDITURES | \$ 930,209.42 | \$ 935,606.33 | \$ 941,274.21 | \$ 997,249.00 | \$ 892,986.00 | \$ 913,408.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 930,209.42 | \$ 935,606.33 | \$ 941,274.21 | \$ 997,249.00 | \$ 892,986.00 | \$ 913,408.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 6810 - TRAFFIC CONTROL

The purpose of this activity is to provide for the ongoing operation, maintenance and energy requirements of 76 signalized intersections and three warning flashers. Thirty-five of the intersections are shared with adjoining jurisdictions, and the cost of maintenance and energy requirements is proportionally split among the affected agencies.

PROGRAMS AND FUNCTIONS

To administer the contract for maintenance of traffic signals, highway safety lights, and illuminated street name signs.
To coordinate with other jurisdictions for shared intersections.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|------------------------|-------------------------|
| LA County Maintenance | \$ 138,000 | Long Beach Maintenance | \$ 10,000 |
| Utilities | \$ 28,000 | | |

Changed Conditions:

- Contract Services increased to reflect average annual accident repair experienced.

Proposed Activities:

- Continue to perform night safety lighting checks at signalized intersections to insure public safety and cost effectiveness.
- The County will continue to perform routine maintenance of all Lakewood controlled intersections.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|----------------------------------|---|---|---|--|--|
| Traffic Signal Maintenance Calls | 183 | 266 | 298 | 300 | 300 |

PUBLIC WORKS - 6810 TRAFFIC CONTROL

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 0.00 | 0.00 | 0.00 | 137,733.00 | 151,910.00 | 134,448.00 |
| Contract Services | 163,316.55 | 163,918.81 | 140,322.85 | 174,000.00 | 189,000.00 | 189,000.00 |
| Facilities Expense | 32,839.89 | 27,649.37 | 28,176.09 | 23,230.00 | 23,230.00 | 24,400.00 |
| Special Department | 0.00 | 0.00 | 0.00 | 882.00 | 905.00 | 882.00 |
| TOTAL EXPENDITURES | \$ 196,156.44 | \$ 191,568.18 | \$ 168,498.94 | \$ 335,845.00 | \$ 365,045.00 | \$ 348,730.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 196,156.44 | \$ 191,568.18 | \$ 168,498.94 | \$ 197,230.00 | \$ 212,230.00 | \$ 213,400.00 |
| 1621 Measure R | \$ - | \$ - | \$ - | \$ 138,615.00 | \$ 152,815.00 | \$ 135,330.00 |

DEPARTMENT/DIVISION 6820 - STREETLIGHTING

The purpose of this activity is to provide for the maintenance of City-owned streetlights by City Light and Power (CLP), which comprises about 75% of the street lighting in Lakewood. This activity also provides for the energy costs of both the City-owned system and the Southern California Edison (SCE)-owned and maintained system, which accounts for the remaining 25% of the entire system.

PROGRAMS AND FUNCTIONS

To coordinate with CLP for maintenance and operation of City-owned streetlights. Coordinate with SCE for maintenance and operation of their portion of the system.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|--------------------------------|-------------------------|------------------|-------------------------|
| CLP Services | \$ 661,000 | SCE-owned System | \$ 215,000 |
| Electrical Energy (City-owned) | \$ 300,000 | | |

Changed Conditions: - Contract Services for CLP contract increased.

Proposed Activities:

- Night street lighting checks for major arterial streets and safety lighting at intersections to increase public safety.
- Continue to replace deteriorated poles as needed.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|-------------------------------------|---|---|---|--|--|
| Number of Street Lights | | | | | |
| SCE-owned | 1,430 | 1,430 | 1,430 | 1,430 | 1,430 |
| City-owned | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 |
| Number of Service Requests Received | 731 | 470 | 324 | 425 | 375 |
| Light Standards Replaced | 12 | 8 | 17 | 15 | 15 |

PUBLIC WORKS - 6820 STREET LIGHTING

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 30,104.99 | 30,959.13 | 32,060.76 | 19,941.00 | 18,985.00 | 19,696.00 |
| Contract Services | 1,124,234.83 | 1,132,087.61 | 1,151,921.60 | 1,186,605.00 | 1,196,000.00 | 1,203,000.00 |
| Special Department | 147.73 | 141.60 | 144.67 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | <u>\$ 1,154,487.55</u> | <u>\$ 1,163,188.34</u> | <u>\$ 1,184,127.03</u> | <u>\$ 1,206,546.00</u> | <u>\$ 1,214,985.00</u> | <u>\$ 1,222,696.00</u> |

FUNDING SOURCES

| | | | | | | |
|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1010 General Fund | \$ 1,154,487.55 | \$ 1,163,188.34 | \$ 1,184,127.03 | \$ 1,206,546.00 | \$ 1,214,985.00 | \$ 1,222,696.00 |
|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|

DEPARTMENT/DIVISION 7000 - RECREATION AND COMMUNITY SERVICES ADMINISTRATION

The purpose of this activity is to provide planning, coordination, and management of park, recreation, human services, landscape and custodial maintenance personnel and programs, and to provide centralized support services for citizen contact for departmental programs, activities and facilities.

PROGRAMS AND FUNCTIONS

To recommend levels of service for department administered programs and activities.

To review and evaluate departmental expenditures, operating procedures and employee performance, and implement changes as needed to maximize organization effectiveness.

To prepare studies, reports and recommendations for the City Council, City Manager, and Recreation and Community Services Commission.

To provide coordinating and consulting services to community groups regarding leisure and human services activities.

To review, recommend, and administer licensed and professional service agreements, grant applications and compliance contracts.

To support and maintain the class software modules for facility booking, program registration, credit card payment and Internet connection.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|--------------------------|-------------------------|------------------------|-------------------------|
| SCE Rights-of-Way Leases | \$ 38,172 | Graphics & Copy Center | \$ 12,709 |
| Credit Card Fees | \$ 20,000 | | |

Changed Conditions:

- Change in employee services due to position realignment.
- Change in contract services due to annual increase in Right-of-Way Leases.

Proposed Activities:

- Department focus areas to include community volunteer opportunities for youth and adults, facility preservation and park development.
- Coordinate the City's compliance with the Americans with Disabilities Act (ADA) and State Office of Emergency Services (OES).
- Provide employee safety training through the department's Injury and Illness Prevention Program.
- Continue energy conservation measures for electrical, natural gas and water used at all RCS facilities.
- Incorporate the branding campaign of the California Park & Recreation Society's "Parks Make Life Better!" to promote the value of parks and recreation to Lakewood residents.

Performance Measures:

Coordinate with the Public Works Department through interdepartmental Facility Preservation Committee, the development of a long-term facility preservation plan.

RECREATION AND CULTURAL SERVICES - 7000 ADMINISTRATION

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 899,496.59 | 1,019,559.57 | 1,118,474.59 | 1,122,478.00 | 1,110,174.00 | 1,118,121.00 |
| Contract Services | 49,688.61 | 50,794.75 | 51,704.00 | 53,145.00 | 53,145.00 | 54,072.00 |
| Office Expense | 7,429.19 | 7,225.76 | 5,934.05 | 7,500.00 | 7,500.00 | 7,500.00 |
| Meetings Expense | 4,170.30 | 3,956.88 | 4,310.26 | 4,100.00 | 4,100.00 | 4,100.00 |
| Special Department | 33,684.95 | 26,696.46 | 24,013.13 | 27,925.00 | 27,914.00 | 27,925.00 |
| Other Operating | 1,771.60 | 1,335.00 | 1,435.00 | 1,335.00 | 1,335.00 | 1,335.00 |
| Interdepartmental | 42,951.15 | 73,222.06 | 47,113.03 | 16,566.00 | 16,498.00 | 17,308.00 |
| TOTAL EXPENDITURES | \$ 1,039,192.39 | \$ 1,182,790.48 | \$ 1,252,984.06 | \$ 1,233,049.00 | \$ 1,220,666.00 | \$ 1,230,361.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1010 General Fund | \$ 1,039,192.39 | \$ 1,182,790.48 | \$ 1,252,984.06 | \$ 1,233,049.00 | \$ 1,220,666.00 | \$ 1,230,361.00 |
|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|

DEPARTMENT/DIVISION 7050/7055/7070/7075 - AQUATICS PROGRAMS

The purpose of this activity is to strengthen community safety and security by providing Lakewood residents opportunities to develop a variety of aquatic and swimming skills for personal recreation, physical fitness and survival purposes and to provide recreational swimming opportunities.

PROGRAMS AND FUNCTIONS

To schedule and conduct water safety instruction for beginning, intermediate and advanced level swimmers of all ages, complying with all America Red Cross (ARC) skill, health and safety standards.

To conduct specialized instruction in competitive swimming, diving, synchronized swimming, basic water safety and advanced lifesaving.

To schedule and supervise community groups permitted use of City-operated swimming pools.

To provide public recreational swim sessions throughout the summer months.

To recruit, hire and train qualified ARC certified personnel as lifeguards and swim instructors.

To promote health and wellness by conducting water fitness classes.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|------------------------|-------------------------|
| Junior Guard Program | \$ 5,000 | Graphics & Copy Center | \$ 4,308 |

- Changed Conditions:**
- Change in Interdepartmental due to the reallocation of Graphics & Copy Center costs.
 - Change in Other Operating due to revised ARC certification process and new ARC service provider agreements.

- Proposed Activities:**
- Conduct Junior Lifeguard Program using American Red Cross Guard Start program curriculum.
 - Conduct Family Sessions three nights per week at Mayfair Pool.
 - Continue Lakewood swim card program for reduced rate admission to recreation swim sessions.

- Productivity Initiatives:**
- Continue staff training to include pool managers and senior guards conducting skills tests throughout the season.
 - Promote Internet registration for swim lessons.

- Performance Measures:**
- Swim achievement cards will be issued to 2,000 qualified swimmers annually.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-13</u> | <u>Estimated</u> <u>2013-2014</u> |
|------------------------|---|---|---|--|--|
| Instructional Swim | | | | | |
| Registration | 3,465 | 3,889 | 4,294 | 4,300 | 4,300 |
| Recreational Swim | | | | | |
| Number of Sessions | 390 | 390 | 390 | 390 | 390 |
| Attendance | 25,108 | 25,243 | 27,876 | 28,000 | 28,000 |
| Number of Pool Rentals | 96 | 95 | 90 | 95 | 95 |
| Pool Rental Attendance | 8,730 | 8,458 | 8,471 | 8,500 | 8,500 |

RECREATION AND CULTURAL SERVICES - 7050/7055/7070/7075 AQUATICS PROGRAMS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 269,114.88 | 238,138.85 | 243,194.14 | 266,196.00 | 267,263.00 | 271,569.00 |
| Contract Services | 4,840.10 | 4,823.21 | 4,904.60 | 5,000.00 | 5,000.00 | 5,000.00 |
| Facilities Expense | 5,369.48 | 5,331.02 | 3,660.93 | 3,600.00 | 2,502.00 | 2,500.00 |
| Special Department | 11,577.22 | 11,756.82 | 9,672.36 | 9,855.00 | 9,855.00 | 9,855.00 |
| Other Operating | 2,385.70 | 2,448.08 | 1,980.32 | 2,500.00 | 2,500.00 | 3,900.00 |
| Interdepartmental | 6,255.56 | 9,545.54 | 9,818.30 | 5,133.00 | 5,058.00 | 5,257.00 |
| TOTAL EXPENDITURES | \$ 299,542.94 | \$ 272,043.52 | \$ 273,230.65 | \$ 292,284.00 | \$ 292,178.00 | \$ 298,081.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 299,542.94 | \$ 272,043.52 | \$ 273,230.65 | \$ 292,284.00 | \$ 292,178.00 | \$ 298,081.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 7150 - CENTRE FACILITY OPERATIONS

The purpose of this division is to manage The Centre at Sycamore Plaza as a multi-purpose activity facility, encompassing prime instructional, meeting, audiovisual and banquet resources, and by providing a quality environment for a wide variety of individually engaged functions, both public and private.

PROGRAMS AND FUNCTIONS

To plan, coordinate, schedule and evaluate the use of The Centre and its services.

To develop and administer policies, procedures and practices to meet organizational needs.

To schedule, coordinate and enhance City-sponsored meetings and activities.

To operate and maintain The Centre heating, ventilation, air conditioning, security, audiovisual and fire alarm systems.

To balance public versus entrepreneurial and innovative uses of The Centre.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|-----------------------------|-------------------------|-------------------------------|-------------------------|
| Utilities | \$ 121,340 | Building Maintenance Supplies | \$ 16,000 |
| Custodial/Contract Services | \$ 70,915 | Maintenance of Equipment | \$ 12,400 |
| Event Supplies | \$ 16,400 | | |

Changed Conditions:

- Change in Contract Services due to reduction in custodial costs.

Proposed Activities:

- Coordinate marketing with concessionaire to identify and implement marketing opportunities.
- Identify and evaluate facility maintenance and improvements, and implement as needed.

Productivity Initiatives:

- Adding useable event space and event amenities will increase opportunity for caterer bookings and revenue.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|-------------------------------|---|---|---|--|--|
| Catered Events | 357 | 380 | 489 | 560 | 670 |
| Catered Attendance | 35,490 | 38,240 | 42,320 | 41,550 | 42,000 |
| Non-catered Events | 519 | 667 | 657 | 695 | 695 |
| Non-catered Attendance | 8,144 | 10,364 | 10,410 | 10,024 | 10,000 |
| Gross Rent for Concessionaire | \$ 178,764 | \$ 199,460 | \$ 228,705 | \$ 250,000 | \$ 260,000 |

RECREATION AND CULTURAL SERVICES - 7150 CENTRE FACILITY OPERATIONS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 348,182.59 | 371,318.65 | 370,547.29 | 374,579.00 | 361,061.00 | 385,863.00 |
| Contract Services | 95,242.71 | 98,429.86 | 72,395.86 | 100,482.00 | 100,482.00 | 91,377.00 |
| Facilities Expense | 151,159.35 | 138,923.82 | 135,326.13 | 138,525.00 | 131,490.00 | 137,340.00 |
| Office Expense | 1,332.34 | 1,390.44 | 1,344.27 | 1,400.00 | 1,400.00 | 1,400.00 |
| Meetings Expense | 5,646.84 | 6,194.70 | 5,761.14 | 6,000.00 | 6,000.00 | 6,000.00 |
| Special Department | 34,742.44 | 32,325.08 | 34,180.65 | 33,875.00 | 33,371.00 | 33,675.00 |
| Interdepartmental | 6,935.30 | 2,540.42 | 4,544.08 | 2,211.00 | 2,135.00 | 2,219.00 |
| Capital Outlay | 78.99 | 0.00 | 27,381.70 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENDITURES | \$ 643,320.56 | \$ 651,122.97 | \$ 651,481.12 | \$ 657,072.00 | \$ 635,939.00 | \$ 657,874.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1050 Community Facility | \$ 643,320.56 | \$ 651,122.97 | \$ 651,481.12 | \$ 657,072.00 | \$ 635,939.00 | \$ 657,874.00 |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 7200/2160 - TRANSIT

The purpose of this activity is to plan, manage and operate a modified demand-responsive paratransit system for elderly and disabled residents not having access to private transportation or existing public transportation, and to operate a local public excursion program.

PROGRAMS AND FUNCTIONS

To provide a paratransit service system to Lakewood senior and disabled residents.

To enable residents access to community centers, social service offices, medical care, shopping areas, recreational facilities and other essential destinations.

To focus upon the "shut-in" and the "at-risk elderly" so they can feel a new sense of social and physical mobility within the community.

To perform ongoing research into the transportation needs of the elderly and handicapped; integrate this into future transportation.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|-------------------------------|-------------------------|--------------------------|-------------------------|
| Vehicle/Equipment Maintenance | \$ 168,409 | Maintenance of Equipment | \$ 7,000 |

Changed Conditions:

- Change in Contract Services due to Recreation Travel bus rental transferred to Social & Cultural, and Sports Programs.
- Change in Interdepartmental due to reallocation of printing/reproduction costs and vehicle maintenance costs.

Proposed Activities:

- Continue to provide shuttle service to Mayfair Park for Pan American Fiesta, Lollipop Lane Boutique, Car Show and other special events.
- Continue to do a bi-annual report of services with statistical data to help assess transportation needs of Lakewood's elderly and disabled.
- Continue to utilize local transit agencies' training workshops for DASH staff.

Productivity Initiatives:

- Countywide transit information and referrals continue to be available through DASH office.
- Provide quarterly safety training for DASH drivers.

Performance Measures:

- To provide paratransit service to 1,400 Lakewood residents.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|-------------------------------------|---|---|---|--|--|
| Number Clients Transported per Mile | 9.47 | 9.5 | 9.25 | 9.6 | 9.75 |
| Number Individual Rides | 12,000 | 13,500 | 13,000 | 14,000 | 14,500 |
| Number Active Participants | 1,313 | 1,400 | 1,300 | 1,450 | 1,500 |
| Number Round Trip Rides | 19,359 | 21,000 | 20,800 | 22,000 | 23,500 |

RECREATION AND CULTURAL SERVICES - 7200/2160 TRANSIT PROGRAMS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 474,986.46 | 489,991.04 | 484,211.24 | 507,317.00 | 512,346.00 | 568,192.00 |
| Contract Services | 50,537.80 | 44,573.10 | 58,200.89 | 58,944.00 | 58,944.00 | 14,848.00 |
| Facilities Expense | 15,104.79 | 11,448.52 | 8,737.94 | 7,710.00 | 5,075.00 | 5,260.00 |
| Special Department | 19,105.18 | 12,228.27 | 12,186.45 | 14,283.00 | 13,927.00 | 14,283.00 |
| Other Operating | 1,329.45 | 1,428.08 | 1,438.88 | 1,889.00 | 2,819.00 | 2,059.00 |
| Interdepartmental | 121,207.72 | 161,837.29 | 149,752.18 | 152,001.00 | 152,001.00 | 171,197.00 |
| TOTAL EXPENDITURES | \$ 682,271.40 | \$ 721,506.30 | \$ 714,527.58 | \$ 742,144.00 | \$ 745,112.00 | \$ 775,839.00 |

FUNDING SOURCES

| | | | | | | |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 3060 Transit - Prop A Fund | \$ 538,232.03 | \$ 583,774.52 | \$ 613,723.29 | \$ - | \$ 16,848.00 | \$ - |
| 3070 Transit - Prop C Fund | \$ 71,767.47 | \$ 46,833.80 | \$ 51,757.39 | \$ 673,457.00 | \$ 677,635.00 | \$ 714,783.00 |
| 3060 Transit - Prop A Fund-2160 | \$ 50,517.22 | \$ 51,663.08 | \$ 49,046.90 | \$ 59,749.00 | \$ 50,629.00 | \$ 61,056.00 |

DEPARTMENT/DIVISION 7250 -EMERGENCY PREPAREDNESS

The purpose of this activity is to provide for the City's emergency preparedness needs.

PROGRAMS AND FUNCTIONS

To participate as a member in Area "E" of L.A. County of Emergency Planning.

To continue coordination and integration of City forces into the resources available and on call through the Sheriff's Department emergency operation program, the Fire Department, American Red Cross (ARC) and other emergency organizations.

To maintain awareness throughout the City staff for emergency responsibilities through information and training programs.

To coordinate an ongoing citizen training program in emergency preparedness.

To coordinate a public information program.

To assess local needs and develop courses of action through the staff Emergency Preparedness Committee in cooperation with the Sheriff's Department, Fire Department, ARC.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|---------------------------------|-------------------------|
| Communication | \$ 10,720 | Emergency Preparedness Supplies | \$ 6,395 |
| | | Mobile Digital computer | \$ 15,000 |

- Changed Conditions:**
- Decrease in Special Department due to 4-year life span of existing equipment and reduction in number of staff needing CPR/FA training in FY 2013-2014.
 - Increase in Capital Outlay for Mobile Digital computer for the Command Vehicle

- Proposed Activities:**
- Provide National Incident Management System (N.I.M.S.) field training to City employees.
 - Continue the Community Preparedness Programs to train volunteers in neighborhood disaster response and residents for family preparedness.
 - Coordinate annual emergency preparedness training opportunities with ARC, Long Beach Chapter.
 - Promote emergency preparedness program for City employees and community volunteers, including EOC set up and review.
 - Participate in State of California Disaster Exercise.
 - Participate in the Great California ShakeOut annual exercise.

- Performance Measures:**
- Conduct annual training sessions for employees at City Hall, Arbor and Nixon Yards.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|-------------------------|---|---|---|--|--|
| Number of Participants: | | | | | |
| Emergency Preparedness | | | | | |
| Training | 174 | 176 | 175 | 205 | 175 |
| CPR | 211 | 215 | 85 | 225 | 90 |
| Survive for 7 | 54 | 65 | 98 | 95 | 90 |
| CERT | 79 | 48 | 45 | 36 | 45 |

RECREATION AND CULTURAL SERVICES - 7250 EMERGENCY PREPAREDNESS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 83,049.83 | 84,430.09 | 88,262.88 | 89,078.00 | 88,601.00 | 93,466.00 |
| Contract Services | 3,402.00 | 3,320.00 | 3,328.00 | 4,300.00 | 4,003.00 | 4,160.00 |
| Facilities Expense | 20,556.13 | 21,523.72 | 18,317.81 | 10,910.00 | 10,720.00 | 10,720.00 |
| Office Expense | 148.22 | 50.47 | 48.09 | 0.00 | 0.00 | 0.00 |
| Meetings Expense | 212.17 | 88.89 | 169.37 | 0.00 | 0.00 | 0.00 |
| Special Department | 5,633.00 | 5,542.08 | 6,740.83 | 12,900.00 | 12,899.00 | 7,705.00 |
| Other Operating | 2,684.41 | 2,582.85 | 2,501.40 | 2,394.00 | 2,424.00 | 2,424.00 |
| Interdepartmental | 3,501.54 | 5,587.86 | 1,663.71 | 2,284.00 | 2,160.00 | 2,359.00 |
| Capital Outlay | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 15,000.00 |
| TOTAL EXPENDITURES | \$ 119,187.30 | \$ 123,125.96 | \$ 121,032.09 | \$ 121,866.00 | \$ 120,807.00 | \$ 135,834.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 119,187.30 | \$ 123,125.96 | \$ 121,032.09 | \$ 121,866.00 | \$ 120,807.00 | \$ 135,834.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 7300/7380/7385 - HUMAN SERVICES PROGRAMS

The purpose of this activity is to foster human development for all Lakewood residents by linking them to public and private service agencies, providing senior adult programs and services, and maintaining a viable community volunteer program.

PROGRAMS AND FUNCTIONS

To promote health and wellness by planning and conducting community health clinics in cooperation with public and private agencies.

To coordinate year-round resident emergency assistance through the Project Shepherd Program.

To facilitate community problem solving and strengthen community image by recruiting, training and referring volunteers to community-based human service agencies.

To coordinate and facilitate a major senior services program, which includes nutrition, socialization, recreation, health and wellness and safety awareness.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|------------------------|------------------|----------------------------|------------------|
| Utilities | \$ 76,617 | Pathways Volunteer Hospice | \$ 9,000 |
| Graphics & Copy Center | \$ 16,412 | Community Family Guidance | \$ 9,000 |
| Meals on Wheels | \$ 10,500 | Human Services Association | \$ 4,500 |

Changed Conditions:

- Change in Special Department due to Recreation Travel bus rental transferred to Social & Cultural Programs.
- Change in Capital Outlay due to purchase of exercise treadmill for Weingart Senior Center.
- Change in Facilities Expense due to increases in utility costs.

Proposed Activities:

- Acquire information regarding the needs and interests of older adults in the community.
- Create new recreational and educational opportunities at the Burns Community Center specifically targeted to active older adults.

Productivity Initiatives:

- Community-based nonprofit organizations will receive Community Development Block Grant (CDBG) funds to provide services to Lakewood families.
- Provide sponsorship opportunities for various older adult events.

Performance Measures:

- Provide emergency assistance to 485 families.
- Provide in-kind services to Meals on Wheels and Human Service Association that service over 34,230 participants per year.
- Teens in Lakewood Care volunteers will complete cleanup projects in response to community need, and Lakewood Volunteer Day will provide projects for up to 600 volunteers.
- Serve approximately 23,000 older adults in the Weingart Fitness Program.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Burns Center Visitors/Clients | 82,424 | 81,722 | 74,059 | 67,964 | 66,882 |
| Weingart Senior Center Visitors/Clients | 54,128 | 56,348 | 54,829 | 58,000 | 58,000 |
| Volunteer Hours | 43,545 | 49,302 | 22,311 | 17,576 | 16,598 |

RECREATION AND CULTURAL SERVICES - 7300/7380/7385 HUMAN SERVICES PROGRAMS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 441,647.34 | 453,820.47 | 467,105.22 | 479,152.00 | 468,941.00 | 492,830.00 |
| Contract Services | 42,641.34 | 49,502.03 | 43,532.73 | 44,200.00 | 44,200.00 | 44,200.00 |
| Facilities Expense | 87,142.91 | 89,930.86 | 82,388.75 | 81,564.00 | 82,454.00 | 85,712.00 |
| Office Expense | 3,022.75 | 2,979.99 | 3,050.33 | 3,110.00 | 3,110.00 | 3,110.00 |
| Meetings Expense | 1,764.22 | 1,516.47 | 1,515.16 | 1,545.00 | 1,545.00 | 1,545.00 |
| Special Department | 47,261.40 | 36,903.72 | 37,429.26 | 36,519.00 | 36,514.00 | 16,950.00 |
| Other Operating | 728.91 | 678.00 | 679.11 | 950.00 | 850.00 | 850.00 |
| Interdepartmental | 7,031.26 | 21,728.93 | 9,910.68 | 14,726.00 | 14,726.00 | 15,306.00 |
| TOTAL EXPENDITURES | \$ 631,240.13 | \$ 657,060.47 | \$ 645,611.24 | \$ 661,766.00 | \$ 652,340.00 | \$ 680,870.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 571,015.19 | \$ 594,759.13 | \$ 610,704.25 | \$ 625,853.00 | \$ 619,340.00 | \$ 647,870.00 |
| 1030 CDBG | \$ 42,267.00 | \$ 36,481.00 | \$ 36,235.00 | \$ 33,000.00 | \$ 33,000.00 | \$ 33,000.00 |

DEPARTMENT/DIVISION 7350 - PARKS PROGRAMS

The purpose of this activity is to provide recreational experiences for residents of all ages, to make recreational facilities available to community groups and individuals, and to strengthen facility safety and security through the supervision of recreational services and opportunities.

PROGRAMS AND FUNCTIONS

To plan, schedule and conduct afterschool programs and vacation activities for children at nine supervised City facilities.
To plan and conduct the Adaptive Recreation Program for developmentally disabled and physically handicapped residents.
To administer and supervise youth and adult sports leagues and activities.
To schedule and supervise use of recreational facilities including meeting rooms, picnic shelters and athletic fields.
To train recreation leaders in areas of safety, emergency services, supervision, leadership and customer service.
To plan and conduct youth services for the community's teenage population.
To provide trained personnel to maintain and inspect City playgrounds.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|-----------------------|------------------|------------------------|------------------|
| Park Program Supplies | \$ 48,396 | Graphics & Copy Center | \$ 21,271 |
| Communications/Cable | \$ 22,852 | | |

Changed Conditions:

- Capital outlay for purchase of banquet tables for parks.

Proposed Activities:

- Organize teen programs and special events at Bloomfield Park in the Teen Resource Center and Lakewood Youth Center.
- Provide afterschool programs from 3:00-5:00 P.M. for elementary school-aged children at eight City parks.
- Offer teen workshops on health and wellness, education assistance, job training and societal trends at the Lakewood Youth Center and Bloomfield Park Teen Resource Center.
- Market the availability of recreation facilities for private events and gatherings to Lakewood residents.

Productivity Initiatives:

- Ten recreation staff are certified to teach CPR and First Aid for 90+ part-time and full-time employees.
- Use student recreation assistants as the third staff person on weekends during the Spring and Summer months.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|--|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| After-School Program Participation | 31,000 | 34,190 | 40,456 | 40,000 | 40,000 |
| Picnic Shelter Reservations | 1,148 | 1,220 | 1,095 | 1,100 | 1,100 |
| Number of Facility Rentals - Buildings | 1,843 | 1,900 | 2,107 | 2,000 | 2,000 |
| Number of Facility Rentals - Fields | 4,386 | 3,563 | 4,694 | 4,300 | 4,300 |

RECREATION AND CULTURAL SERVICES - 7350 PARKS PROGRAMS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 1,245,643.97 | 1,293,905.94 | 1,310,554.92 | 1,380,376.00 | 1,312,808.00 | 1,459,268.00 |
| Facilities Expense | 21,528.46 | 24,955.48 | 26,414.97 | 22,522.00 | 22,522.00 | 22,852.00 |
| Special Department | 66,293.49 | 70,340.53 | 68,462.38 | 75,774.00 | 75,473.00 | 71,257.00 |
| Other Operating | 991.75 | 1,449.65 | 1,406.84 | 2,000.00 | 2,000.00 | 2,000.00 |
| Interdepartmental | 17,546.15 | 18,165.87 | 18,614.40 | 17,875.00 | 17,797.00 | 18,498.00 |
| Capital Outlay | 0.00 | 0.00 | 7,500.00 | 10,000.00 | 10,562.00 | 3,000.00 |
| TOTAL EXPENDITURES | \$ 1,352,003.82 | \$ 1,408,817.47 | \$ 1,432,953.51 | \$ 1,508,547.00 | \$ 1,441,162.00 | \$ 1,576,875.00 |

FUNDING SOURCES

| | | | | | | |
|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1010 General Fund | \$ 1,197,569.10 | \$ 1,246,766.35 | \$ 1,267,540.24 | \$ 1,406,716.00 | \$ 1,317,849.00 | \$ 1,451,754.00 |
| 1030 CDBG | \$ 50,694.08 | \$ 53,633.00 | \$ 45,468.64 | \$ - | \$ 763.00 | \$ - |
| 1710 Prop A-Recreation | \$ 103,740.64 | \$ 108,418.12 | \$ 119,944.63 | \$ 118,231.00 | \$ 122,550.00 | \$ 125,121.00 |

DEPARTMENT/DIVISION 7400 - SOCIAL AND CULTURAL PROGRAMS

The purpose of this activity is to provide opportunities to develop personal skills through a variety of enrichment programs and to conduct community-wide special events.

PROGRAMS AND FUNCTIONS

To conduct instructional programs in the area of the arts, self-improvement, dance, fitness and crafts for youth and adults.

To provide a summer day camp program for youth.

To organize and produce three seasonal recreation brochures for special interest activities and recreation events.

To conduct community special events to include Halloween Carnivals, Arbor Week, Lollipop Lane, Earth Walk, Summer Concert Series, Pan American Fiesta, Civic Center Block Party and Patriot Day Concert.

To provide staff assistance for the Lakewood Tot Lot Program.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|--------------------------|------------------|---------------------|------------------|
| Graphics & Copy Center | \$ 68,077 | Pan American Fiesta | \$ 21,175 |
| Civic Center Block Party | \$ 67,500 | Summer Concerts | \$ 13,000 |
| Summer Day Camp | \$ 59,000 | Family Programs | |
| Recreation Catalog | \$ 52,500 | · Adult Activities | \$ 110,000 |
| Program Supplies | \$ 24,875 | · Youth Activities | \$ 89,000 |
| | | · Preschool | \$ 36,000 |

Changed Conditions:

- Change in Contract Services due to Recreation Travel bus rental transferred from Human Services Programs and DASH.
- Increase in Special Department due to program cost increase and transfer of Recreation Travel admission costs from Human Services.

Proposed Activities:

- Promote City special events using a marketing design that specifically targets Lakewood residents.
- Promote the "Parks Make Life Better" brand for recreation programming and marketing.

Productivity Initiatives:

- Reduce manual registration of recreation classes by promoting eCatalog and providing incentives for registering online.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|--|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Contract Classes - Number of Classes Offered | 1,942 | 2,049 | 1,805 | 1,778 | 1,780 |
| Contract Classes - Number of Participants | 10,880 | 10,404 | 9,675 | 9,000 | 9,000 |
| Pan American Fiesta - Attendance | 17,000 | 14,000 | 16,000 | 16,000 | 17,000 |
| Civic Center Block Party - Attendance | 17,000 | 19,000 | 20,000 | 25,000 | 25,000 |

RECREATION AND CULTURAL SERVICES - 7400 SOCIAL AND CULTURAL PROGRAMS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 317,674.12 | 326,436.28 | 333,149.56 | 341,992.00 | 309,875.00 | 344,371.00 |
| Contract Services | 333,785.35 | 337,359.72 | 332,458.75 | 364,200.00 | 342,000.00 | 378,675.00 |
| Facilities Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Office Expense | 48.95 | 48.95 | 50.00 | 50.00 | 50.00 | 50.00 |
| Meetings Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Special Department | 148,250.66 | 151,919.72 | 149,363.92 | 154,665.00 | 161,812.00 | 177,499.00 |
| Other Operating | 5,843.48 | 15,166.09 | 3,863.96 | 7,425.00 | 7,425.00 | 6,345.00 |
| Interdepartmental | 59,187.29 | 33,118.25 | 55,740.85 | 59,226.00 | 59,226.00 | 61,557.00 |
| TOTAL EXPENDITURES | \$ 864,789.85 | \$ 864,049.01 | \$ 874,627.04 | \$ 927,558.00 | \$ 880,388.00 | \$ 968,497.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 864,789.85 | \$ 864,049.01 | \$ 874,627.04 | \$ 927,558.00 | \$ 880,388.00 | \$ 968,497.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 7450 - SPORTS PROGRAMS

The purpose of this activity is to provide recreational experiences through a variety of team and individual athletic and fitness opportunities for youth and adults.

PROGRAMS AND FUNCTIONS

To recruit, train, evaluate and recognize community volunteers for the Lakewood Youth Sports (LYS) program.

To recruit, train and evaluate officials for youth and adult sports programs.

To conduct a youth instruction program for all skill levels in gymnastics, basketball, baseball, softball and flag football and volleyball.

To conduct youth track program.

To conduct youth sports camps and specialty instruction schools during school vacations.

To promote health and wellness by conducting organized leagues for youth and adults in variety of sports.

To recognize human achievement by conducting the Lakewood Youth Hall of Fame awards program working in partnership with community business sponsors.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|--------------|-------------------------|
| Sports Supplies | \$ 50,000 | Hall of Fame | \$ 18,700 |
| Graphics & Copy Center | \$ 32,025 | | |

- Changed Conditions:**
- Change in Interdepartmental due to reallocation of printing/reproduction costs.
 - Change in Contract Services due to Recreation Travel bus rental transferred from DASH.

- Proposed Activities:**
- Publish Lakewood Youth Sports Volunteer Coach Guides for three LYS seasons.
 - Emphasize Lakewood Youth Sports sportsmanship principles.
 - Continue standardized LYS coach presentation for all parks.

- Productivity Initiatives:**
- Conservation measures include scheduling LYS for optimum use of daylight hours and limited use of lighted fields for community organizations.
 - Continue non-resident fee for LYS.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|--------------------------------|---|---|---|--|--|
| Youth - Number of Teams | 227 | 238 | 228 | 210 | 219 |
| Youth - Number of Participants | 2,514 | 2,516 | 2,547 | 2,294 | 2,420 |
| Youth - Lakewood Resident % | 73% | 73% | 77% | 77% | 77% |
| Adult - Number of Teams | 145 | 123 | 126 | 103 | 126 |
| Adult - Number of Participants | 2,030 | 1,722 | 1,764 | 1,369 | 1,764 |

RECREATION AND CULTURAL SERVICES - 7450 SPORTS PROGRAMS

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 204,339.75 | 163,926.12 | 152,448.38 | 180,921.00 | 169,763.00 | 197,466.00 |
| Contract Services | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5,100.00 |
| Facilities Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Office Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Meetings Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Special Department | 70,849.92 | 78,534.70 | 79,105.72 | 78,255.00 | 78,755.00 | 89,565.00 |
| Other Operating | 1,105.00 | 885.00 | 785.00 | 1,025.00 | 1,025.00 | 1,025.00 |
| Interdepartmental | 19,542.22 | 22,525.22 | 28,155.16 | 32,663.00 | 32,663.00 | 33,949.00 |
| TOTAL EXPENDITURES | \$ 295,836.89 | \$ 265,871.04 | \$ 260,494.26 | \$ 292,864.00 | \$ 282,206.00 | \$ 327,105.00 |

FUNDING SOURCES

| | | | | | | | |
|------|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 | General Fund | \$ 281,430.77 | \$ 253,417.54 | \$ 250,278.35 | \$ 273,374.00 | \$ 270,708.00 | \$ 313,619.00 |
| 1015 | Special Olympics | \$ 6,769.02 | \$ 4,937.59 | \$ 6,782.09 | \$ 8,280.00 | \$ 3,000.00 | \$ 5,000.00 |
| 1710 | Prop A Recreation | \$ 7,637.10 | \$ 7,515.91 | \$ - | \$ 8,280.00 | \$ 8,498.00 | \$ 8,486.00 |

DEPARTMENT/DIVISION 7500 - FACILITIES MAINTENANCE

The purpose of this activity is to provide an ongoing program of landscape and custodial maintenance services at various City facilities, City-owned parcels, alleyways and nonsupervised parks, and the delivery and setup for all citywide community events.

PROGRAMS AND FUNCTIONS

To provide landscape maintenance at the Civic Center, Sheriff's Station, Iacoboni Library, Nixon Maintenance Yard, Burns Community Center, Community Gardens, Weingart Senior Center, non-supervised parks, Arbor Maintenance Yard and City-owned parcels.

To provide staff support for setup and cleanup of major community special events.

To monitor and assess contract custodial maintenance at City Hall, Council Chambers, Burns Community Service Center, Weingart Senior Center, and Arbor Yard.

To conduct an ongoing employee safety training program.

To provide weed abatement for City-owned lots, Civic Center, Centralia Street, Candlewood Avenue, Los Coyotes Diagonal and 45 City alleyways.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|--------------------|------------------|-------------------------------|------------------|
| Utilities | \$ 72,110 | Building Maintenance Supplies | \$ 10,878 |
| Custodial Contract | \$ 19,045 | Window Cleaning | \$ 10,500 |
| Landscape Supplies | \$ 15,740 | | |

Changed Conditions:

- Change in Employee Services due to employee reallocation.
- Change in Contract Services due to reduction in custodial costs.
- Change in Facilities Expense due to change in utility costs.

Proposed Activities:

- Review Civic Center landscape for areas of improvement.
- Design, select and install plant material for planter in front of Iacoboni Library entrance.
- Increase the use of eco-friendly cleaners and recycled paper products throughout City facilities.
- Renovate and reseed wild flower meadow at Rynerson Park.

Productivity Initiatives:

- As part of the Lakewood Volunteer Day, a landscape and beautification project will include painting of picnic benches, cleanup of qualified residences and other projects to be determined throughout the year.
- Cross-train division members to operate equipment such as tractor and riding mowers to supplement as needed.
- Continue maintenance of 23,500 sq. ft. of right-of way landscape no longer maintained by LADWP.

Performance Measures:

| | <u>Actual 2009-2010</u> | <u>Actual 2010-2011</u> | <u>Actual 2011-2012</u> | <u>Projected 2012-2013</u> | <u>Estimated 2013-2014</u> |
|---|-----------------------------|-----------------------------|-----------------------------|--------------------------------|--------------------------------|
| Number of Plantings by Square Foot for Parks and Facilities | 24,200 | 25,000 | 30,461 | 34,629 | 30,000 |

RECREATION AND CULTURAL SERVICES - 7500 FACILITIES MAINTENANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 498,875.91 | 506,651.39 | 453,987.20 | 462,977.00 | 411,028.00 | 554,617.00 |
| Contract Services | 33,310.44 | 33,310.44 | 33,310.44 | 34,789.00 | 34,789.00 | 29,545.00 |
| Facilities Expense | 55,577.99 | 53,896.44 | 61,718.81 | 71,622.00 | 76,678.00 | 82,988.00 |
| Office Expense | 474.56 | 441.06 | 1,124.66 | 475.00 | 475.00 | 475.00 |
| Meetings Expense | 110.00 | 100.00 | 0.00 | 135.00 | 135.00 | 135.00 |
| Special Department | 15,369.98 | 15,706.15 | 16,423.81 | 16,940.00 | 16,940.00 | 16,940.00 |
| Other Operating | 1,910.00 | 1,697.16 | 1,907.28 | 2,235.00 | 2,235.00 | 2,235.00 |
| Interdepartmental | 8,870.70 | 6,517.97 | 3,857.90 | 3,225.00 | 3,197.00 | 3,527.00 |
| TOTAL EXPENDITURES | \$ 614,499.58 | \$ 618,533.53 | \$ 572,330.10 | \$ 592,398.00 | \$ 545,477.00 | \$ 690,462.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 614,499.58 | \$ 618,533.53 | \$ 572,330.10 | \$ 592,398.00 | \$ 545,477.00 | \$ 690,462.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 7550 - PARKS AND FACILITIES TURF MAINTENANCE

The purpose of this activity is to provide turf maintenance, irrigation maintenance and pest control in the parks, at well sites and other City facilities.

PROGRAMS AND FUNCTIONS

To provide a turf culture program for City facilities including mowing, scalping, verticutting, edging, trimming, aerating, fertilizing and overseeding.

To maintain and repair all irrigation systems located on parks and City facilities.

To conduct in-service training programs, safety meetings, emergency response trainings and job skill improvement activities.

To plan for resources allocation including personnel and equipment, maintain records and prepare field reports and studies.

To monitor and assess mowing contract of City parks.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|---------------------|------------------|---------------|------------------|
| Mowing Contract | \$ 40,717 | Turf Supplies | \$ 13,885 |

Changed Conditions:

- Change in Employee Services due to employee reallocation.

Proposed Activities:

- Evaluate the water usage on turf and landscape areas to achieve water conservation through the use of proper equipment and programming.
- Develop an annual turf renovation program including renovation of Mayfair Park Diamond #1 and #3, San Martin Park Diamond #1 and #2, Nye Library and Bloomfield Park Diamond #1 and #2.
- Increase aerification on sports turf grass areas in City parks.
- Renovate turf at Del Valle Park after summer concert series and turf grass at City Hall.
- Renovate one acre of meadow grass at West San Gabriel River Parkway Nature Trail - Phase I.

Productivity Initiatives:

- Continue daily equipment inspections in an effort to further reduce equipment repair costs.
- Use mulching blades on Honda rotary mowers at various locations to help reduce man-hours and greenwaste.
- Evaluate areas where synthetic turf can be used to reduce costs and benefit the landscape.

Performance Measures:

- Maintain 60 irrigation controllers, inspection and maintenance for 150 of the 638 automatic controller valves.

| | <u>Actual 2009-2010</u> | <u>Actual 2010-2011</u> | <u>Actual 2011-2012</u> | <u>Projected 2012-2013</u> | <u>Estimated 2013-2014</u> |
|---|-----------------------------|-----------------------------|-----------------------------|--------------------------------|--------------------------------|
| Number of Parks & Other Facilities Maintained (Acres) | 190 | 190 | 190 | 190 | 190 |
| Number of Turf Renovated (Acres) | 10 | 11 | 9 | 6 | 8.5 |

RECREATION AND CULTURAL SERVICES - 7550 PARKS AND FACILITIES TURF MAINTENANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|---|--|--|---|---|---|
| Employee Services | 380,486.65 | 373,950.31 | 387,180.97 | 426,968.00 | 397,733.00 | 388,568.00 |
| Contract Services | 40,713.12 | 40,713.12 | 40,713.12 | 40,717.00 | 40,717.00 | 40,717.00 |
| Office Expense | 699.80 | 406.77 | 314.05 | 700.00 | 700.00 | 700.00 |
| Meetings Expense | 150.00 | 220.00 | 325.06 | 160.00 | 160.00 | 160.00 |
| Special Department | 14,740.59 | 13,656.23 | 11,474.87 | 13,730.00 | 15,035.00 | 13,730.00 |
| Other Operating | 460.10 | 380.00 | 615.00 | 690.00 | 690.00 | 690.00 |
| TOTAL EXPENDITURES | \$ 437,250.26 | \$ 429,326.43 | \$ 440,623.07 | \$ 482,965.00 | \$ 455,035.00 | \$ 444,565.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1010 General Fund | \$ 437,250.26 | \$ 429,326.43 | \$ 440,623.07 | \$ 482,965.00 | \$ 455,035.00 | \$ 444,565.00 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|

DEPARTMENT/DIVISION 7600 - PARK MAINTENANCE

The purpose of this activity is to provide custodial, grounds and landscape maintenance services for City parks.

PROGRAMS AND FUNCTIONS

To provide janitorial at all park activity buildings, including floor waxing and mopping, window washing and sanitizing of restroom facilities.

To provide regular maintenance of park facilities, including game courts, baseball fields, picnic shelters, and playground equipment.

To provide litter control on parks, weed control in planter beds, pest control, shrubs and trees, and inspection, repair and routine maintenance of irrigation systems.

To plan and schedule park personnel and equipment, maintain records and prepare field reports.

To conduct in-service training programs, safety meetings, emergency response trainings and job skill improvement activities.

To manage custodial and window cleaning contracts at Mayfair Park, Palms Park, the Youth Center, Burns Community Center, City Hall, Monte Verde Park, and Weingart Senior Center.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|---------------------------|-------------------------|
| Vehicle Maintenance | \$ 76,516 | Park Maintenance Supplies | \$ 44,035 |
| Custodial Maintenance | \$ 60,491 | | |

- Changed Conditions:**
- Change in Employee Services due to employee reallocation.
 - Change in Contract Services due to reduction in custodial costs.
 - Change in Facilities Expense due to change in utility costs.

- Proposed Activities:**
- Add infield mix at Bloomfield Park Diamond #1 and San Martin Park.
 - Develop and implement a quarterly facilities inspection program to address maintenance concerns.
 - Design and install decomposed granite walk path on east side of basketball courts at Mayfair Park.
 - Continue use of eco-friendly cleaners and recycled paper products throughout City parks.
 - Increase the number of trash receptacles at parks to accommodate public need.
 - Install manual irrigation system at Boyar Park Diamond #1.
 - Continue installation and maintenance of central irrigation system at Bloomfield Park.

- Productivity Initiatives:**
- Park maintenance workers to assist Public Works with graffiti removal in City parks.
 - Continue preventative ball field and playground maintenance program.
 - Train and equip park maintenance staff to implement irrigation and Weed Abatement Program.
 - Utilize "All Hands" projects to assist with landscape and maintenance projects to improve safety and aesthetics.

- Performance Measures:**
- Review all park facility projects, and work orders and priorities with Public Works Department.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---|---|---|---|--|--|
| Number of Work Orders Generated on Parks and Facilities | 1,200 | 1,200 | 633 | 900 | 900 |
| Number of Park Acres Maintained | 178 | 178 | 178 | 178 | 178 |
| Number of Landscape Plantings by Square Foot | 236,250 | 28,336 | 29,922 | 28,036 | 26,136 |

RECREATION AND CULTURAL SERVICES - 7600 PARK MAINTENANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 1,165,289.22 | 1,311,249.26 | 1,238,864.86 | 1,323,560.00 | 1,313,658.00 | 1,392,591.00 |
| Contract Services | 92,550.56 | 92,480.56 | 92,365.56 | 98,677.00 | 98,677.00 | 62,236.00 |
| Facilities Expense | 698,246.64 | 689,399.27 | 675,644.54 | 689,145.00 | 696,974.00 | 746,140.00 |
| Office Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Meetings Expense | 0.00 | 500.00 | 163.33 | 500.00 | 500.00 | 500.00 |
| Special Department | 42,507.44 | 43,122.75 | 45,063.27 | 49,128.00 | 48,514.00 | 49,128.00 |
| Other Operating | 175.00 | 444.97 | 351.92 | 485.00 | 485.00 | 485.00 |
| Interdepartmental | 80,737.34 | 103,645.82 | 71,807.73 | 69,750.00 | 68,817.00 | 77,530.00 |
| Capital Outlay | 56,572.86 | 0.00 | 0.00 | 2,400.00 | 2,196.00 | 0.00 |
| TOTAL EXPENDITURES | <u>\$ 2,136,079.06</u> | <u>\$ 2,240,842.63</u> | <u>\$ 2,124,261.21</u> | <u>\$ 2,233,645.00</u> | <u>\$ 2,229,821.00</u> | <u>\$ 2,328,610.00</u> |

FUNDING SOURCES

| | | | | | | |
|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1010 General Fund | \$ 2,075,368.72 | \$ 2,179,347.24 | \$ 2,062,534.35 | \$ 2,177,906.00 | \$ 2,165,491.00 | \$ 2,272,824.00 |
| 1710 Prop A-Recreation | \$ 60,710.34 | \$ 61,495.39 | \$ 61,726.86 | \$ 65,484.00 | \$ 64,330.00 | \$ 55,786.00 |

DEPARTMENT/DIVISION 7650/7720/7740 - PARKWAYS AND MEDIANS MAINTENANCE

The purpose of this activity is to provide turf and landscape maintenance and pest control on public parkways and street medians.

PROGRAMS AND FUNCTIONS

To conduct a citywide turf culture program including mowing, scalping, verticutting, edging, trimming, aerating, fertilizing, overseeding and weed control.
To maintain and repair all potable and recycled water irrigation systems located on parkways and street medians.
To conduct in-service training programs, safety meetings, emergency response trainings and job skill improvement activities.
To plan for resources allocation including personnel and equipment, maintain records, and prepare field reports and studies.
To provide landscape maintenance for all parkways and medians.
To monitor the Cerritos Maintenance Agreement for medians on Del Amo Boulevard from Pioneer Boulevard to Bloomfield Avenue.
To monitor and assess landscape/turf maintenance contract on Bloomfield Avenue from Del Amo Boulevard to 215th Street, Pioneer Boulevard from Del Amo Boulevard to Carson Street, Del Amo Boulevard from Palo Verde Avenue to Studebaker Road, and Centralia Street from Norwalk Boulevard to Bloomfield Avenue.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|----------------------------|-------------------------|--------------------------------|-------------------------|
| Vehicle Maintenance | \$ 362,695 | Contract Median Maintenance | \$ 45,499 |
| Utilities | \$ 287,925 | Capital Outlay | \$ 26,112 |
| Maintenance Supplies | \$ 46,900 | Cerritos Maintenance Agreement | \$ 10,692 |

- Changed Conditions:**
- Change in Employee Services due to employee reallocation.
 - Change in Facilities Expense due to change in utilities costs.
 - Change in Interdepartmental due to reallocation of vehicle maintenance costs.
 - Capital Outlay includes purchase of water trailer and two riding mowers.
 - Renovate Lakewood ivy beds to reduce costs and provide alternative landscape.

- Proposed Activities:**
- Evaluate the water usage on parkways and medians to achieve water conservation.
 - Implement soil and tree injections to help control insect pests on city street trees.
 - Environmental Resource Division (ERD) lead worker to attend Pacific Southwest Management School.
 - Evaluate use of synthetic turf on street medians.
 - Monitor and evaluate 1,200 linear feet of recently installed irrigation on Canehill Avenue.

- Productivity Initiatives:**
- Parkway panel de-thatching program will improve the turf on sections of South Street, Del Amo Boulevard, and Candlewood
 - Utilize "All Hands" day to assist the landscape maintenance along major streets and parkways.

- Performance Measures:**
- Maintain 40 irrigation controllers, inspect and maintain 100 of the 400 automatic controller valves, perform citywide repair work, and respond to the irrigation maintenance requests on over 23 miles of panels and parkways.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---|---|---|---|--|--|
| Number of Acres of Turf Renovated | 2 | 2 | 4 | 4 | 4 |
| Number of Irrigation Maintenance Requests | 114 | 88 | 307 | 230 | 255 |
| Number of Bee Removal Requests | 118 | 148 | 175 | 150 | 160 |

RECREATION AND CULTURAL SERVICES - 7650/7720/7740 PARKWAYS AND MEDIAN MAINTENANCE

| DESCRIPTION | FY 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|---|--|--|---|---|---|
| Employee Services | 1,003,086.16 | 448,591.31 | 1,000,008.88 | 1,075,849.00 | 1,042,499.00 | 1,037,852.00 |
| Contract Services | 55,222.24 | 55,222.24 | 55,222.24 | 56,191.00 | 56,191.00 | 56,191.00 |
| Office Expense | 699.39 | 686.72 | 506.29 | 700.00 | 700.00 | 700.00 |
| Meetings Expense | 129.00 | 70.00 | 260.44 | 260.00 | 260.00 | 260.00 |
| Facilities Expense | 210,387.70 | 222,345.54 | 265,817.57 | 266,457.00 | 269,630.00 | 296,020.00 |
| Special Department | 50,716.54 | 50,501.56 | 49,144.91 | 51,330.00 | 52,656.00 | 51,330.00 |
| Other Operating | 830.70 | 1,856.82 | 1,701.26 | 1,990.00 | 1,990.00 | 1,990.00 |
| Interdepartmental | 289,455.75 | 318,684.16 | 299,815.61 | 326,205.00 | 326,205.00 | 367,504.00 |
| Capital Outlay | 0.00 | 0.00 | 10,555.16 | 8,300.00 | 9,681.00 | 26,112.00 |
| TOTAL EXPENDITURES | <u>\$ 1,610,527.48</u> | <u>\$ 1,097,958.35</u> | <u>\$ 1,683,032.36</u> | <u>\$ 1,787,282.00</u> | <u>\$ 1,759,812.00</u> | <u>\$ 1,837,959.00</u> |

FUNDING SOURCES

| | | | | | | |
|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1010 General Fund | \$ 1,610,527.48 | \$ 1,097,958.35 | \$ 1,683,032.36 | \$ 1,755,403.00 | \$ 1,759,812.00 | \$ 1,837,959.00 |
|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|



WATER UTILITY

DEPARTMENT/DIVISION 8000 - WATER UTILITY ADMINISTRATION

The purpose of this activity is to provide the management and administration of the City's Water Resources Department and to work with other agencies to assure reliable, healthful water supplies.

PROGRAMS AND FUNCTIONS

- To monitor other agencies that impact the cost of providing water to customers.
- To monitor laws and respond proactively to proposed and enacted rules, regulations and legislation affecting water operations.
- To manage the completion of water capital improvement projects.
- To monitor water supplies, distribution and maintenance activities.
- To manage utility personnel, and provide ongoing safety and operational training programs.
- To manage computerized inventory control system.
- To provide water awareness and encourage conservation.
- To protect the water system from potential threats.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | | <u>2013-2014</u> |
|-------------------------------------|------------------|-----------|-----------------------------|------------------|
| Depreciation/Amortization | \$ | 1,472,168 | Acquisition of Water Rights | \$ 250,000 |
| Debt Service on Water Revenue Bonds | \$ | 817,394 | Legal Service | \$ 150,000 |

- Changed Conditions:**
- The change in Contract Services reflects implementation of a web-based maintenance and operations program, and service contract for maintenance of the water hydraulic model.
 - The change in Special Department is due to increase in Bond Principal expense.
 - The change in Other Operating is due to the decrease in Interest Expense for Bonds.
 - The change in Facilities Expense will provide for adjustments in depreciation of the water system.

- Proposed Activities:**
- Work with local water utilities and the Water Replenishment District to change the Central Basin Judgment to allow pumpers the right to store water in the groundwater basin.
 - Work with local water agencies to produce a regional water management plan.
 - Encourage water conservation through community outreach programs.
 - Communicate water quality issues through the federally-mandated annual water quality report.
 - Conduct water system operator continuing education classes to meet CA Department of Public Health requirements.
 - Administer capital improvement program for water system improvements.

- Performance Measures:**
- Conduct monthly safety training sessions with department personnel.
 - Conduct quarterly safety inspections of water facilities.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Water Revenue Bond Debt Service | \$ 813,225 | \$ 818,263 | \$ 812,058 | \$ 815,619 | \$ 817,394 |
| Water Conservation Rebates: | | | | | |
| Water Conservation Devices | N/A | 26 | 58 | 50 | 50 |
| Turf Removal Projects | N/A | 0 | 1 | 2 | 5 |
| | | 134 | | | |

WATER RESOURCES DEPARTMENT - 8000 ADMINISTRATION

| DESCRIPTION | 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 198,343.83 | 257,776.00 | 271,843.70 | 287,842.00 | 282,439.00 | 296,885.00 |
| Contract Services | 335,396.01 | 209,955.14 | 181,817.98 | 307,864.00 | 194,276.00 | 337,123.00 |
| Facilities Expense | 1,183,321.57 | 1,323,230.62 | 1,384,874.67 | 1,327,627.00 | 1,323,513.00 | 1,481,168.00 |
| Office Expense | 4,965.10 | 1,894.31 | 1,951.61 | 2,000.00 | 2,000.00 | 2,000.00 |
| Meetings Expense | 2,231.16 | 3,645.85 | 2,404.24 | 6,260.00 | 4,970.00 | 6,260.00 |
| Special Department | 602,020.34 | 634,290.97 | 618,859.46 | 692,669.00 | 673,606.00 | 704,519.00 |
| Other Operating | 297,295.63 | 266,659.16 | 248,374.25 | 206,744.00 | 205,763.00 | 183,769.00 |
| Interdepartmental | 27,771.16 | 30,164.34 | 37,704.93 | 57,331.00 | 42,828.00 | 58,770.00 |
| Capital Outlay | 4,378.33 | 1,909.71 | 2.54 | 251,561.00 | 1,474.00 | 250,000.00 |
| TOTAL EXPENDITURES | \$ 2,655,723.13 | \$ 2,729,526.10 | \$ 2,747,833.38 | \$ 3,139,898.00 | \$ 2,730,869.00 | \$ 3,320,494.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------------------|-----------------|-----------------|------|-----------------|-----------------|-----------------|
| 7000 Water Rev Bond Debt Svc. | \$ 813,225.02 | \$ 813,856.27 | \$ - | \$ 815,619.00 | \$ 815,619.00 | \$ 817,394.00 |
| 7500 Water Utility Fund | \$ 1,760,031.80 | \$ 1,909,027.69 | \$ - | \$ 2,324,279.00 | \$ 1,915,250.00 | \$ 2,503,100.00 |
| 8060 SEWC | \$ 79,017.12 | \$ - | \$ - | \$ - | \$ - | \$ - |

DEPARTMENT/DIVISION 8100/8200/8300/8400/8500 - WATER UTILITY PRODUCTION

The purpose of this activity is to furnish manpower and materials for purchasing, pumping, treating, and storing the City's potable and recycled water supply, and maintain and repair physical facilities for water operations.

PROGRAMS AND FUNCTIONS

To produce water to meet demand, which includes operation and maintenance of 11 water wells, 3 water storage facilities and 1 water treatment plant.

To treat and test water to assure drinking water quality to comply with all State and Federal drinking water standards.

To maintain the City's seven steel water storage tanks and two concrete reservoirs.

To manage the City's water quality through the cross-connection control program.

To manage the City's recycled water supply.

To manage and comply with all non-storm water discharge requirements.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|---------------------------------|------------------|---------------------------------------|------------------|
| Water Replenishment District | \$ 2,527,776 | Hazardous Materials Disposal | \$ 90,000 |
| Pumping Electric Power | \$ 525,000 | Water Analysis | \$ 45,000 |
| Equipment Operation/Maintenance | \$ 255,460 | Vehicle Maintenance | \$ 38,077 |
| Recycled Water Purchase | \$ 254,826 | Central Basin Watermaster Services | \$ 30,500 |
| Water Production Chemicals | \$ 202,550 | Central Basin MWD Availability Charge | \$ 27,360 |

Changed Conditions:

- Other Operating reflects the increase in cost for the groundwater extraction fees paid to the Water Replenishment District and the purchase of 450 acre feet of recycled water through an agreement with City of Cerritos.
- The change in Special Department reflects an increase in chemical costs and costs associated with planned maintenance on various water production facilities.

Proposed Activities:

- Sell approximately 1,100 acre feet of surplus water to Long Beach Water Department, the second year of a 3-year agreement.
- Pump up to 9,432 acre feet of groundwater from the Central Groundwater Basin.
- Monitor water quality through rigorous testing to insure compliance with drinking water standards.

Productivity Initiatives:

- Evaluate water well productivity through an efficiency testing program through Southern California Edison.
- Increase water production productivity by rehabilitating motors and pumps at booster stations and wells.

Performance Measures:

- Insure commercial customers protect the water supply through annual testing of backflow devices and periodic inspections of internal plumbing.
- Test all City-owned backflow prevention devices.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Lakewood Groundwater Production | 8,207 AF | 7,752 AF | 8,060 AF | 8,041 AF | 8,300 AF |
| Long Beach Storage Agreement | 900 AF | 0 AF | 0 AF | 0 AF | 0 AF |
| Long Beach Purchase Agreement | 0 AF | 0 AF | 0 AF | 1,600 AF | 1,100 AF |
| Recycled Water | 444 AF | 439 AF | 473 AF | 440 AF | 450 AF |
| Total Production | 9,551 AF | 8,191 AF | 8,533 AF | 10,081 AF | 9,850 AF |
| Cross Connection Inspection | 19 | 23 | 7 | 50 | 75 |
| Water Quality Inquiries | 198 | 115 | 153 | 163 | 170 |
| Well 27 Treatment Plant Production | N/A | 706 AF | 520 AF | 1,038 AF | 1,100 AF |

WATER RESOURCES DEPARTMENT - 8100/8200/8300/8400/8500 PUMPING OPERATIONS

| DESCRIPTION | 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|--|--|---|---|---|
| Employee Services | 693,514.77 | 729,752.20 | 718,423.55 | 734,160.00 | 718,886.00 | 751,962.00 |
| Contract Services | 93,084.74 | 79,731.87 | 72,308.68 | 107,500.00 | 91,089.00 | 98,050.00 |
| Facilities Expense | 17,424.63 | 21,086.48 | 37,008.33 | 50,140.00 | 47,864.00 | 33,196.00 |
| Office Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Meetings Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Special Department | 275,343.66 | 397,767.47 | 274,353.68 | 592,455.00 | 534,201.00 | 582,720.00 |
| Other Operating | 2,244,293.61 | 2,256,807.85 | 2,627,494.31 | 2,772,662.00 | 2,906,950.00 | 3,307,602.00 |
| Interdepartment | 36,196.99 | 37,642.52 | 32,559.50 | 34,341.00 | 34,246.00 | 38,582.00 |
| Capital Outlay | 9,723.96 | 1,997.85 | 4,470.34 | 25,752.00 | 25,752.00 | 26,800.00 |
| TOTAL EXPENDITURES | <u>\$ 3,369,582.36</u> | <u>\$ 3,524,786.24</u> | <u>\$ 3,766,618.39</u> | <u>\$ 4,317,010.00</u> | <u>\$ 4,358,988.00</u> | <u>\$ 4,838,912.00</u> |

FUNDING SOURCES

| | | | | | | |
|-------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 7500 Water Utility Fund | \$ 3,369,582.36 | \$ 3,524,786.24 | \$ 3,766,618.39 | \$ 4,317,010.00 | \$ 4,358,988.00 | \$ 4,838,912.00 |
|-------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|

DEPARTMENT/DIVISION 8600/8700/8800 - WATER UTILITY DISTRIBUTION

The purpose of this activity is to furnish manpower and materials for metering and distribution of the City's water supply and maintain and repair physical facilities for water delivery.

PROGRAMS AND FUNCTIONS

To maintain and operate the City's water distribution system.

To maintain, repair and install water meters.

To maintain and operate the City's fire hydrants.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|---------------------|------------------|------------------|------------------|
| Capital Equipment | \$ 286,299 | Pipes & Fittings | \$ 77,000 |
| Vehicle Maintenance | \$ 86,655 | Street Repair | \$ 50,000 |

Changed Conditions:

- The change in Special Department reflects an increase in costs associated with the use of lead free fittings.
- The change in Capital Outlay provides for the replacement of three service vehicles, traffic safety equipment, various maintenance equipment, water meters and fire hydrants.

Proposed Activities:

- Install new services for commercial development at Lakewood Center Mall, commercial and residential development in various locations in the service area.
- Improve water quality by continuing the annual main line flushing program, which includes exercising 1,372 valves and operating fire hydrants.
- Continue the Water Main Replacement Program by installing approximately 11,000 linear feet of water mains and replace 3 large valves on large transmission water mains.

Productivity Initiatives:

- Replace 18 valves to insure proper shutdown of main lines during the annual flushing program.

Performance Measures:

- Continue routine fire hydrant upgrade and maintenance program.
- Increase firefighting capabilities by upgrading ten fire hydrants at various locations in the service area.

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|-------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| New Water Meter Installations | 62 | 58 | 37 | 230 | 483 |
| Fire Hydrants Replaced | 9 | 6 | 5 | 10 | 7 |
| Water Main Leaks Repaired | 17 | 15 | 10 | 14 | 15 |
| Valve Maintenance | 3 | 2 | 13 | 17 | 19 |

WATER RESOURCES DEPARTMENT - 8600/8700/8800 WATER UTILITY DISTRIBUTION

| DESCRIPTION | 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|--|--|---|---|---|
| Employee Services | 554,296.76 | 546,047.50 | 585,856.57 | 559,644.00 | 575,396.00 | 573,210.00 |
| Contract Services | 16,494.33 | 13,283.02 | 22,435.74 | 66,800.00 | 54,900.00 | 67,400.00 |
| Facilities Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Office Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Meetings Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Special Department | 37,745.29 | 31,413.38 | 46,796.91 | 73,205.00 | 76,124.00 | 85,717.00 |
| Other Operating | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Interdepartmental | 89,687.04 | 91,579.01 | 75,938.00 | 77,961.00 | 77,937.00 | 87,803.00 |
| Capital Outlay | 26,483.45 | 12,517.54 | 25,875.97 | 59,345.00 | 59,643.00 | 286,599.00 |
| TOTAL EXPENDITURES | \$ 724,706.87 | \$ 694,840.45 | \$ 756,903.19 | \$ 836,955.00 | \$ 844,000.00 | \$ 1,100,729.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| 7500 Water Utility Fund | \$ 724,706.87 | \$ 694,840.45 | \$ 756,903.19 | \$ 836,955.00 | \$ 844,000.00 | \$ 1,100,729.00 |
|-------------------------|---------------|---------------|---------------|---------------|---------------|-----------------|

DEPARTMENT/DIVISION 8900 - WATER UTILITY CUSTOMER SERVICES

The purpose of this activity is to maintain and repair the City's water service lines, read 20,000 water meters six times annually and process customer service requests and complaints.

PROGRAMS AND FUNCTIONS

To read water meters.
To process customer requests and complaints.
To repair water service lines.
To install new services as required.
To replace water service lines on a programmed basis.
To raise or replace water meter boxes on a programmed basis.
To turn on and off services as required.

BUDGET SUMMARY

| | | | |
|----------------------------|-------------------------|-------------------|-------------------------|
| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
| Service Line Supplies | \$ 35,200 | Capital Equipment | \$ 30,750 |

Changed Conditions: - Capital Equipment provides for the purchase of a replacement vehicle for customer service.

Proposed Activities: - Upgrade existing 55-year old galvanized service lines, and replace existing water meter boxes.

Productivity Initiatives:

- Adjust 120 service lines and meter boxes to standard grade.
- Upgrade 45 services with new operating mechanism for easier shut off/turn on and to prevent meter tampering.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|----------------------------------|---|---|---|--|--|
| Service Repairs & Replacements | 73 | 42 | 57 | 59 | 64 |
| Preventative Maintenance Service | 11 | 1 | 1 | 22 | 20 |
| New Service Installation | 7 | 5 | 5 | 10 | 8 |

WATER RESOURCES DEPARTMENT - 8900 WATER UTILITY CUSTOMER SERVICES

| DESCRIPTION | 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|--|--|---|---|---|
| Employee Services | 615,090.25 | 615,090.25 | 655,968.56 | 639,147.00 | 643,127.00 | 633,216.00 |
| Special Department | 40,885.61 | 40,885.61 | 35,329.22 | 38,255.00 | 38,241.00 | 40,305.00 |
| Interdepartmental | 4,349.77 | 4,349.77 | 0.00 | 48.00 | 0.00 | 0.00 |
| Capital Outlay | 219.75 | 219.75 | 576.88 | 750.00 | 750.00 | 30,750.00 |
| TOTAL EXPENDITURES | \$ 660,545.38 | \$ 660,545.38 | \$ 691,874.66 | \$ 678,200.00 | \$ 682,118.00 | \$ 704,271.00 |

FUNDING SOURCES

| | | | | | | |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 7500 Water Utility Fund | \$ 660,545.38 | \$ 660,545.38 | \$ 691,874.66 | \$ 678,200.00 | \$ 682,118.00 | \$ 704,271.00 |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|

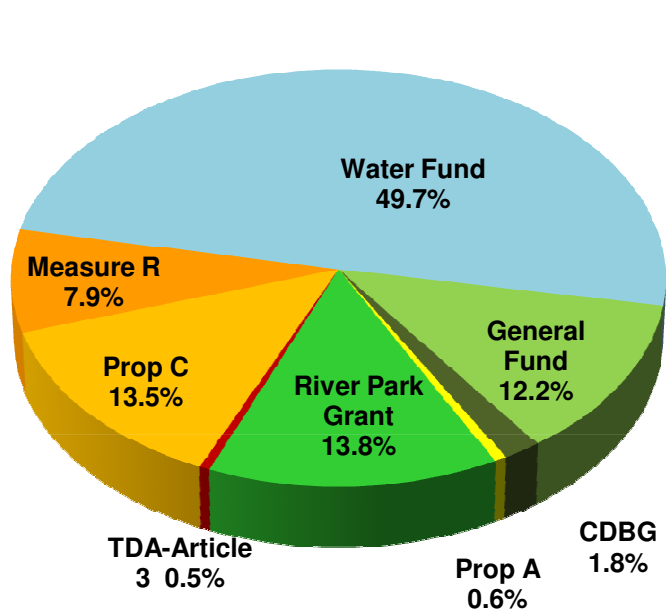


CAPITAL IMPROVEMENTS

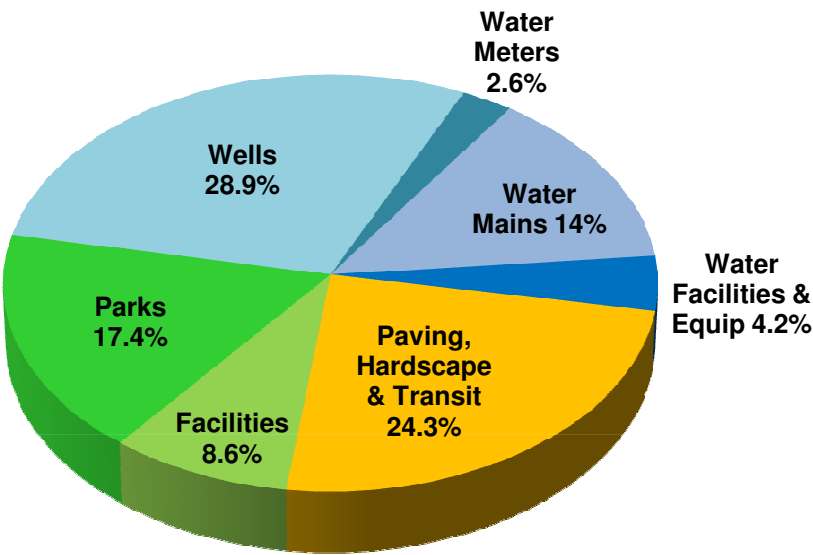


\$10,395,202

SOURCES OF FUNDS



USES OF FUNDS



APPROPRIATION SUMMARY

CAPITAL IMPROVEMENTS

| STREETS & TRANSIT PROJECTS | FISCAL YEAR 2012-2013 | | | FISCAL YEAR 2013-2014 | | |
|--|-----------------------|---------------------|---------------------|-----------------------|---------------------|---------------------|
| | Revised Budget | Projection | Balance | Re-allocated | New Allocation | Adopted Budget |
| 40021 ADA Public Right of Way (TDA-3) | 59,513 | 59,513 | - | - | 50,988 | 50,988 |
| 60009 Pavement - 7 street segments (STPL, Mea. R & Prop C) | 387,189 | 77,461 | 309,728 | - | - | - |
| 60010 Traffic Management System (Measure R) | 9,352 | 7,824 | 1,528 | - | 25,000 | 25,000 |
| 60015 Slotted Cross Gutter (Measure R) | 63,000 | 62,000 | 1,000 | - | - | - |
| 60016 Hardscape (Streets) | 200,000 | 200,000 | - | - | 200,000 | 200,000 |
| 60021 Parking Lot Slurry Seal | - | - | - | - | 50,000 | 50,000 |
| 60021 Local Street/Alley Resurfacing (Measure R) | 2,511,937 | 2,511,443 | 494 | - | 800,000 | 800,000 |
| 60026 Woodruff Ave. Resurfacing (Prop C) | 1,200,000 | - | 1,200,000 | 1,200,000 | - | 1,200,000 |
| 60027 Candlewood Ave. Pavement Maint. (Prop C) | 200,000 | - | 200,000 | 200,000 | - | 200,000 |
| TOTAL STREET & TRANSIT PROJECTS | \$ 4,630,991 | \$ 2,918,241 | \$ 1,712,750 | \$ 1,400,000 | \$ 1,125,988 | \$ 2,525,988 |

APPROPRIATION SUMMARY

CAPITAL IMPROVEMENTS

| STREETS & TRANSIT PROJECTS | FISCAL YEAR 2012-2013 | | | FISCAL YEAR 2013-2014 | | |
|----------------------------|-----------------------|---------------------|---------------------|-----------------------|---------------------|---------------------|
| | Revised Budget | Projection | Balance | Re-allocated | New Allocation | Adopted Budget |
| FUNDING SOURCE | | | | | | |
| General Fund | \$ 200,000 | \$ 200,000 | \$ - | \$ - | \$ 250,000 | 250,000 |
| <u>GRANTS</u> | | | | | | |
| TDA-Article 3 | 59,513 | 59,513 | - | - | 50,988 | 50,988 |
| Prop C | 1,628,902 | 10,500 | 1,618,402 | 1,400,000 | - | 1,400,000 |
| Measure R | 2,675,615 | 2,581,267 | 94,348 | - | 825,000 | 825,000 |
| STPL/TEA-LU | 66,961 | 66,961 | - | - | - | - |
| TOTAL FUNDING SOURCES | \$ 4,630,991 | \$ 2,918,241 | \$ 1,712,750 | \$ 1,400,000 | \$ 1,125,988 | \$ 2,525,988 |

APPROPRIATION SUMMARY

CAPITAL IMPROVEMENTS

| PARKS & FACILITIES PROJECTS | | FISCAL YEAR 2012-2013 | | | FISCAL YEAR 2013-2014 | | |
|-----------------------------|---|-----------------------|---------------------|-------------------|-----------------------|---------------------|---------------------|
| | | Revised Budget | Projection | Balance | Re-allocated | New Allocation | Adopted Budget |
| 40041 | West San Gabriel River Phs III (GF & RPG) | \$ - | \$ 10,625 | \$ (10,625) | (10,625) | \$ 1,686,203 | \$ 1,675,578 |
| 60018 | Park Hardscape | 50,000 | 50,000 | - | - | 50,000 | 50,000 |
| 70001 | Centre: Refurbishments | 298,155 | 101,584 | 196,571 | 196,571 | 103,429 | 300,000 |
| 70005 | Fence Replacement - Parks | 6,819 | 6,819 | - | - | 20,000 | 20,000 |
| 70006 | Fire/Security Systems | 25,000 | 25,000 | - | - | 25,000 | 25,000 |
| 70021 | Nixon Yard Paint Metal Bldg. Roof | - | - | - | - | 30,000 | 30,000 |
| 70022 | Nixon Yard Paint Metal Buildings | - | - | - | - | 10,000 | 10,000 |
| 70025 | Mayfair Pool Renovation | 834,794 | 834,794 | - | - | - | - |
| 70027 | MonteVerde Lodge Plaster Walls | 20,000 | - | 20,000 | - | - | - |
| | | \$ 1,234,768 | \$ 1,028,822 | \$ 205,946 | \$ 185,946 | \$ 1,924,632 | \$ 2,110,578 |

APPROPRIATION SUMMARY

CAPITAL IMPROVEMENTS

| PARKS & FACILITIES PROJECTS | | FISCAL YEAR 2012-2013 | | | FISCAL YEAR 2013-2014 | | |
|-----------------------------|---|-----------------------|-------------------|-------------------|-----------------------|-------------------|-------------------|
| | | Revised Budget | Projection | Balance | Re-allocated | New Allocation | Adopted Budget |
| 70040 | Bloomfield-Outdoor Revitalization (CDBG/GF) | 672,866 | 672,866 | - | - | - | - |
| 70046 | Mayfair Park HVAC, Roof and Ducting | 346,850 | 60,708 | 286,142 | 286,142 | - | 286,142 |
| 70048 | Palms Park IT Cabling | 10,000 | 10,000 | - | - | - | - |
| 70055 | Burns IT Training Room Improvement | 8,000 | 8,000 | - | - | - | - |
| 70056 | Palms Park Electrical Repair | 35,000 | 35,000 | - | - | - | - |
| 70057 | Rynerson Park Electrical Restoration | 35,000 | 26,777 | 8,223 | - | - | - |
| 70058 | Palms Park Facility Improvements-CDBG | - | - | - | - | 185,743 | 185,743 |
| 70059 | Palms Park - DASH Office-Prop A | - | - | - | - | 60,000 | 60,000 |
| 70060 | Mayfair Park Tennis Court | - | - | - | - | 30,000 | 30,000 |
| 70061 | Mayfair Park Parking Lot | - | - | - | - | 30,000 | 30,000 |
| | | \$ 1,107,716 | \$ 813,351 | \$ 294,365 | \$ 286,142 | \$ 305,743 | \$ 591,885 |

APPROPRIATION SUMMARY

CAPITAL IMPROVEMENTS

| PARKS & FACILITIES PROJECTS | FISCAL YEAR 2012-2013 | | | FISCAL YEAR 2013-2014 | | |
|-----------------------------|-----------------------|------------|---------|-----------------------|----------------|----------------|
| | Revised Budget | Projection | Balance | Re-allocated | New Allocation | Adopted Budget |

FUNDING SOURCES

| | | | | | | |
|-----------------------|--------------|--------------|------------|------------|------------|------------|
| General Fund | \$ 1,569,463 | \$ 1,265,723 | \$ 303,740 | \$ 286,142 | \$ 435,000 | \$ 721,142 |
| General Fund - Centre | 298,155 | 101,584 | 196,571 | 196,571 | 103,429 | 300,000 |

GRANTS

| | | | | | | |
|------------------|---------|---------|---|----------|-----------|-----------|
| CDBG | 474,866 | 474,866 | - | - | 185,743 | 185,743 |
| Prop A | - | - | - | - | 60,000 | 60,000 |
| River Park Grant | - | - | - | (10,625) | 1,446,203 | 1,435,578 |

| | | | | | | |
|-----------------------|---------------------|---------------------|-------------------|-------------------|---------------------|---------------------|
| TOTAL FUNDING SOURCES | <u>\$ 2,342,484</u> | <u>\$ 1,842,173</u> | <u>\$ 500,311</u> | <u>\$ 472,088</u> | <u>\$ 2,230,375</u> | <u>\$ 2,702,463</u> |
|-----------------------|---------------------|---------------------|-------------------|-------------------|---------------------|---------------------|

APPROPRIATION SUMMARY

CAPITAL IMPROVEMENTS

| WATER RESOURCES PROJECTS | FISCAL YEAR 2012-2013 | | | FISCAL YEAR 2013-2014 | | |
|---|-----------------------|---------------------|---------------------|-----------------------|---------------------|---------------------|
| | Revised Budget | Projection | Balance | Re-allocated | New Allocation | Adopted Budget |
| 50004 Well #22 Treatment Facility | \$ 2,454,140 | \$ 422,613 | \$ 2,031,527 | \$ 2,031,527 | \$ - | \$ 2,031,527 |
| 50021 Plant #13 Rehabilitation Project | 1,070,266 | 102,288 | 967,978 | 967,978 | - | 967,978 |
| 50023 Water Conservation Demonstration Garden | 226,454 | - | 226,454 | 226,454 | - | 226,454 |
| 50025 SCADA System Replacement | 67,537 | 27,145 | 40,392 | 40,392 | 30,000 | 70,392 |
| 50028 Arbor Yard Solar Array | 239,791 | 106,355 | 133,436 | - | - | - |
| 50029 Water Main Replacement FY 2012-2013 | 1,206,384 | 1,016,808 | 189,576 | - | - | - |
| 50031 Hydraulic Model Update & Calibration | 38,000 | 38,000 | - | - | - | - |
| 50032 Arbor Print/Meter Shop-HVAC/Roof | - | - | - | - | 80,000 | 80,000 |
| 50033 Water Main Replacement Design | - | - | - | - | 400,000 | 400,000 |
| 50034 FY 2014 Water Main Replacement | - | - | - | - | 1,053,600 | 1,053,600 |
| 50035 Meter Rotation Program/Technology | - | - | - | - | 275,000 | 275,000 |
| 50036 Field Data Work Order System | - | - | - | - | 41,800 | 41,800 |
| 50037 Arbor Yard Lighting Projects | 20,000 | - | 20,000 | 20,000 | - | 20,000 |
| TOTAL WATER RESOURCES PROJECTS | \$ 5,444,140 | \$ 1,744,777 | \$ 3,699,363 | \$ 3,286,351 | \$ 1,880,400 | \$ 5,166,751 |
| WATER RESOURCES PROJECT FUNDING | | | | | | |
| Water Operations Fund | 5,444,140 | 1,744,777 | 3,699,363 | 3,286,351 | 1,880,400 | 5,166,751 |
| TOTAL FUNDING SOURCES | \$ 5,444,140 | \$ 1,744,777 | \$ 3,699,363 | \$ 3,286,351 | \$ 1,880,400 | \$ 5,166,751 |

APPROPRIATION SUMMARY

CAPITAL IMPROVEMENTS

| ALL PROJECTS BY FUNDING SOURCE | FISCAL YEAR 2012-2013 | | | FISCAL YEAR 2013-2014 | | |
|--------------------------------|-----------------------|------------|-----------|-----------------------|----------------|----------------|
| | Revised Budget | Projection | Balance | Re-allocated | New Allocation | Adopted Budget |
| General Fund | \$ 1,769,463 | 1,465,723 | 303,740 | \$ 286,142 | 685,000 | 971,142 |
| General Fund - Centre | 298,155 | 101,584 | 196,571 | 196,571 | 103,429 | 300,000 |
| CDBG | 474,866 | 474,866 | - | - | 185,743 | 185,743 |
| TDA-Article 3 | 59,513 | 59,513 | - | - | 50,988 | 50,988 |
| Prop A | - | - | - | - | 60,000 | 60,000 |
| Prop C | 1,628,902 | 10,500 | 1,618,402 | 1,400,000 | - | 1,400,000 |
| STPL/TEA-LU | 66,961 | 66,961 | - | - | - | - |
| Measure R | 2,675,615 | 2,581,267 | 94,348 | - | 825,000 | 825,000 |
| River Park Grant | - | - | - | (10,625) | 1,446,203 | 1,435,578 |
| Water Operations Fund | 5,444,140 | 1,744,777 | 3,699,363 | 3,286,351 | 1,880,400 | 5,166,751 |
| Total Funding Sources | \$ 12,417,615 | 6,505,191 | 5,912,424 | \$ 5,158,439 | 5,236,763 | 10,395,202 |
| | 12,417,615 | 6,505,191 | 5,912,424 | 5,158,439 | 5,236,763 | 10,395,202 |

INTERNAL SERVICE FUNDS

DEPARTMENT/DIVISION 2450 - GRAPHICS AND COPY CENTER

The purpose of this activity is to facilitate the efficient and economical use of the printing function in the production of brochures, flyers, newsletters and forms for all City departments at the lowest possible cost.

PROGRAMS AND FUNCTIONS

To assist City departments with the design and production of electronic and printed publications.

To select proper paper stocks, inks and binding process.

To fill all printing requests from internal customers.

To maintain all printing, binding-related printing equipment and computer systems.

To code and store all City forms in Central Stores and have available upon requests.

To maintain all records of materials and employee costs used for each work order for internal service charge cost accounting.

To maintain records of materials used by the City's main copier.

BUDGET SUMMARY

| | | | |
|----------------------------|-------------------------|------------------|-------------------------|
| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
| Printing Supplies | \$ 49,000 | Equipment Rental | \$ 70,000 |

Changed Conditions:

- New color HP LaserJet printer.
- Upgrade Graphic & Copy Center computer.

Proposed Activities:

- The Graphics and Copy Center will design and compose seven editions of the City newsletter, six editions of the City's utility billing insert, three editions of the City recreation catalog, City recreation brochures and flyers for the parks, regular publications for the City, crime prevention, school safety programs and fundraising materials.
- Anticipate replacement of Legacy equipment.

Productivity Initiatives:

- The Graphics and Copy Center will continue to improve the use of new digital applications in the fiscal year to increase productivity and reduce output over time.

Performance Measures:

| | | | | | |
|----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Projected</u> | <u>Estimated</u> |
| | <u>2009-2010</u> | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> |
| Printing Requests | 1,200 | 1,200 | 1,300 | 1,300 | 1,325 |
| Printing Impressions | 2,000,000 | 2,000,000 | 2,100,000 | 2,100,000 | 2,200,000 |

ADMINISTRATION - 2450 GRAPHICS AND COPY CENTER

| DESCRIPTION | 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 253,056.51 | 258,732.32 | 265,648.92 | 267,733.00 | 264,730.00 | 277,691.00 |
| Contract Services | 70,002.37 | 75,636.43 | 73,341.34 | 78,700.00 | 78,700.00 | 78,700.00 |
| Facilities Expense | 298.08 | 273.31 | 129.71 | 195.00 | 0.00 | 0.00 |
| Office Expense | 0.00 | 0.00 | 0.00 | 9,300.00 | 9,300.00 | 9,300.00 |
| Special Department | 49,408.42 | 49,123.75 | 44,786.92 | 46,750.00 | 45,750.00 | 45,750.00 |
| Capital Outlay | 0.00 | 0.00 | 7,449.38 | 10,000.00 | 7,000.00 | 10,000.00 |
| TOTAL EXPENDITURES | \$ 372,955.38 | \$ 383,765.81 | \$ 391,356.27 | \$ 412,678.00 | \$ 405,480.00 | \$ 421,441.00 |

SUMMARY OF GRAPHICS AND COPY CENTER BY SOURCE OF FUNDS

| | | | | | | | | | | | | |
|----------------------------------|----|------------|----|------------|----|------------|----|------------|----|------------|----|------------|
| 5010 Graphics & Copy Center Fund | \$ | 372,955.38 | \$ | 383,765.81 | \$ | 391,356.27 | \$ | 412,678.00 | \$ | 405,480.00 | \$ | 421,441.00 |
|----------------------------------|----|------------|----|------------|----|------------|----|------------|----|------------|----|------------|

DEPARTMENT/DIVISION 4200 - GEOGRAPHIC INFORMATION SYSTEM

The purpose of this activity is to plan and supervise the implementation of the Geographic Information System (GIS) projects. A GIS is a computer-based tool for mapping and analyzing information. GIS technology integrates common database information with the unique visualization and geographic analysis benefits offered by maps. These abilities distinguish GIS from other information systems and make it a valuable tool for explaining events, predicting outcomes and planning strategies.

PROGRAMS AND FUNCTIONS

To provide GIS products and services, and to coordinate GIS needs for all City departments.

To set priorities for data acquisition and development.

To provide GIS technical support and to inform, advise and assist the departments in the training of staff.

To assure that GIS data is organized in an efficient manner to optimize its use and the effectiveness of the GIS system.

To coordinate and provide City contract service providers with GIS products and services.

To keep City GIS technologies current with industry standards and to plan for future GIS technological developments and implementations.

BUDGET SUMMARY

Significant Detail:

| | <u>2013-2014</u> | | <u>2013-2014</u> |
|-----------------------|------------------|--------------------|------------------|
| Software Maintenance | \$ 15,375 | Aerial Photography | \$ 10,000 |
| Equipment Maintenance | \$ 2,600 | Printing Supplies | \$ 3,000 |

Changed Conditions:

- Various software applications that support the GIS will need to be purchased and/or upgraded.
- Equipment maintenance costs have increased as devices continue to age.

Proposed Activities:

- Prepare data, maps and graphics using the GIS system. Products created by the GIS can be shared with other City employees via the City's computer network, printed out or incorporated into other documents or applications.
- Assist other departments with creation, printing or publishing of GIS data, maps and graphics.
- Continue to provide technical support and training for GIS data, maps and graphics.
- Continue to develop, manage and maintain the City's GIS database.
- Provide graphic art support for other City departments.
- Continue to work with the Los Angeles Regional Imagery Acquisition Consortium (LARIAC) to reduce cost.

Productivity Initiatives:

- Continue to convert antiquated paper map information into GIS databases.
- Provide GIS software training and support to key personnel in all City departments.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
| Number of GIS Services Provided | 7,796 | 6,472 | 5,362 | 5,800 | 5,900 |

COMMUNITY DEVELOPMENT - 4200 GEOGRAPHIC INFORMATION SYSTEM

| DESCRIPTION | 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|--|--|--|---|---|---|
| Employee Services | 52,610.82 | 47,785.64 | 57,749.70 | 59,933.00 | 34,202.00 | 61,491.00 |
| Contract Services | 26,903.69 | 14,093.45 | 25,375.00 | 25,375.00 | 25,000.00 | 25,375.00 |
| Office Expense | 1,881.50 | 2,193.84 | 2,423.16 | 2,600.00 | 2,400.00 | 2,600.00 |
| Meetings Expense | 1,808.25 | 1,977.85 | 2,300.00 | 2,300.00 | 1,200.00 | 2,300.00 |
| Special Department | 4,372.66 | 7,521.35 | 4,187.27 | 5,100.00 | 3,500.00 | 5,100.00 |
| Other Operating | 100.00 | 194.00 | 150.00 | 150.00 | 150.00 | 150.00 |
| TOTAL EXPENDITURES | <u>\$ 87,676.92</u> | <u>\$ 73,766.13</u> | <u>\$ 92,185.13</u> | <u>\$ 95,458.00</u> | <u>\$ 66,452.00</u> | <u>\$ 97,016.00</u> |

SUMMARY OF GEOGRAPHIC INFORMATION SYSTEM BY SOURCE OF FUNDS

| | | | | | | | | | | | | |
|-------------------------------|----|-----------|----|-----------|----|-----------|----|-----------|----|-----------|----|-----------|
| 6020 Geographic Info. Systems | \$ | 87,676.92 | \$ | 73,766.13 | \$ | 92,185.13 | \$ | 95,458.00 | \$ | 66,452.00 | \$ | 97,016.00 |
|-------------------------------|----|-----------|----|-----------|----|-----------|----|-----------|----|-----------|----|-----------|

DEPARTMENT/DIVISION 6900 - FLEET MAINTENANCE

The purpose of this activity is to perform preventive maintenance and repair of all City-owned vehicles, equipment and standby generators.

PROGRAMS AND FUNCTIONS

- To repair vehicles and equipment as required.
- To prepare specifications for new vehicles and equipment.
- To monitor the City's BIT (Biennial Inspection of Terminals) program.
- To operate a preventive maintenance program.
- To train all equipment operators on proper preventive maintenance and operation for assigned equipment.
- To smog test vehicles as required by State law.
- To manage the City's fuel system which consists of gasoline, diesel and compressed natural gas.

BUDGET SUMMARY

| Significant Detail: | <u>2013-2014</u> | | <u>2013-2014</u> |
|--|-------------------------|------------------------|-------------------------|
| Gasoline and Natural Gas | \$ 255,000 | Contract Services | \$ 31,000 |
| Parts and Supplies | \$ 100,000 | Equipment Maintenance | \$ 15,961 |
| Vehicle and Equipment Maintenance Services | \$ 31,700 | Body and Paint Repairs | \$ 15,000 |

- Changed Conditions:**
- Contract Services increased by \$3,000 to assure full maintenance of all vehicle exteriors.
 - Change in Capital Outlay due to proposed replacement of two deteriorated service bodies.
 - Added support agreement for new fuel master system.

- Proposed Activities:**
- Administer vehicle and equipment replacement program.
 - Conduct annual vehicle inspections to comply with state mandated emission standards.
 - Conduct routine preventive maintenance inspection on all equipment.

Performance Measures:

| | <u>Actual</u> <u>2009-2010</u> | <u>Actual</u> <u>2010-2011</u> | <u>Actual</u> <u>2011-2012</u> | <u>Projected</u> <u>2012-2013</u> | <u>Estimated</u> <u>2013-2014</u> |
|---------------------------------------|---|---|---|--|--|
| Preventative Maintenance | 963 | 806 | 1,049 | 1,000 | 1,000 |
| Unscheduled Repairs | 770 | 985 | 1,002 | 1,000 | 1,000 |
| Scheduled Repairs | 1,286 | 1,135 | 1,173 | 1,100 | 1,100 |
| Road Calls | 51 | 38 | 30 | 30 | 30 |
| Vehicle Emission Reports to the State | 23 | 37 | 36 | 34 | 35 |

PUBLIC WORKS - 6900 FLEET MAINTENANCE

| DESCRIPTION | 2009-2010 Actual Expenditures | 2010-2011 Actual Expenditures | 2011-2012 Actual Expenditures | 2012-2013 Revised Budget | 2012-2013 Projected Actual | 2013-2014 Adopted Budget |
|---------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------------|----------------------------------|--------------------------------|
| Employee Services | 421,427.54 | 423,172.18 | 366,110.48 | 357,806.00 | 362,841.00 | 450,301.00 |
| Contract Services | 29,254.55 | 28,894.63 | 26,569.40 | 31,500.00 | 31,500.00 | 34,500.00 |
| Facilities Expense | 71,267.95 | 3,774.92 | 4,665.39 | 5,635.00 | 4,420.00 | 4,640.00 |
| Office Expense | 2,904.66 | 2,027.75 | 2,481.42 | 3,250.00 | 3,250.00 | 3,250.00 |
| Special Department | 348,538.22 | 424,253.00 | 416,040.84 | 431,951.00 | 431,951.00 | 436,851.00 |
| Other Operating | 4,723.25 | 4,198.23 | 3,346.67 | 5,750.00 | 5,750.00 | 5,750.00 |
| Interdepartmental | 20,397.97 | 18,437.35 | 13,279.67 | 15,461.00 | 15,388.00 | 16,906.00 |
| Capital Outlay | 8,453.95 | 9,407.27 | 122,906.13 | 10,000.00 | 144,816.00 | 22,000.00 |
| TOTAL EXPENDITURES | \$ 906,968.09 | \$ 914,165.33 | \$ 955,400.00 | \$ 861,353.00 | \$ 999,916.00 | \$ 974,198.00 |

SUMMARY OF FLEET MAINTENANCE BY SOURCE OF FUNDS

| | | | | | | |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 5030 Fleet Maintenance | \$ 906,968.09 | \$ 914,165.33 | \$ 955,400.00 | \$ 861,353.00 | \$ 865,100.00 | \$ 974,198.00 |
| 3000 AQMD Fund | \$ - | \$ - | \$ - | \$ - | \$ 134,816.00 | \$ - |



POLICIES



CITY OF LAKEWOOD

Fixed Asset Capitalization and Control Policy

PURPOSE

The purpose of this policy is to ensure adequate control and appropriate use of City fixed assets. The procedures are intended to define fixed assets and to establish guidelines for budgeting, financial reporting, logging, inventorying, transferring, depreciating, and disposing of fixed assets.

POLICY

It is the policy of the City of Lakewood that fixed assets be used for appropriate City purposes and be properly accounted for. It is the responsibility of the Administrative Services Department to ensure fixed assets will be tagged, inventoried on a periodic basis, and accounted for by fund and asset category. It is the responsibility of the Department Heads to ensure that proper budgeting and purchasing guidelines are followed and that fixed assets are adequately secured.

OBJECTIVES

The City of Lakewood's fixed asset policy has two (2) objectives:

- (i) Accounting and Financial Reporting - To accurately account for and report fixed assets to the City Council, external reporting agencies, granting agencies, and the public.
- (ii) Safeguarding – To protect its fixed assets from loss or theft.

The Administrative Services Department is responsible for, and has established, systems and procedures through which both objectives are met. The system and procedures are used to

identify, process, control, track, and report City fixed assets.

PROCEDURES

Fixed Asset Capitalization

Accounting and Financial Reporting

In general, all fixed assets, including land, buildings, machinery and equipment, with an acquisition cost of \$5,000 or more, will be subject to accounting and reporting (capitalization). All costs associated with the purchase or construction should be considered, including ancillary costs such as freight and transportation charges, site preparation expenditures, installation charges, professional fees, and legal costs directly attributable to asset acquisition. Specific capitalization requirements are described below.

- The capitalization threshold is applied to individual units of fixed assets. For example, ten desks purchased through a single purchase order each costing \$1,000 will not qualify for capitalization even though the total cost of \$10,000 exceeds the threshold of \$5,000.
- The capitalization threshold will generally not be applied to components of fixed assets. For example, a tractor purchased with several attachments will not be evaluated individually against the capitalization threshold. The entire equipment with components will be treated as a single fixed asset.
- Repair is an expense that keeps the property in good working condition. The cost of the repair does not add to the value or prolong the life of the asset. All repair expenditures are charged to the appropriate department fund.

CITY OF LAKEWOOD

Fixed Asset Capitalization and Control Policy

- Software programs will be regarded as fixed assets subject to capitalization and the cost will be amortized over a useful life of 5 years. Costs associated with software maintenance and customer support are considered expenditures and will not be capitalized.
- Improvements to existing fixed assets will be presumed to extend the useful life of the related fixed asset and, therefore, will be subject to capitalization only if the cost of the improvement meets the \$5,000 threshold. A fixed asset that had an acquisition cost of less than \$5,000, but now exceeds the threshold as a result of the improvement, should be combined with the improvement as a single asset and the total cost (original cost plus the cost of the improvement) will be capitalized over the estimated useful life.
- Capital projects will be capitalized as “construction in progress” until completed. Costs to be capitalized include direct costs, such as labor, materials, and transportation, indirect costs such as engineering and construction management, and ancillary costs such as construction period interest.
- Additions and deletions to the fixed asset inventory records shall be made on a periodic basis. When fixed assets are sold or disposed of, the inventory of Fixed Assets should be relieved of the cost of the asset and the associated accumulated depreciation.
- Department Heads will need to approve a Property Disposition report prior to transfer, auction or disposal of any fixed asset.

Depreciation

Depreciation is computed from the date the fixed asset is placed in service until the end of its useful life.

Depreciation method – straight line

| | |
|-----------------------------|----------|
| Buildings | 50 years |
| Building improvement | 30 years |
| Water and sewer lines | 50 years |
| Roads | 30 years |
| Vehicles | 7 years |
| Office equipment | 7 years |
| Computer equipment/Software | 5 years |
| Other equipment | 7 years |

Control

Safeguarding

The Administrative Services Department is responsible for establishing and maintaining systems and procedures to properly safeguard assets. However, Department Heads are responsible for protecting assets under their control from theft or loss. These assets are described as follows:

- a. The acquisition cost of the fixed asset is equal to or greater than \$5,000.
- b. An asset required to be controlled and separately reported pursuant to grant conditions and other operational or externally imposed. For example, a grant program that has funded the acquisition of a fixed asset may impose a requirement that the fixed asset be tracked and identified as a grant funded asset.

Purchasing and Disposal of Property

Purchasing and disposal of fixed assets will follow the Purchasing Ordinance of the Lakewood Municipal Code.

CITY OF LAKEWOOD

Capital Financing and Debt Management Policy

PURPOSE

Local governments finance capital improvements in many different ways. Current revenues from taxation, fees, fines and forfeitures, grants are used as a sort of "pay-as-you-go" method of improving infrastructure. Contributions from private property developers in connection with new construction are also a way of ensuring public capital improvements. Most important, however, is the use of borrowed funds and these are largely obtained from the sale of securities.

Capital financing and debt issuance involves the commitment of city resources for an extended period of time; public officials must undertake such transactions only after careful planning. Capital Financing and Debt Management Policy provides a framework within which informed borrowing decisions may be made.

The purpose of this policy is to set forth guidelines for the financing of capital expenditures. To enhance creditworthiness and prudent financial management, the City is committed to systematic capital planning and long-term financial planning.

POLICY

It is the policy of the City of Lakewood to use debt financing only for one-time capital improvement projects and unusual equipment purchases. Debt financing, to include general obligation bonds, special assessment bonds, revenue bonds, temporary notes, lease/purchase agreements, and

other City obligations permitted to be issued or incurred under California law, shall only be used to purchase capital assets that will not be acquired from current resources. The useful life of the asset or project shall exceed the payout schedule of any debt the City assumes. This allows for a closer match between those that benefit from the asset and those who pay for it. Debt financing will not be considered for any reoccurring purpose such as operating and maintenance expenditures.

OBJECTIVES

The City of Lakewood's Capital Financing and Debt Management Policy has two (2) objectives:

- (i) To ensure that borrowing is done only when it is appropriate; and
- (ii) To ensure that borrowing is done in the most cost-effective manner possible.

The primary responsibility for making debt-financing recommendations rests with the Director of Administrative Services. Responsibilities include:

- Consider all options for interim financing including short term and inter-fund borrowing, taking into considerations possible federal and state grants and/or reimbursements;
- Effects of the proposed actions on local tax rates, fees, and user charges;
- Trends in the bond market structures;
- Trends in interest rates; and
- Other factors deemed appropriate.

CITY OF LAKEWOOD

Capital Financing and Debt Management Policy

PROCEDURES

A. Capital Financing

1. The City will consider the use of debt financing only for one-time capital improvement projects and only under the following circumstances:
 - a. When the projects useful life will exceed the term of the financing.
 - b. When project revenues or specific resources will be sufficient to service the long term debt.
2. The City will use the following criteria to evaluate pay-as-you-go versus long-term financing in funding capital improvements:

Factors Favoring Pay-As-You-Go Financing

- a. Current revenues and adequate fund balances are available or project phasing can be accomplished.
- b. Existing debt levels adversely affect the City's credit rating.
- c. Market conditions are unstable or present difficulties in marketing.

Factors Favoring Long Term Financing

- a. Revenues available for debt service are deemed sufficient and reliable so that long-term financings can be marketed with investment grade credit ratings.
- b. The project securing the financing is of the type, which will support an investment grade credit rating.
- c. Market conditions present favorable interest rates and demand for City financings.
- d. A project is mandated by state and federal requirements, and resources are insufficient or unavailable.
- e. The project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.
- f. The life of the project or asset to be financed is 10 years or longer.

B. Debt Management

1. The City will not obligate the General Fund to secure long-term financings except when marketability can be significantly enhanced.
2. An internal feasibility analysis will be prepared for each long-term financing which analyzes the impact on current and future budgets for debt service and operations. This analysis will also address the reliability of revenues to support debt service.

CITY OF LAKEWOOD

Capital Financing and Debt Management Policy

3. The City will generally conduct financings on a competitive basis. However, negotiated financing may be used due to market volatility or the used of an unusual or complex financing or security structure.
4. The City will seek an investment grade rating (Baa/BBB or greater) on any direct debt and will seek credit enhancements such as letters of credit or insurance when necessary for marketing purposes, availability and cost-effectiveness.
5. The City will monitor all forms of debt annually coincident with the City's Financial Plan preparation and review process and report concerns and remedies, if needed, to the Council.
6. The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
7. The City will maintain good, ongoing communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement).

C. Debt Capacity

1. **General Purpose Debt Capacity.** The City will carefully monitor its levels of general purpose debt. Because our general purpose debt capacity is limited, it is important that we only use general purpose debt financing for high-priority projects where we cannot reasonable use other financing methods for two key reasons:

- a. Funds borrowed for a project today are not available to fund other projects tomorrow.
- b. Funds committed for debt repayment today are not available to fund operations in the future.

2. **Enterprise Fund Debt Capacity.** The City will set enterprise fund rates at levels needed to fully cover debt service requirements as well as operations, maintenance, administration and capital improvement costs. The ability to afford new debt for enterprise operations will be evaluated as an integral part of the City's rate review and setting process.

D. Independent Disclosure Counsel

The following criteria will be used on a case-by-case basis in determining whether the City should retain the services of an independent disclosure counsel in conjunction with specific project financings:

1. The City will generally not retain the services of an independent disclosure counsel when all of the following circumstances are present:
 - a. The revenue source for repayment is under the management or control of the City, such as general obligation bonds, revenue bonds, lease-revenue bonds or certificates of participation.
 - b. The bonds will be rated or insured.

CITY OF LAKEWOOD

Capital Financing and Debt Management Policy

2. The City will consider retaining the services of an independent disclosure counsel when one or more of following circumstances are present:
 - a. The financing will be negotiated and the underwriter has not separately engaged an underwriter's counsel for disclosure purposes.
 - b. The revenue source for repayment is not under the management or control of the City, such as land-based assessment districts, tax allocation bonds or conduit financings.
 - c. The bonds will not be rated or insured.
 - d. The City's financial advisor, bond counsel or underwriter recommends that the City retain an independent disclosure counsel based on the circumstances of the financing.
 - e. The City wants to reduce the principal outstanding in order to achieve future debt service savings, and it has available working capital to do so from other resources.
2. ***Standards for Economic Savings.*** In general, refinancing for economic savings will be undertaken whenever net present value savings of at least five percent (5%) of the refunded debt can be achieved.
 - a. Refinancings that produce net present value savings of less than five percent will be considered on a case-by-case basis, provided that the present value savings are at least three percent (3%) of the refunded debt.
 - b. Refinancing with saving of less than three percent (3%), or with negative savings, will not be considered unless there is a compelling public policy objective.

E. Refinancings

1. ***General Guidelines.*** Periodic reviews of all outstanding debt will be undertaken to determine refinancing opportunities. Refinancings will be considered (within federal tax law constraints) under the following conditions:
 - a. There is a net economic benefit.
 - b. It is needed to modernize covenants that are adversely affecting the City's financial position or operations.

CITY OF LAKEWOOD SUCCESSOR HOUSING AGENCY Investment Policy

I. Scope

This policy applies to the investment of the City of Lakewood's ("City") applies to all funds accounted for in the annual budget. Funds of the City will be invested in compliance with the provisions of, but not necessarily limited to California Government Code Section 53601 et sec and other applicable statutes. Investments will be in accordance with these policies and written administrative procedures. This policy does not regulate the investment of bond proceeds.

II. Objectives

The objectives, in priority order, of the City of Lakewood's investment activities shall be:

Safety

Safety of principal is the primary and most important objective of the investment program. Investments of the City will be made in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will endeavor to mitigate credit and market risk.

Liquidity

The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated. This will be achieved through maturity diversification and purchases of securities with an established secondary market.

Yield

The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints, liquidity needs, and cash flow characteristics of the portfolio. Return on investment is of

secondary importance compared to the safety and liquidity objectives described above.

III. Standards of Care

Prudence

The City of Lakewood adheres to the guidance provided by the "prudent investor" standard (CA 53600.3) to insure that:

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with 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 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 agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

This standard of prudence is to be used by all investment staff and will be applied in the context of managing an overall portfolio.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal

CITY OF LAKEWOOD SUCCESSOR HOUSING AGENCY Investment Policy

financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

Delegation of Authority

The authority to invest City funds rests with the Administrative Services Director and his designated staff, herein referred to as investment staff. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established. The Administrative Services Director shall be responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinate officials.

The City may delegate its investment decision making and execution authority to an investment advisor. The advisor shall follow the policy and such other written instructions as are provided.

IV. Authorized and Suitable Investments

Surplus funds of local agencies may only be invested in certain eligible securities as listed below. The investment strategy for the City of Lakewood is to administer an operational portfolio. A definition of an operational portfolio is to have adequate funds available at all times to meet appropriated and projected cash flow requirements for the City of Lakewood.

The City of Lakewood does **NOT** purchase or sell securities on **MARGIN**.

1. *U.S. Treasury Obligations.* United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no portfolio percentage limits for U.S. Treasury obligations.

2. *U.S. Government Agency Issues.* 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. There are no portfolio percentage limits for U.S. Government Agency obligations.

3. *Municipal Investments.* Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California. Obligations are required to be rated in one of the two highest categories by a nationally recognized statistical rating organization (NRSRO). There are no portfolio percentage limits for municipal obligations.

4. *Negotiable Certificates of Deposit.* Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank. Eligible negotiable certificates of deposit shall be rated in category "AA" or its equivalent or better by a NRSRO. No more than 30% of the City's portfolio may be invested in negotiable certificates of deposit and no more than 10% may

CITY OF LAKEWOOD SUCCESSOR HOUSING AGENCY Investment Policy

be invested with a single issuer.

5. *Time Deposits/Time Certificates of Deposit (CDs).* Time Deposits/Time Certificates of Deposit (CDs) placed with commercial banks and savings and loans. Time certificates of deposit shall meet the conditions in either paragraph (a) or paragraph (b) below:

(a) Time certificates of deposit shall meet the requirements for deposit under Government Code Section 53635 et. seq. The Administrative Services Director, for deposits up to the current FDIC insurance limit, may waive collateral requirements if the institution insures its deposits with the Federal Deposit Insurance Corporation (FDIC). The City shall have a signed agreement with the depository per California Government Code (Hereafter Code) 53649.

(b) Fully insured time certificates of deposit placed through a deposit placement service shall meet the requirements under Code Section 53601.8.

There is no portfolio percentage limit for Time Deposits/Time Certificates of Deposit (CDs). The maximum maturity shall be limited to one year.

6. *Money Market Funds.* Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. See. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision, these companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations; or (2) retain an investment advisor registered or exempt from registration with the

Securities and Exchange commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). A maximum of 20% of the City's portfolio may be invested in money market funds.

The purchase price of shares shall not exceed 20 % of the City's surplus money nor include any commission charged by the fund. No more than 10% of the City's portfolio may be invested in any one fund.

7. *Government Pools.* Shares of beneficial interest issued by a joint powers authority (6509.7) that invests in securities authorized by Section 53601 of the California Government Code. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

(a) The adviser is registered or exempt from registration with the Securities and Exchange Commission.

(b) The adviser has not less than five years of experience investing in the securities and obligations authorized in California Government Code section subdivisions (a) to (n), inclusive.

(c) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

There is no portfolio percentage limit for Government Pool holdings.

CITY OF LAKEWOOD SUCCESSOR HOUSING AGENCY Investment Policy

8. *State of California's Local Agency Investment Fund.* Investment in LAIF may not exceed the current LAIF limit and should be reviewed periodically.

9. *Los Angeles County Pool.* Investment in the Los Angeles County Pool may not exceed the current pool limits and should be reviewed periodically.

10. *Commercial paper.* Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (a) or paragraph (b):

(a) The entity meets the following criteria:

- (i) Is organized and operating in the United States as a general corporation.
- (ii) Has total assets in excess of five hundred million dollars (\$500,000,000).
- (iii) Has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.

(b) The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.

Purchases of eligible commercial paper may not exceed 25% of the City's portfolio, 270 days maturity nor represent more

than 10% of the outstanding paper of an issuing corporation. Additionally, no more than 10% of the City's funds may be invested with a single issuer.

11. *Corporate Notes.* Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States, or any state and operating within the United States. Medium-term corporate notes shall be rated in a rating category of "A" or its equivalent or better by a NRSRO. Purchase of medium-term notes may not exceed 30% of the City's investment Portfolio. No more than 10% of the City's total investment portfolio may be invested in the debt of any one corporation.

V. Ineligible Investments

Any security type or structure not specifically approved by this policy is hereby prohibited; these include, but are not restricted to, the following:

(a) "Complex" derivative securities such as range notes, dual index notes, inverse floating-rate notes, leveraged or deleveraged floating-rate notes, or any other complex variable-rate or structured note.

(b) Interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.

(c) Financial Futures and Financial Options also known as forward contracts for securities.

CITY OF LAKEWOOD SUCCESSOR HOUSING AGENCY Investment Policy

VI. Investment Parameters

Diversification. The City's investments shall be diversified by:

- Limiting investments to avoid over concentration in securities from a specific issuer or sector.
- Limiting investment in securities that have higher credit risks.
- Investing in securities with varying maturities.
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools or money market funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Maximum Maturities. To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless stated otherwise in Section IV of this Policy or approval made by the City's executive body, the maximum maturity of the City's eligible investments will not exceed five years.

Sale of Securities. The City does not make investments for the purpose of trading or speculation, but buys with the prevalent intent to hold securities to maturity. The prohibition of speculative investment precludes pursuit of profit through unusual risk or conjectural fluctuations in market prices. However, fluctuations in market rates or changes in credit quality may produce situations where securities may be sold at a nominal loss in order to mitigate further erosion of principal or to reinvest proceeds of sale in securities that will out-perform the original investment.

VII. Depository Services

Legal Constraints

Money must be deposited in state or national banks, state or federal savings associations, or state or federal credit unions in the state. It may be in inactive deposits, active deposits or interest-bearing active deposits. The deposits cannot exceed the amount of the bank's or savings and loan's paid up capital and surplus.

The bank or savings and loan must secure the active and inactive deposits with eligible securities having a market value of 110% of the total amount of the deposits. State law also allows, as an eligible security, first trust deeds having a value of 150% of the total amount of the deposits. A third class of collateral is letters of credit drawn on the Federal Home Loan Bank (FHLB). As a matter of policy, the City does not accept 150% collateral in first trust deeds or 105% Letters of Credit drawn on the FHLB, even though the state statutes allow municipalities to accept them.

The treasurer may at his discretion waive security for that portion of a deposit which is insured pursuant to federal law. Currently, the first \$250,000 of a deposit is federally insured. It is to the City's advantage to waive this collateral requirement for the first \$250,000 because we receive a higher interest rate. If funds are to be collateralized, the collateral we accept is 110% of the deposit in government securities.

Depository Services

CITY OF LAKEWOOD SUCCESSOR HOUSING AGENCY Investment Policy

Active deposits are demand or checking accounts which receive revenues and pay disbursements. The City of Lakewood has three demand accounts:

General checking account
Payroll checking account
Redevelopment Agency bond proceeds checking account

Interest-bearing active deposits are money market accounts at a financial institution (i.e., bank, savings and loan, credit union). These accounts are demand accounts (i.e., checking accounts) with restricted transaction activity. The City of Lakewood has one account of this nature for the Lakewood Redevelopment Agency.

Inactive deposits are Certificates of Deposit issued in any amount for periods of time as short as 14 days and as long as several years. Interest must be calculated on a 360-day basis, actual number of days. At any given time, the City may have certificates of deposit in 30 or 40 financial institutions. As a matter of policy, we do not invest in CD's for longer than one year.

We require that each financial institution submit current financial statements which are evaluated by staff prior to the investment of funds. We use the following criteria:

- The institution must have been in business at least three years.
- The institution must submit audited financial statements.

- The institution must have assets of at least \$50 million and a net worth to liability ratio of 3.5 to 1. For calculations, net worth does not include subordinated debt and Reserves for Allowance for Loan Losses.
- City investments of less than 180 days to maturity can use a net worth to asset ratio of 3 to 1.
- Investments in Credit Unions require an Equity (net worth) to Asset Value of 5.0%. The loan balance to share draft ratio is compared to industry standards, but should not exceed 90%. The City may invest funds for a period up to 120 days in institutions with a Regular Reserve to Loan Balance ratio of at least 3.25%. For longer periods of time, the ratio must be at least 4.0%.
- In addition, examination is made of the Reserve for Loan Losses category to evaluate the financial trend of the institution's asset base. Comparison is made of institution ratio values to the industry averages.

Under deposits, if data is available, we track the ratio of \$100,000 certificates of deposit (brokered money) to the total deposit base. A percent greater than 50% is an area of concern.

Whenever possible, the use of several years' financial data is evaluated to present a trend of activity in the institution.

We also require that interest be paid to the City on a monthly basis (current state law only requires quarterly payment). We do not place more than \$100,000 in a savings and loan, small bank, or credit union.

VIII. Safekeeping and Custody

CITY OF LAKEWOOD SUCCESSOR HOUSING AGENCY Investment Policy

Delivery vs. Payment

All investment transactions will be executed on a delivery versus payment basis. Securities will be held in safekeeping by a third party custodian designated by the City. The custodian will be required to provide timely (written or on-line) confirmation of receipt and monthly position and transaction reports.

IX. Reporting Requirements

Monthly Reporting

The Administrative Services Director will provide to the City Council monthly investment reports that provide a detailed summary of transactions in the City's portfolio.

Quarterly Reporting

The Administrative Services Director will provide to the City Council quarterly investment reports which provide a detailed summary of the status of the investment program. The quarterly report will contain the following:

- The type of investment, issuer, and date of maturity par and dollar amount invested on all securities, investments and moneys held by the local agency.
- A description of any of the local agency's funds, investments, or programs that are under the management of contracted parties, including lending programs.
- A current market value as of the date of the report and the source of this same valuation for all securities held by the local agency, and under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund.

- A statement of compliance with the Government Code and this policy.
- A statement denoting the ability of the local agency to meet its pool's expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.

X. Performance Standards

The City's portfolios are managed with the objective of obtaining a market rate of return, commensurate with identified risk constraints and cash flow characteristics. Because the composition of the portfolio fluctuates, depending on market and credit conditions, various indices will be used to monitor performance.

XI. Investment Advisor Review

The performance of the city's investment advisor and investment advisory firm shall be reviewed annually based on the following criteria:

- Understanding of the city's overall investment program and the investment objectives and constraints unique to the city, and approach to management of the city's portfolio.
- Experience, resources, and qualifications of the firm and individuals assigned to this account.
- Experience of the firm in managing state/local/district government reserve funds.

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- Performance of the managed portion of the city's portfolio.
- Reporting methodology and additional investment of financial services offered or available through affiliation.
- Fees, relative to services.

XII. Policy Considerations

This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individual(s) charged with maintaining internal controls.

CITY OF LAKEWOOD

Governmental Fund Balance Policy

Fund balance refers to the difference between assets and liabilities in the city's governmental funds balance sheet. This information is one of the most widely used elements of state and local government financial statements. Financial statement users examine fund balance information to identify the available liquid resources that can be used to repay long-term debt, add new programs, finance capital improvements, or enhance the financial position of the city.

PURPOSE

The purpose of this policy is to improve financial reporting by establishing fund balance classifications that create a hierarchy based on the extent to which the City is bound to observe spending constraints that govern how the City can use amounts reported in the governmental fund balance sheet. This policy satisfies the requirements of GASB Statement No. 54.

POLICY

It is the policy of the City of Lakewood to identify the various classifications of the City's governmental fund balance in its Comprehensive Annual Financial Report (CAFR). These classifications take into consideration the City's long-term infrastructure needs, non-current liabilities, stabilization funds, funds necessary to mitigate economic uncertainties, funding that has spending constraints such as grants, and fixed assets that will not easily convert to cash. The fund balance is a tool the City uses to have an effective long-term financial plan, as well to ensure sufficient liquidity for the City meets its financial obligations in the short-term.

OBJECTIVES

The City of Lakewood's Fund Balance Policy has two (2) objectives:

- (i) To determine the available liquid resources; and**
- (ii) To provide the information necessary to make informed financial decisions.**

The classifications of the City's governmental fund balance are designed to clarify the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent, rather than to simply represent the financial resources available for appropriation.

OVERVIEW

Governmental funds represent one of three categories of funds; the other two categories are proprietary funds (water enterprise fund, and fleet and print-shop internal service funds), and fiduciary funds (pension funds held in trust).

Governmental funds are used to account for activities primarily supported by taxes, fees, grants, and bond proceeds.

Governmental funds are further classified into five fund types: General Fund, the chief operating fund of the City; Special Revenue Funds, which account for funds legally restricted for a specific use; Debt Service Fund; Capital Projects Fund; and Permanent Funds for endowment arrangements.

CITY OF LAKEWOOD

Governmental Fund Balance Policy

Governmental funds are designed to focus on the near-term. To do this, governmental funds present only the subset of the City's assets that are considered the City's current financial resources, and the corresponding sub-set of liabilities that is expected to be liquidated with those current financial resources, resulting in a method to assess the City's financial liquidity. Because governmental funds report only a subset of assets and liabilities, the difference between the two, or fund balance, is a measure of working capital – not of net worth.

The fund balance is only an approximate measure of liquidity or working capital. It is this discrepancy of measuring working capital that requires the City to recognize what makes-up the fund balance and isolate funds that are needed for longer-term obligations, discern what funds are restricted for specified purposes, and pull-out funds that are not available at all. To accomplish this, the City's financial statements for governmental funds are comprised of five (5) fund balance classifications:

- (i) Nonspendable Funds**
- (ii) Restricted Funds**
- (iii) Committed Funds**
- (iv) Assigned Funds**
- (v) Unassigned Funds**

NONSPENDABLE & RESTRICTED FUND BALANCE

The first two classifications are subject to requirements outside the local governing body's control for financial

decision-making and planning purposes; Nonspendable resources are essentially irrelevant, and Restricted resources are of no discretionary value. Accordingly, this policy will just briefly describe Nonspendable and Restricted funds in this Section.

Nonspendable Funds

Some of the assets that are included in determining the City's fund balance are inherently nonspendable:

- Assets that will never convert to cash, such as prepaid items and inventories.
- Assets that will not convert to cash within sixty (60) days from the start of the fiscal year, such as long-term loans receivable, and non-financial assets held for resale.
- Assets that must be maintained intact pursuant to legal or contractual requirements, such as an endowment.

Restricted Funds

Restricted funds describe the portion of the fund balance that is subject to externally enforceable legal restrictions, these restrictions fall into three (3) categories:

- (i) Restrictions are imposed by parties altogether outside the scope of the City's governance:
 - Creditors (typically through a debt covenant)
 - Grantors (typically state, federal and other governmental agencies)

CITY OF LAKEWOOD

Governmental Fund Balance Policy

- Contributors
- Other governments.

(ii) Restrictions that arise when the authorization to raise revenues is conditioned upon the revenue being used for a particular purpose, such as:

- Gas taxes must be used for street repair
- Prop C must be used for fixed transit routes
- Prop A must be used for transit programs
- Measure R must be used for local street repair

(iii) Long-term loans receivable and non-financial assets that are collected can also be considered Restricted if the collected funds are subject to an externally enforceable restriction on how they can be spent.

PROCEDURES

This Section provides a comprehensive protocol on what is legally deemed the unrestricted portion of the fund balance, and the order in which the classifications are spent.

The unrestricted portion of the fund balance is comprised of the City's fund balance or resources that are classified as Committed Funds, Assigned Funds, or Unassigned Funds.

UNRESTRICTED FUND BALANCE

Committed Funds

Committed funds describe the portion of the fund balance that is constrained by limitations imposed by the Lakewood City Council and/or the Lakewood Redevelopment Agency.

The Council and/or Agency imposed limitation must occur no later than the close of the reporting period and remains binding unless removed under the same manner.

Types of commitments:

- Self Insurance
- Pension Obligations
- Refuse Stabilization
- Economic Uncertainties
- Capital Projects

Self Insurance

Since 1998, \$4 million has been held in reserve in the General Fund for self Insurance. These funds are held to cover liability and worker's compensation expenses that are in excess of the costs covered by the California Joint Powers Insurance Authority, CJPIA. The CJPIA has historically covered all costs for the city, so the use of these funds is rare and would only be used for very large unpredictable claims. Periodic review of this amount is required to ensure adequate funds are available.

Pension Obligations

Pension obligations include: CalPERS, California Public Employees' Retirement System; OPEB, other post-employment benefits (retiree health benefit); and PARS, Public Agency Retirement Services.

Every year CalPERS provides an Annual Valuation Report. This report specifies the employer contribution rate for both 'normal cost' and amortized costs, and unfunded liability. Using a weighted amortized cost rate, the unfunded liability attributed to amortized cost is computed. This computed

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Governmental Fund Balance Policy

amount is then held as a Committed fund balance in the General Fund.

The funds necessary to cover OPEB obligations is determined by a biennial actuarial as of June 30 every odd year. This actuarial computes the unfunded accrued liability, this amount is then transferred into the OPEB Trust. On even years, City staff computes the estimated OPEB unfunded liability using the assumptions presented in the prior year's actuarial. This amount is held in the General Fund as a Committed Fund Balance to be paid to the Trust in the following year per the actuarial.

The PARS plan also has a biennial actuarial as of June 30 every odd year. The actuarial provides the PARS 'normal rate' and the unfunded actuarial liability rate. Using a weighted unfunded actuarial liability rate, the unfunded liability cost is computed, which is then held as a Committed fund balance in the General Fund. The PARS unfunded actuarial liability and Committed fund balance are reduced each year resulting in full funding by 2025.

Refuse Stabilization

The refuse stabilization funds of \$1,964,966 were built up over a period of years using the Long Beach SERRF rebates. In Fiscal Year 2010, the rebate program ceased. The rate stabilization funds were set aside to offset sharp increases in cost due to the implementation of a new refuse related program, or offset large annual increases (greater than 10%), or unexpected increases within the fiscal year (greater than 3%) in refuse collection or disposal. New programs and rate increase of ten percent or greater is unusual, and rate increases mid-year even more so; the use

of these funds to offset rate increases would be rarely used and would only provide a bridge to the new higher rate.

Economic Uncertainties

The amount for economic uncertainties is computed as 20% of the General Fund's annual operating expenditures. These funds are held to offset major or unexpected reductions in revenue. Reduction in revenue equal to or greater than 10% would trigger the use of these funds to support core city services. The city has yet to experience a ten percent drop in revenues; the use of these funds is rare.

Capital Projects

The amount for discrete contracts and purchases is limited to the required continuing appropriations or encumbrances for contracts or purchases that required Council approval. These contracts and purchases are discrete in that they are one-time in nature.

Assigned Funds

Assigned funds describe the portion of the fund balance that reflects the intended use of resources by the Lakewood City Council and/or the Lakewood Redevelopment Agency. The amounts set aside for an intended use can be assigned by the City Manager.

Types of Assigned Funds:

- Infrastructure and Structures
- Equipment Replacement
- Contract Services in Case of Emergency

Infrastructures and Structures

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These Assigned funds are set aside to for major emergency or unexpected necessary repairs of the City's streets, hard-scape, facilities, communication and technology systems, or other owned City property. The Assigned amount is the value of the assets before depreciation divided by thirty, which corresponds to the CAFR thirty-year depreciation schedule.

Equipment Replacement

These Assigned funds are set aside to for emergency or unexpected replacement of the City's vehicles or equipment. The Assigned amount is the value of the assets before depreciation divided by seven, which corresponds to the CAFR seven-year depreciation schedule.

Contract Services in Case of Emergency

These Assigned funds are set aside to for contract services necessary to deal with an emergency or unexpected event. The Assigned amount is equivalent to the current one-month costs of the top eight contract services, and one-month lease from the Lakewood Stables.

Unassigned Funds

The General Fund often will have net resources in excess of what is classified in one of the four previous categories. This amount is presented as the unassigned fund balance. Only the general Fund can report a positive unassigned fund balance; however, all governmental funds can report a negative unassigned fund balance.

Use of Resources

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, the order of allocation of these available funds is first restricted, second committed, third assigned, and lastly unassigned amounts.

SUMMARY

Components of the Fund Balance

Nonspendable Fund Balance

- Inherently nonspendable
- Portion of net resources that cannot be spent because of their form
- Portion of net resources that cannot be spent because they must be maintained intact

Restricted Fund Balance

- Externally enforceable limits on use
- Limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments
- Limitations imposed by law through constitutional provisions or enabling legislation

Committed Fund Balance

- Council/Agency Self-imposed Limitations set in place prior to the end of the fiscal year
- Limitation imposed at highest level of decision making that requires formal action at the same level to remove

Assigned Fund Balance

- Limitation resulting from intended use

CITY OF LAKEWOOD

Governmental Fund Balance Policy

- Intended use established by the City Manager

Unassigned Fund Balance

- Total fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance (surplus)
- Excess of nonspendable, restricted, and committed fund balance over total fund balance (deficit)

Use of Fund Balance

- Restricted
- Committed
- Assigned

GLOSSARY

State and local governments use three broad categories of funds: *governmental* funds, *proprietary* funds and *fiduciary* funds.

Governmental funds include the following.

- *General* fund. This fund is used to account for general operations and activities not requiring the use of other funds.
- *Special revenue* funds are required to account for the use of revenue earmarked by law for a particular purpose. State and federal fuel tax revenues require special revenue funds, because federal and state laws restrict these taxes to transportation uses.
- *Capital projects* funds are used to account for the construction or acquisition of fixed assets such as buildings, equipment and roads. Depending on its use, a fixed asset may instead be financed by a

special revenue fund or a proprietary fund. A capital project fund exists only until completion of the project. Fixed assets acquired and long-term debts incurred by a capital project are assigned to the government's *General Fixed Assets* and *Long-Term Debts*.

- *Debt service* funds are used to account for money that will be used to pay the interest and principal of long-term debts. Bonds used by a government to finance major construction projects, to be paid by tax levies over a period of years, require a debt service fund to account for their repayment.

The debts of special assessment and proprietary funds are serviced within those funds, rather than by a separate debt service fund.

- *Special assessment* funds account for public infrastructure improvements financed by special levies against property holders. Sidewalk and alley repairs often rely on special assessments.

Proprietary funds include the following.

- *Internal service* funds are used for operations serving other funds or departments within a government on a cost-reimbursement basis. A printing shop, which takes orders for booklets and forms from other offices and is reimbursed for the cost of each order, would be a suitable application for an internal service fund.
- *Enterprise* funds are used for services provided to the public on a user charge basis, similar to the operation

CITY OF LAKEWOOD Governmental Fund Balance Policy

of a commercial enterprise. Water and sewage utilities are common examples of government enterprises.

Fiduciary funds are used to account for assets held in trust by the government for the benefit of individuals or other entities. The employee pension fund, created by the State of Maryland to provide retirement benefits for its employees, is an example of a fiduciary fund. Financial statements may further distinguish fiduciary funds as either *trust* or *agency* funds; a trust fund generally exists for a longer period of time than an agency fund.

