AGENDA
CITY OF RANCHO PALOS VERDES
NOTICE OF MEETING OF THE FINANCE ADVISORY COMMITTEE
APRIL 7, 2010
COMMUNITY ROOM
30940 HAWTHORNE BOULEVARD
RANCHO PALOS VERDES

7:00 PM CALL TO ORDER

1. Oath and Introduction of New Member
2. Roll Call
3. Approval of Agenda
4. Approval of Draft Minutes for the meeting conducted March 10, 2010
5. Review of the Draft General Plan Fiscal Element Narrative
6. Review of Draft 2010 Five-Year Financial Model
7. Staff and Member Oral Reports
8. Public Comments (This section of the agenda is for audience comments for items **NOT** on the agenda.)
9. Adjournment

American with Disabilities Act: In compliance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the City Clerk's Office at 310 544-5208 at least 48 hours prior to the meeting.

NOTE: Staff reports are available for inspection at City Hall, 30940 Hawthorne Boulevard during regular business hours, 7:30 A.M. to 5:30 P.M. Monday – Thursday and 7:30 A.M. to 4:30 P.M. on Friday. Materials related to an item on this Agenda submitted to the Committee after distribution of the agenda packet are available for public inspection in the Finance Department at 30940 Hawthorne Boulevard, Rancho Palos Verdes during regular business hours.

Written materials, including emails, submitted to the City are public records and may be posted on the City's website. Accordingly, you may wish to omit personal information from your oral presentation or written materials as it may become part of the public record regarding an agendized item.

Materials related to an item on this Agenda submitted to the Finance Advisory Committee after distribution of the agenda packet are available for public inspection at the front counter of the lobby of the City Hall Administration Building at 30940 Hawthorne Boulevard, Rancho Palos Verdes during normal business hours.

You can also view the agenda and staff reports at the City's website www.palosverdes.com/RPV.

DRAFT MINUTES

CITY OF RANCHO PALOS VERDES

FINANCE ADVISORY COMMITTEE

MARCH 10, 2010

Chair Coleman called the meeting to order at approximately 7:35 p.m. at the Community Room, 30940 Hawthorne Boulevard, for the purpose of conducting business pursuant to the Agenda. Roll call was answered as follows:

PRESENT: Coleman, James and Self
ABSENT: Bradley

Also present were Deputy Director of Finance and Information Technology Downs, Community Development Deputy Director Pfost, and Assistant Planner Harwell.

APPROVAL OF AGENDA

Member James motioned for approval of the agenda and Chair Coleman seconded. By acclamation, the agenda was unanimously approved.

APPROVAL OF DRAFT MINUTES FOR THE MEETING CONDUCTED SEPTEMBER 23, 2009

Member James proposed an amendment to the September 23, 2009 meeting minutes. Member James motioned for the approval of the September 23, 2009 meeting minutes, as amended, and Member Self seconded. By acclamation, the September 23, 2009 minutes were unanimously approved, as amended.

PRESENTATION OF THE CITY'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2009

Deputy Director Downs provided a brief presentation of the Comprehensive Annual Financial Report for fiscal year ended June 30, 2009, and answered Committee questions. Committee Members offered suggestions for improvements to the Management's Discussion & Analysis.

REVIEW OF DRAFT GENERAL PLAN FISCAL ELEMENT NARRATIVE

Deputy Director Pfost provided the Committee with General Plan history, background information, best practices, and requirements; and answered Committee questions. Committee Members indicated that they would perform a closer review of the draft document in preparation for the next FAC meeting.

Deputy Director Downs indicated that any comments received from Committee Members by March 17th would be included in the agenda packet for the March 24th meeting.

STAFF AND MEMBER ORAL REPORTS

Deputy Director Downs provided the Committee with dates for the City Council's process to replace former Member Emenhiser and appoint a new FAC Chairperson.

Deputy Director Downs also indicated that a copy of the PowerPoint presented to the City Council on March 2nd for the FY09-10 Midyear Financial Review would be sent to the FAC via email.

PUBLIC COMMENTS

None.

ADJOURNMENT

Member Self made a motion for adjournment and Chair Coleman seconded. By acclamation, the meeting was adjourned at approximately 9:18 P.M.

_____
Chair, Financial Advisory Committee

ATTEST:

_____
Kathryn Downs, Recording Person

DRAFT

CITY OF RANCHO PALOS VERDES

MEMORANDUM

TO: HONORABLE CHAIR & MEMBERS OF THE FINANCE ADVISORY COMMITTEE

FROM: KATHRYN DOWNS, DEPUTY DIRECTOR OF FINANCE & INFORMATION TECHNOLOGY
GREG PFOST, COMMUNITY DEVELOPMENT DEPUTY DIRECTOR

DATE: APRIL 7, 2010

SUBJECT: DRAFT GENERAL PLAN FISCAL ELEMENT NARRATIVE

RECOMMENDATION

Review the Draft General Plan Fiscal Element Narrative, and provide comments and suggestions to Staff.

BACKGROUND

State law requires all cities to adopt a General Plan that expresses the community's development goals and embodies public policy relative to the distribution of future land uses, both public and private.

According to the State's Guidelines, the General Plan serves to:

- "Identify the community's land use, circulation, environmental, economic and social goals and policies as they relate to land use and development.
- Provide a basis for local government decision-making, including decisions on development approvals and exactions.
- Provide citizens with opportunities to participate in the planning and decision-making processes of their communities. '
- Inform citizens, developers, decision-makers, and other cities and counties of the ground rules that guide development within a particular community. "

The City's General Plan was originally adopted in 1975. Other than minor amendments, and state mandated Housing Element updates, the last significant update occurred in 1984 with the Eastview Annexation. In 2002, the City Council formed a General Plan Update Steering Committee, which included representation from each City advisory board (including the Finance Advisory Committee). By 2004, the General Plan Update Steering Committee had developed recommended goals and policies. At that time City Council directed Staff to obtain consulting help and begin the formal update to the General Plan.

State law requires 7 mandatory elements to the plan: Land Use, Circulation, Housing, Conservation, Open Space, Noise, and Safety. A Fiscal Element is not required by state law, but is a useful tool to provide overall guidance for the City's fiscal goals and policies. The City's existing General Plan includes a Fiscal Element.

DISCUSSION

The draft document attached to this report includes the goals and policies adopted by the General Plan Update Steering Committee, as well as a narrative section written by Staff. On September 29, 2009, City Council directed the Finance Advisory Committee (FAC) to perform a truncated review, limited to a maximum of 2 meetings, of the Draft Fiscal Element in parallel with other advisory board reviews. Since that time, Staff has been in process of writing the draft narratives for each element. The FAC's review of the Draft General Plan Fiscal Element does not include the goals and policies as recommended by the General Plan Update Steering Committee. The City Council reviewed the recommended goals and policies in 2004.

Two meetings have been scheduled for the FAC's review of the narrative: March 10th and March 24th, 2010. State law mandates that the General Plan Update be reviewed by the Planning Commission with final adoption by the City Council. The City Council adopted 2010 Tactical Plan includes a General Plan Update milestone for the Planning Commission to review the Fiscal Element by April 27, 2010. Therefore, it is necessary that the FAC complete its review by March 24th to ensure that any suggestions can be incorporated into the draft document before it is presented to the Planning Commission.

FAC MEETING OF MARCH 10, 2010

At the March 10th FAC meeting, Members agreed to provide comments and suggestions for the Draft Fiscal Element in preparation for the March 24th FAC meeting. As of report time, comments have been received from one Member (see attached). Any further comments provided to Staff prior to the March 24th meeting will be provided as late correspondence that night. Staff will be prepared with the Draft Fiscal Element electronic file to record real-time changes proposed by the FAC at its March 24th meeting. As the next step in the process, the Planning Commission will receive the Draft Fiscal Element inclusive of the FAC's suggested changes prior to April 27th.

I. Introduction

Providing City services, maintaining the City's infrastructure and implementing various goals and policies of the General Plan depends on the City's ability to prudently manage its revenues and expenditures. The Fiscal Element of the General Plan establishes the policy framework upon which short and long-term financial decisions are made.

As noted in the Introductory Section of the General Plan, in California, all cities are required to prepare and maintain a General Plan outlining the direction of the community focusing on seven elements: land use, circulation (transportation), housing, conservation, open space, noise and safety. In addition to these elements, the City of Rancho Palos Verdes goes beyond basic compliance with State law by also including a Fiscal Element in its General Plan.

The City values prudent and responsible fiscal management as described in the practices throughout this fiscal element. Additionally, the availability of funding, and its appropriate use, guides all aspects of City government. Thus, the Fiscal Element contains the City's financial policies and provides the overall framework upon which all fiscal decisions are made to achieve the goals laid out in each of the Plan's elements.

II. Purpose of the Fiscal Element

The Fiscal Element of the General Plan establishes the policy framework necessary to guide all of the City's short and long-term fiscal decisions. In addition to identifying policies that City officials will follow in conducting the financial affairs of the City, it serves as a planning document to assist in making fiscal decisions from a comprehensive perspective. It is intended to ensure that the fiscal aspects of policy issues are considered whenever and wherever possible. It does so by establishing clear relationships between City goals and policies and their fiscal needs and impacts.

In particular, the Fiscal Element:

- Defines and describes the City's financial planning structure, including its:
  - Financial Management Structure
  - Approach to Budgeting
  - Financial Planning
  - Use of Reserves
  - Capital Improvement Planning
  - Revenue and Expenditure Management
  - Accounting and Financial Reporting Practices
  - Purchasing

  - Debt Management
- Analyzes the City's past and present fiscal health, and identifies its revenue and expenditure base;
- Identifies the long range goals needed for fiscal sustainability and establishes the action strategies necessary to achieve these goals; and
- Sets forth the foundation for the City's financial policies.

III. Format of the Fiscal Element

The Fiscal Element is arranged in several sections designed to take the reader through a logical progression of information that provides the proper context for the establishment of the City's financial goals and policies. The first section is **Financial Management.** This section discusses the various financial planning tools of the City, including a discussion of how the General Plan is used as a important financial planning tool. The next section, **Fiscal Health, Revenue and Expenditure Structure**, provides an important discussion on the limitation that California municipalities face in raising revenues and provides an overview of the City's revenue and expenditure structure. The final section addresses general **Projected Economic Conditions and Issues**, which generalizes the City's projected fiscal health and identifies potential fiscal issues in relationship to future development and infrastructure improvements within the City.

IV. Financial Management

A. Financial Management Structure

Financial management in the City of Rancho Palos Verdes is supported by a number of City-wide systems and processes that impact most every financial decision made. The systems provide a structure that ensures accountability for services provided. Rancho Palos Verdes also maintains a system of internal financial management practices and controls that support sound fiscal stewardship. These include financial planning, accounting and reporting practices, purchasing, and capital planning.

As the City Council has ultimate fiscal responsibility for the City, financial reporting is an important component of Financial Management. The City Council is provided with a Midyear Financial Report, periodic cash position reports, periodic reports of reserve position, a Year-End Financial Report, and an overview of the Comprehensive Annual Financial Report.

B. General Plan

The General Plan is a prescriptive document that identifies the desired future for a local jurisdiction. It is both a statement of purpose and a statement of general direction. As a statement of purpose, the General Plan portrays a vision of the City's future and identifies long-range goals. As a statement of direction, it declares the current policies of the City Council to achieve the goals, and the strategies which the staff will deploy to implement those policies. The General Plan not only paints the picture of the desired future of the City, but also prescribes a course of action for moving from existing conditions to desired conditions. City priorities and goals reflected in the General Plan are the basis for the City's budget.

C. Approach to Budgeting

The City's budget is more than just a compilation of revenues and expenditures. It represents a financial and policy implementation plan. The budget establishes a legal operating and capital plan for each fiscal year to ensure compliance in conformance with local and state laws. In addition, it is a communication medium for the City Council, staff and the public. It encompasses the City's commitment to match the delivery of quality, customer-oriented services to the community with the financial resources available. The City strives to prepare an annual balanced budget. Due to the City's limited ability to raise revenues, careful consideration is given to service expansion or additions. To aid with financial planning and improve the efficiency of the budget process, a two-year budget document is prepared; although each fiscal year budget is adopted annually by the City Council.

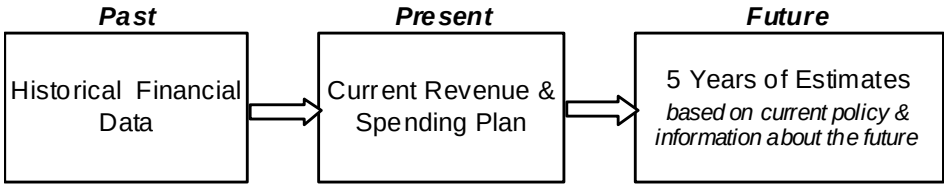
City Staff annually prepares the Five Year Financial Model as required by City Council policy. The Model includes all funds of the City and its component units (Redevelopment Agency and Improvement Authority). Staff also develops a Five Year Capital Improvement Plan (CIP) which allows the programming and planning of capital facilities and improvements. The Model and the CIP help staff and the City Council to develop the annual operating budget by projecting into the future what anticipated revenues and expenditures may be and identifying those larger CIP projects that may be funded during the annual operation budget.

D. Financial Planning

While annual budget review and approval is a sound business practice and is required by the State of California Government Code and the City's Municipal Code, an understanding of the City's long-term financial picture is more important than just looking at a one-year snapshot. While preparing the Five Year Financial Model, Staff works with all departments to assess expected trends for

future expenditures and performs a complete analysis of all revenues. Assumptions are developed and revenues are estimated. After developing future estimates, fund balances are analyzed to ensure that reserves are maintained and expenditures do not exceed funding sources. Each year, the City Council appointed Finance Advisory Committee is presented with the draft Model and provides comments prior to the City Council's review at the Budget Workshop. The Budget is developed based on estimates consistent with the Model.

The Five Year Financial Model



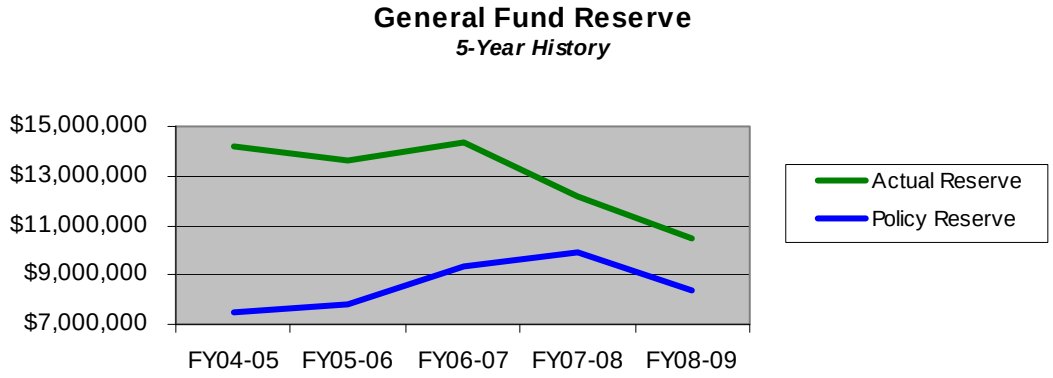
E. Use of Reserves

The establishment and management of Reserves (sometimes referred to as rainy-day funds, or contingency funds) are a prudent fiscal policy, as well as an important consideration in the evaluation of the City's credit rating. Local governments have experienced much volatility in their financial stability due to the economy, natural disasters, and actions taken by state government which includes taking revenues from local governments to resolve state budget problems. California cities are at an even greater disadvantage than the rest of the country due to the unique regulations imposed through a strong voter initiative process, and the difficulty to raise property taxes if the need would arise.

Sound financial management includes the practice and discipline of maintaining adequate reserve funds for known and unknown contingencies. Such contingencies include, but are not limited to: cash flow requirements, economic uncertainties including downturns in the local, state or national economy, local emergencies and natural disasters, loss of major revenue sources, unanticipated operating or capital expenditures, uninsured losses, tax refunds, future capital projects, unanticipated infrastructure repairs, vehicle and equipment replacement, and scheduled capital asset and infrastructure repair and replacement. The establishment of prudent financial reserve policies is important to ensure the long-term financial health of the City.

Rancho Palos Verdes has a conservative reserve policy which requires that the City maintain a minimum reserve in the General

Fund. The City also maintains a minimum reserve in the Capital Improvement Projects (CIP) fund for major improvement projects related to roadways, storm drains, parks, buildings, rights-of-way, and the sewer system. In addition to these reserve levels, there are smaller reserves established for several other City funds. Specific reserve information is outlined in a separate City Council policy statement.

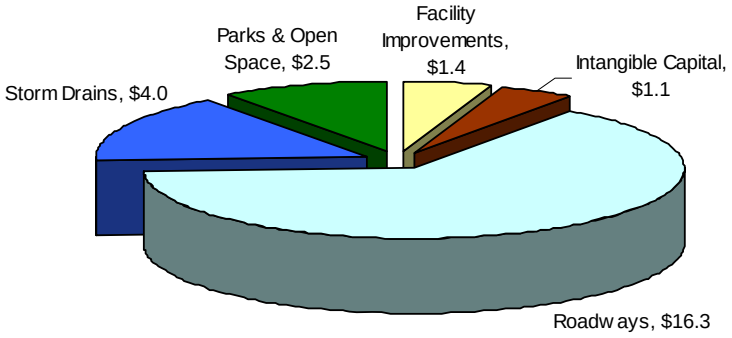


The City Council can amend the reserve policy at any time. For FY08-09, the General Fund reserve policy was changed from 50% of annual budgeted revenue to 50% of annual budgeted expenditures. In addition, $3 million was transferred from the General Fund reserve to establish an emergency projects reserve with the Capital Improvement Projects Fund.

F. Capital Improvement Planning

A Capital Improvement Plan (CIP) is a guide for the efficient and effective provision of resources for improving and maintaining public infrastructure and facilities. Programming capital facilities and improvements over time can promote better use of the City's limited financial resources, reduce costs and assist in the coordination of public and private development. Staff compiles an inventory of projects through a comprehensive review of existing reports, infrastructure plans, community input and City Council direction. The CIP is integrated into the Five Year Model and presented to the City Council during each annual budget process. As required by law, the Planning Commission also reviews the CIP to ensure that all projects are consistent with the goals and policies in the General Plan.

2009 Five-Year Capital Improvement Plan
in millions



G. Revenue Management

Since its incorporation in 1973 as a "no-property tax city", Rancho Palos Verdes has long recognized the importance of managing City revenues to maintain and enhance fiscal strength and stability over both the short term and long term. A "no-property tax city" is one which prior to the passage of Proposition 13, did not levy a local property tax. Following the passage of Proposition 13, cities that previously had levied a local property tax were allocated a larger share of the 1% property assessment established by Proposition 13. As the City of Rancho Palos Verdes did not levy a local property tax, it was allocated a minimal share (about 6%) of the 1% property assessment.

The two major categories of revenues received by government are taxes and fees, each with important distinctions. In order to levy a new tax or increase an existing tax, local governments must hold an election to obtain voter approval, while fees may be imposed without a public vote. The taxes collected by the City primarily support general governmental purposes such as paying for basic and/or essential services.

User fees, in contrast, are charges imposed for discretionary services that benefit a specific segment of the community. Fees are distinguished from taxes in two principal ways. First, the amount of the fee may not exceed the cost of providing the service, while the amount of a tax has no such restriction. Second, the service for which the fee is charged must bear a relationship to the person or entity paying the fee. In general, user fees are reviewed annually and set by the City Council to recover the full cost of providing a particular service. The Council may choose to charge a fee for a service that does not recover the cost in order to achieve a specific policy objective. The City engages a consultant approximately every four or five years to perform a complete

analysis of all user fees to ensure that fees are set at appropriate recovery levels. User fees are published in the Annual Fee Schedule.

Staff annually assesses revenue trends as part of the City's Five Year Financial Model. Revenue assumptions are reviewed and revised each fiscal year. Some tax revenues are apportioned by state or county agencies, and some tax revenues are imposed locally (e.g. utility users' tax and transient occupancy tax). Staff coordinates periodic audits of the collection process of locally imposed tax revenues. Staff also manages investment of the City's idle cash and lease arrangements for the use of City property. City staff continually monitors the collection of all revenues to ensure maximum receipt of monies legally due to the City.

H. Expenditure Management

Once the operating and capital budgets have been prepared and adopted by Council, staff is responsible for closely monitoring the expenditures and results to ensure that resources are being used as effectively as possible to maintain desired service levels in compliance with the budget adopted by the City Council.

The City's Municipal Code calls for appropriations to be made by budget program. Any changes in the total appropriation for any given program require Council approval, while the changes within that program can be approved by the City Manager.

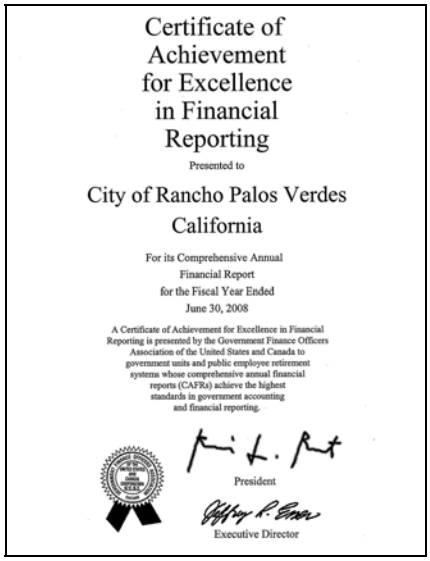
Article XIIIB of the California Constitution, approved by the voters in 1979 as Proposition 4, placed limits on the amount of revenue which can be spent by government entities. The Proposition also established a formula for annual calculation of the appropriation limit. Each year the City calculates its appropriations limit, which is adopted by Council as part of the budget approval. Historically, the City's revenue budget has been well below the annual appropriation limit.

I. Accounting & Financial Reporting Practices

Local Ordinance and State Statutes require that the city issue annually a report on its financial position and activity, and that an independent firm of certified public accountants audit the report. The City annually prepares and issues a Comprehensive Annual Financial Report (CAFR). The CAFR includes financial statements, which are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. While traditionally addressed to the City Council, the annual financial audit is also

intended to provide relevant financial information to Rancho Palos Verdes residents, City staff, creditors, investors, and other concerned readers. The City maintains its financial records in accordance with standards set by the Governmental Accounting Standards Board (GASB), and implements all recommended GASB pronouncements.

The City's CAFR has received an unqualified opinion from the auditors each year and has been annually awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). The CAFR offers readers an overview and analysis of the city's financial activities for each fiscal year.


Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Rancho Palos Verdes
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

J. Purchasing

As a contract city, Rancho Palos Verdes engages in a wide range of contracts to deliver the full range of local government services, and construction and maintenance of City facilities and infrastructure. These include contracts for the acquisition of personal property (supplies, equipment, materials and goods), public projects and professional services performed by an independent contractor (e.g. engineering and public safety).

The Rancho Palos Verdes' ordinance governing bid requirements, purchasing and contracting procedures is clearly intended to achieve the following goals: 1) Obtain cost effective results, 2) Avoid the appearance of impropriety or wasteful practices, 3) Achieve a balance between costs and benefits of maximizing quality within available resources, 4) Guard against favoritism,

fraud and conflicts of interest, and 5) Ensure compliance with applicable state and federal statutes.

K. Debt Management

The City does not currently carry any debt. However, when planning for capital projects the City will consider the issuance of debt as a financing mechanism and the City's ability to repay any debt incurred.

V. Fiscal Health, Revenue and Expenditure Structure

The Fiscal Health of the City contains four sub-sections. The first, Fiscal Health provides a brief history of the City's fiscal health since incorporation. The second, City's Revenue Base, is an overview of the City's revenue structure. The third sub-section is titled Overview by Source. This sub-section provides descriptions of the City's major revenue sources. The fourth and final sub-section is titled Expenditures, and provides an overview of the City's major expenditures.

A. Fiscal Health

Since the City's incorporation in 1973, the City has maintained a conservative approach based on keeping property taxes low and providing necessary services to meet the needs of residents. The City incorporated as a "no property tax city," so this is reflected in the basic level of services provided. However, Rancho Palos Verdes is the largest City on the Palos Verdes Peninsula and has very different needs and priorities today. Over the years, funding has not been adequate to proactively maintain the City's major infrastructure systems causing the City to be faced with significant costly repairs in recent years. Certain assessment districts have been formed over the years in some areas to assess individual property owners for specific infrastructure repairs. For example, a unique above-ground sewer system was constructed in the Abalone Cove portion of the City's landslide area. Property owners are assessed for the maintenance of the system. In addition, property owners approved a storm drain user fee, providing a ten-year revenue stream to help pay for improvement of the City's storm drains. However, given the age and condition of the infrastructure in the City, the need to repair infrastructure extends beyond what these limited assessments and fees can provide. Thus, in 2009, the City Council approved a formal Capital Improvement Plan to address the need for financial and strategic planning for the City's infrastructure needs. The City still maintains a conservative approach to managing its infrastructure and strives to seek out any available sources of funding, such as grants or other contributions to pay for infrastructure projects.

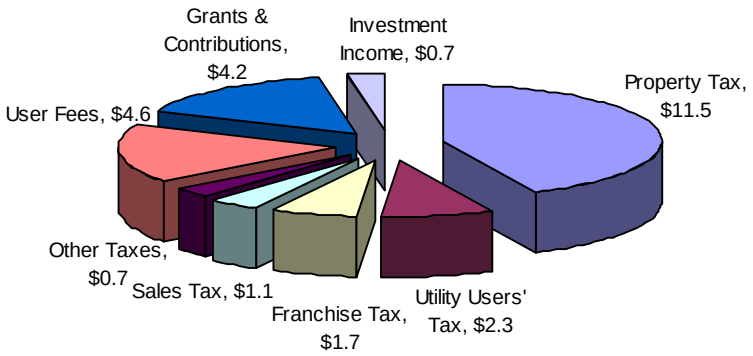
B. City's Revenue Base

The structure of the City's revenue sources has a major influence on the City's ability to maintain and expand services. The structure and source of City revenue also are very important to the City's ability to withstand economic downswings. If possible, it is prudent for a city to have a diversity of revenue sources since each individual revenue source reacts differently to economic conditions.

The two major categories of revenues received by government are taxes and user fees. In 1978, Proposition 13 created a distinction between "general" and "special" taxes. A general tax is any tax imposed for general governmental purposes, while special taxes are collected or earmarked for a specific purpose or program. Restrictions on the establishment extension, or increase of any tax were also imposed by Proposition 13 and Proposition 218 which was passed later in 1996. The taxes collected by the City are primarily general taxes which are used to support general governmental purposes. Through FY08-09, the City's major tax revenues have been property tax, utility user tax, franchise tax and sales tax.

User fees, in contrast to taxes, are charges imposed for services that benefit a specific segment of the community. In Rancho Palos Verdes, user fees are generally set to cover the full cost of providing the service, unless the City Council chooses to charge a lower fee to achieve a specific policy objective.

FY08-09 Citywide Revenue
in millions



Protection of the City's property values, including public safety and infrastructure maintenance, will help to ensure the stability of property tax. Recent commercial development in the City will enhance future revenue, including transient occupancy tax and sales tax. As the City continues to develop proactive programs for infrastructure maintenance and replacement, additional dedicated

revenue sources such as fees and assessments should be considered.

The ways that cities are financed have continued to change since the development of the original Fiscal Element in the General Plan. The passage of Proposition 218 in 1996, which added new procedural steps for the enactment of taxes, assessment, and property-related fees, had a notable impact in this regard. In summary, Proposition 218 requires majority voter approval for general taxes and two-thirds voter approval for special taxes. It also requires majority approval for benefit assessments on real property and imposes certain notice and hearing and voter approval requirements for a fee or charge that is property related.

Several other state legislative actions have occurred which either reduced the City's revenue base or altered its composition. The most significant action was in 2004, when voters passed Proposition 1A, a Constitutional amendment to protect local governments from revenue take-away by the state. Proposition 1A was the culmination of a historic agreement between the state and local governments to limit the state's ability to shift city revenue to its General Fund. In addition, Proposition 1A provided a mechanism to the state to declare a fiscal emergency and take a property tax loan from cities equal to eight percent of the City's annual property tax revenue. If enacted, such a loan is required to be repaid within three years with interest. The state cannot take a property tax loan more than twice in any ten year period, and may only take the second loan if the first loan has been repaid.

The result in these changes has been that Property Tax has become Rancho Palos Verdes' single largest General Fund revenue source, while revenues such as the Motor Vehicle License Fee and other state apportionments have decreased significantly. Due to the significance of Property Tax to the City of Rancho Palos Verdes, it is important to maintain facilities and provide services that protect the city's property values.

C. Revenue Overview by Source

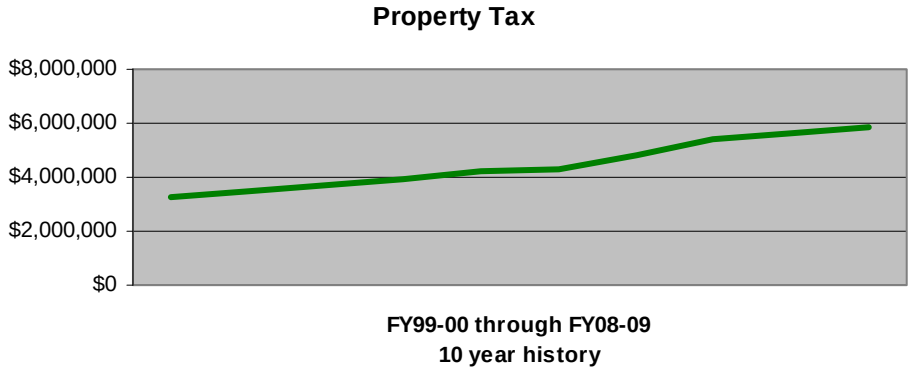
Unrestricted General Fund Revenue Sources

The General fund accounts for a variety of unrestricted revenues that may be used for any expenditure of the City. Primarily, General fund revenue consists of general-purpose taxes. The most significant General fund revenue sources are described below.

1. Property Tax

Property Taxes are the largest single source of revenue to the General Fund. The Los Angeles County Assessor determines property valuations for all real property within the City. The County levies the base property tax of one percent, equaling $1 per each $100 of assessed valuation (subject to growth limitations of 2% per year). Rancho Palos Verdes' share of the $1 is about 6%. (Example: For a home with a $600,000 assessed valuation, the base property tax billed by the County is $6,000 per year, and the City's 6% share is about $360 per year.) A number of other governmental agencies providing services within the City receive the remaining share of the one percent levy, with the majority going to the County and the School Districts.

This has been a stable and steadily increasing source of revenue for the City due to strong property values. Long-term ownership of properties combined with Proposition 13 limits on increases in assessed valuation has resulted in assessed values that are much lower than market value. Therefore, anytime a property changes ownership and is re-assessed at current market value, the City's property tax revenue increases. This source of revenue is expected to continue to grow in the future.



2. Property Tax In-Lieu of Vehicle License Fees

Prior to 1999, State residents paid a Vehicle License Fee of 2% of the market value of their respective vehicles to the Department of Motor Vehicles. This Vehicle License Fee funding is passed through to cities and counties throughout California. The State legislature reduced the Vehicle License Fee tax rate from 2% to 0.65% over a period of three years ending in 2001. The same legislation also guaranteed cities and counties that the State would "backfill" or pay the difference between the two rates.

The Property Tax In-Lieu of Vehicle License Fee component of the State's Budget eliminated the backfill portion (1.35%) of the Vehicle License Fee payment and replaced it dollar for dollar with property tax taken from the Educational Revenue Augmentation Fund. The Property Tax In-Lieu of Vehicle License Fee is permanent and took effect on July 1, 2004. Property Tax In-Lieu of Vehicle License Fee revenue is an allocation of property tax that increases each year in direct correlation to the increase in assessed value of taxable property within the City.

3. Sales and Use Tax

In accordance with the California Revenue and Taxation Code and the Bradley-Burns Uniform Local Sales and Use Tax Law of 1955, this tax is currently imposed at the rate of 9.25% on the sales price of any taxable transaction in Los Angeles County (as of 2010).

The State Board of Equalization administers sales and use tax. The City currently receives 0.75% of the sales tax rate. The State, County and Transportation District share the remaining sales tax collected.

The City is primarily a bedroom community with limited commercial activity. Because of the limited amount of taxable business, economic fluctuations typically do not have a material impact on the General Fund in any given year.

4. Utility Users Tax

In 1993, the voters of the City approved a tax of 3% on the consumers of natural gas, electricity, water, and telephone services. The tax is collected by each of these utilities as a part of its regular billing procedure and remitted to the City. As utility rates continue to increase in the future, this revenue source is expected to grow accordingly.

5. Franchise Taxes

Under several State statutes, the City imposes franchise tax on natural gas, electric, water, trash and cable television companies operating in the City for the privilege of using the City rights-of-way. The amounts paid are based on a percentage of gross receipts. This revenue source is also expected to grow in direct correlation to utility rates.

6. Business License Tax

Title 5 of the Municipal Code requires all entities conducting business within the City to pay annual business license tax, generally based on the gross receipts of the business. The business license tax was enacted solely to raise revenue for municipal purposes, and was not intended for regulation. The business license tax rate increases by the Consumer Price Index in Los Angeles County each year.

7. Transient Occupancy Tax

The City's transient occupancy tax (TOT) is 10% of rent charged by an operator for the privilege of occupying a hotel. In 2009, construction of a large luxury hotel was completed and was opened to the public; thereby increasing the City's TOT revenue significantly. In the future, this revenue source will fluctuate based on economic conditions.

8. Golf Tax

In 1993, the golf tax was established as 10% of golf fees charged by the golf course operator.

9. Community Development Permits

The Community Development Department issues permits for building/remodel construction activities involving residential and commercial structures to ensure compliance with the City's Development Code. Permit fees are charged to recover the cost of providing such services.

10. Use of Money and Property

This includes earnings from investment of City funds as well as rents received for the use of City property. The City maintains an annual City Council adopted investment policy that restricts investment choices based first on safety, then liquidity and yield.

Restricted Revenues

The revenue sources listed below are restricted by law or administrative action for specific purposes. These monies are deposited into other funds of the City. The most significant sources of Restricted Revenues are listed below.

Transportation

The City receives allocations of various cents-per-gallon transportation taxes that are administrated by the state and county. These revenue allocations are primarily based on population. As these taxes are not percentages of the price of gasoline, the revenue sources remain flat when consumption is consistent from

year to year. When consumption decreases in times of conservation, so does the revenue to the City. State-shared transportation revenues may be subject to future potential state legislated reductions.

Transportation revenues are restricted and can only be used for the construction, improvement, and maintenance of public rights-of-way. Activities financed by the transportation revenues include, but are not limited to, street patching, slurry sealing, street reconstruction, curb/gutter/sidewalk repair, public transit contributions and street sweeping.

Landscape and Street Lighting

The City has several benefit assessment districts for landscape and street lighting maintenance. These funds may be used for improvements within the defined district in addition to activities including operation, servicing, and maintenance.

Infrastructure Maintenance

The City has assessments related to the improvement and maintenance of specific types of infrastructure (e.g. storm drains, sewers). These fees are typically based on the parcel's proportionate use of the infrastructure system.

In 2005, property owners approved a 30-year storm drain user fee based on each parcel's proportionate use of the City's storm drain system. The storm drain user fee generates about $1.2 million of revenue annually, and is used to maintain and repair the City's storm drain system. In 2007, via general election, the voters amended the storm drain user fee to sunset in 10 years (the year 2016).

In 2009, the City Council took action to initiate development of a City-wide user fee. If established, the revenue collected would be used to begin a proactive program of repair and maintenance of aging sewer lines.

Development Impact Mitigation

The City levies several Development Impact Mitigation fees to be used for specific purposes. The City's goal is to ensure that all revenues generated by growth and development are sufficient to cover the costs related to development growth.

Redevelopment Agency

The City's Redevelopment Agency receives property tax increment in the project area (the landslide area of the City). This revenue is

used to repay the Agency's debt to the County used to finance construction of landslide abatement facilities. The Agency began collecting tax increment in 1985, and will continue to collect tax increment through 2034. The tax increment is the increase in property taxes within the redevelopment project area that result from increases in the project area assessed value that exceed the base year (1984-1985) assessed value.

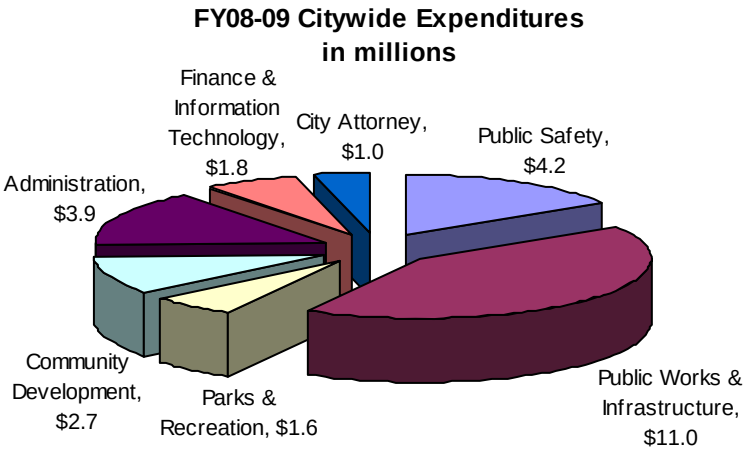
Most of the Redevelopment Agency's tax increment repays debt used to fund landslide mitigation projects. State law requires that 20% of the tax increment be set aside to provide for affordable housing within the City.

D. Expenditure Structure

The City provides most of its services through vendor contracts. For example, police and fire services are contracted with Los Angeles County, city attorney services are provided by an outside law firm, and public works are provided by vendors who provide responsive bids. By operating as a contract city, Rancho Palos Verdes is able to obtain competitive pricing and retain a small workforce of employees to manage the City's business. The City has consistently had a low per-capita expenditure ratio when compared with other agencies.

FY06-07 Expenditures Per Capita	
Statewide Average of Cities	1,592
Rolling Hills	1,229
Rolling Hills Estates	1,203
Palos Verdes Estates	937
Rancho Palos Verdes	477

Only the most basic essential services are provided by the City. The county collects a separate share of property tax to provide fire service; however, the City pays for police service out of its General Fund. The City owns and maintains the roadway, sewer, storm drain and park infrastructure. Utility service is provided by the private sector.

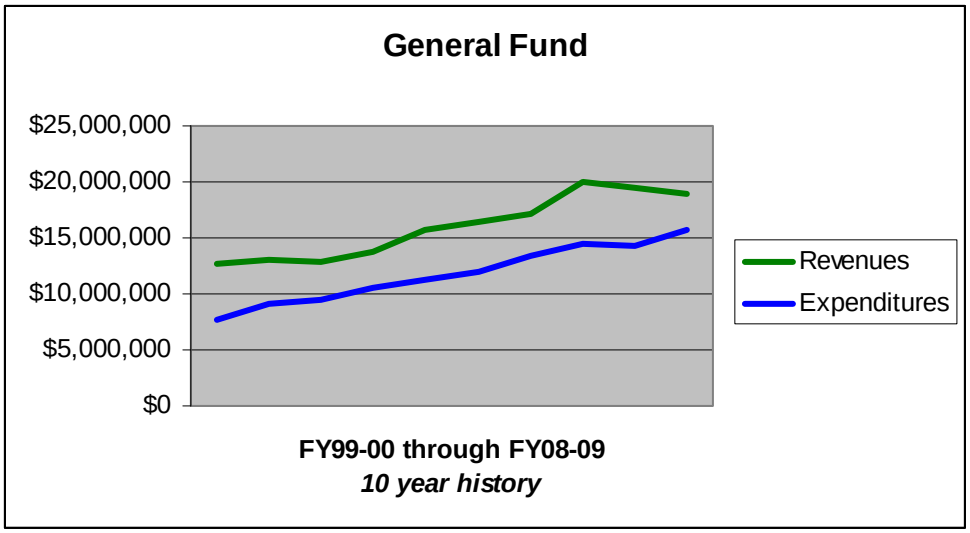


Without a vote of the residents, the City's options to raise additional revenue are very limited. Therefore, additional services and improvements desired by residents must compete with essential expenditures such as public safety and infrastructure for limited resources. Much of the City's infrastructure was built in the 1960's, is at the end of its useful life and must be either repaired or replaced to continue functioning. Additionally, most of the City's buildings are more than 30 years old and are in desperate need of replacement. Furthermore, in an attempt to protect coastal habitat, the City has acquired more than 1,400 acres of open space that must be maintained to standards imposed by state and federal resource agencies. As street maintenance expenditures grow, the City's General Fund must provide an increasing subsidy, as transportation revenues discussed previously typically remain flat.

VI. Fiscal Sustainability

A. Resource Management

The City's budget is managed conservatively, and expenditures are controlled to every extent possible. Quite often, the only source of funding for infrastructure repairs and maintenance is the excess of General Fund revenues over General Fund expenditures.



With additional TOT and golf tax revenue expected from the luxury hotel beginning in FY09-10, future revenues are expected to continue to exceed operating expenditures; thereby, providing excess revenues to help maintain the City's infrastructure. However, this trend could be impacted with addition or expansion of services, costs associated with a disaster (e.g. earthquake, slope failure and fire), or with state legislation that shifts certain revenues away from the City (e.g. vehicle license fees and highway users' tax). Management of the City's resources should always include proactive planning tools such as the Capital Improvement Plan, as well as continual monitoring of the state and its potential actions.

The City's prudent fiscal policies allow the City to conduct its business in a resource-scarce environment. The City strives to secure outside funding sources (grants and earmarks) or use new revenue sources (tax from the newly developed luxury hotel) for necessary infrastructure projects identified in the Capital Improvement Plan instead of adding or expanding services. Future projects include roadway stabilization due to storm water runoff issues, traffic safety improvements, and replacement of aging facilities. As of 2010, more than $100 million of projects have been identified that remain unfunded. A schedule of unfunded projects is maintained in the City's Capital Improvement Plan.

B. Economic Outlook

Due to the climate of California and the coastal location of the City, property values are likely to remain high into the future. However, future economic development will likely be minimal as the City has very little developable land remaining. Furthermore, the state will continue to look to local government to help solve its financial problems. With the solid and consistent property tax revenue base,

proactive planning, and cautious management of the City's resources, the City will be able to continue providing basic services the community expects.

VII. Fiscal Goals

A. It shall be a goal of the City to hold the property tax to a minimum and to continually explore and analyze the advantages and disadvantages of alternate or new sources of revenue.

B. It shall be a goal of the City to explore cooperative financing strategies that might be undertaken in association with others.

C. It shall be a goal of the City to take maximum advantage of regulatory legislation to obtain contributions, dedications, reservations (option to purchase) and rights of way (i.e., easements).

D. It shall be a goal of the City that revenues generated by development shall be sufficient to cover the costs related to such development.

E. It shall be a goal of the City to thoroughly evaluate capital asset expenditures to ensure that available financing alternatives are sufficient to meet related ongoing operating expenditures.

F. It shall be a goal of the City to maintain a prudent general fund reserve.
Note: This is a new Goal.

G. It shall be a goal of the City to consider all available funding sources for City expenditures.
Note: This is a new Goal.

VIII. Fiscal Policies

It is the policy of the City to:

1. Consider the cost effectiveness and community benefits of new City services and facilities.
2. Require that wherever appropriate, new City services be paid for by the users in the form of specified fees or taxes.
3. Work toward integration of common services among neighboring jurisdictions, agencies and organizations for improved cost effectiveness and quality of service.

4. Consider the financial impacts of City decisions on other governmental agencies and/or public utilities serving our residents.
5. Encourage State legislative action to provide equitable distribution of tax revenues commensurate with the City's responsibilities.
6. Seek funds from government sources only if the impacts to and obligations of the City caused by accepting funds are not unduly burdensome.
7. Evaluate the merits of contracting for services versus in-house staffing.
8. Encourage private contributions and donations to the City.
9. Consider administrative and enforcement capabilities and available funding before imposing new regulations to address whether such new regulations can be effectively administered.
10. Consider the financial impact of City decisions on City residents.
11. Finance recurring expenditures from recurring revenues.
12. Consider the cost impacts of approving any new development within the City.

DRAFT FISCAL ELEMENT
COMMENTS RECEIVED FROM
FINANCE ADVISORY COMMITTEE MEMBERS
MARCH 18, 2010

Bill James

1. I think that a balanced budget should be a specific goal or policy of the City.

2. I think that a lot of the descriptive parts of the plan could be eliminated. I haven't read the entire proposed Master Plan, but I have the impression based on the section that I did read that there could be two documents: a description of the administration of our city, including its history (which would encompass about 75-80% of what I read), and then the "Master Plan" which talks about how the City intends to approach its future.

For example, the fact that "The City's CAFR has received an unqualified opinion from the auditors each year and has been annually awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA)" is a nice pat on the back, but has little to do with planning for the future - unless achieving one or both of those distinctions are to be stated goals.

There are a number of other examples that I could cite, but all of them are similar. From my perspective, at least, it might be nice to be able to look to something called a "Master Plan" that is a little more user friendly in size.

CITY OF RANCHO PALOS VERDES

MEMORANDUM

TO: HONORABLE CHAIR & MEMBERS OF THE FINANCE ADVISORY COMMITTEE

FROM: KATHRYN DOWNS, DEPUTY DIRECTOR OF FINANCE & INFORMATION TECHNOLOGY

DATE: APRIL 7, 2010

SUBJECT: DRAFT 2010 FIVE-YEAR FINANCIAL MODEL

REVIEWED: DENNIS McLEAN, DIRECTOR OF FINANCE & INFORMATION TECHNOLOGY

RECOMMENDATION

Provide comments and/or recommendations regarding the Draft 2010 Five-Year Financial Model ("2010 Model").

EXECUTIVE SUMMARY

Draft FY10-11 Budget

The first draft of the 2010 Model includes the draft FY10-11 budget as presented in the two-year budget document prepared in 2009. Exceptions have been made for noteworthy changes in revenue estimates, and outside factors that affect expenditures (e.g. expected Sheriff's contract savings). The City Council will conduct a Budget Workshop on May 22, 2010, providing direction to Staff that will affect amounts reflected in the Model. This **preliminary** version of the draft FY10-11 budget is currently balanced, but will be subject to decisions made by the City Council during the 2010 budget process. The draft FY10-11 budget is a work in process, and may be modified further by Staff before the City Council's deliberations on May 22nd.

Update – State Budget and Cash Crisis

The Governor's January draft of the state budget for 2010-11 includes $8.5 billion in spending cuts, $6.9 billion in additional federal funding, and $3.9 billion of alternate funding (swaps, new fees, etc.) in an attempt to close a projected $20 billion deficit. The California Legislative Analyst's Office (LAO) has opined that the state is likely to fall "several billion dollars" short of the amount the governor is relying on to balance the budget. The

Governor is scheduled to issue a revised proposal for 2010-11 in May. So far, items affecting the City include a Transportation Funding Swap and deferral of certain payments. At this time, there is little to no fiscal impact to the City.

On March 22nd, the Governor signed two bills which contain the main provisions for the Transportation Funding Swap, which exchanges the state's share of sales tax on gas with an increased excise tax. There is no net effect on local revenue; however, the City's Proposition 42 revenue would be replaced with an allocation from the increased excise tax that has less legal protections from future state grabs than Proposition 42. Interestingly, as a result of the Swap, transit agencies are expected to receive less revenue than originally expected; which has the potential to impact future transit contributions made by the City to regional transit systems it supports. Nothing has been included in the 2010 Model for any possible future impacts.

On March 4th, the Governor signed a bill to establish a cash management plan to defer various appropriations. The state would defer FY10-11 Highway Users' Tax monthly payments scheduled for July 2010 through March 2011 until May 2011. Proposition 42 payments (to be replaced with an excise tax allocation) normally received in October and January would also be deferred until May 2011. There is no budgetary impact to the City as a result of this bill, only timing of cash flows and an immaterial loss of interest earnings.

The Governor's proposed budget also includes further delay of payments for state mandated costs incurred by local agencies prior to 2004-05. The City's share of these reimbursements is about $180,000; which, consistent with prior years, has not been included in either the draft FY10-11 budget or the 2010 Model.

The California Redevelopment Association (CRA) lawsuit declaring a state raid of redevelopment funds as unconstitutional is still pending. The state's action would transfer redevelopment funds to Supplemental Educational Revenue Augmentation Funds. If the lawsuit is unsuccessful, the Rancho Palos Verdes Redevelopment Agency would be required to transfer $329,810 for FY09-10 and about $68,000 for FY10-11. The first payment would be due May 10, 2010, and would likely be funded with a loan from the City's General Fund, thereby reducing Reserves. In 2008, the CRA won a similar lawsuit challenging the constitutionality of FY08-09 state budget raids of redevelopment funds. Staff will continue to monitor the State's actions throughout the 2010 budget process, and will report to City Council as necessary.

<u>Summary 2010 Model Information</u>

The current draft of the 2010 Model indicates that General Fund Reserves will continue to grow over the next five years. This is largely due to expected continued receipt of transient occupancy tax (TOT) revenue from the Terranea Resort, which has been included in the Model for the first time now that the Resort has opened. Staff continues to recommend that the City Council use Terranea TOT for capital projects, as opposed to the expansion of programs and services in the operating budget. Staff expects to offer suggestions for programming additional infrastructure projects not included in the 2010 Model on or before the May 22nd Budget Workshop. Once Staff receives policy direction from City Council at

the Budget Workshop, additional expenditures (capital or other) are likely to be included in the final version of the 2010 Model.

BACKGROUND AND DISCUSSION

Overview

The 2010 Model is a financial schedule prepared by the Finance and Information Technology Department (see Exhibits A through E). City Council Policy No. 18 requires preparation of the Model. The 2010 Model includes all funds of the City and its component units (Redevelopment Agency and Improvement Authority).

Compliance with Legislative Review Requirements

Utility Users Tax Legislative Review

Municipal Code Section 3.30.190 requires that the City Manager submit to the City Council an analysis of the revenues derived from the Utility User Tax (UUT) annually. Based on the needs of the City, the City Council shall determine if any modification to the tax rate is appropriate or if the UUT is unnecessary. The tax rate cannot be increased without a majority vote of the residents of the City during a Municipal Election. The review required by this section shall be completed by the City Council prior to the adoption of each year's annual budget.

The current estimate of FY10-11 UUT revenue is $2.46 million (or approximately 12% of total General Fund revenue). Based upon the capital needs of the City, as evidenced by the list of unfunded projects in the Capital Improvement Plan, Staff believes the current UUT rate of 3% continues to be a necessary General Fund revenue source.

At the June 15, 2010 public hearing, the City Council will be asked to determine that the UUT rate of 3% continues to be a necessary General Fund revenue source and that the current rate of 3% should be maintained.

Golf Tax Legislative Review

Municipal Code Section 3.40.140 requires a legislative review of Golf Tax every four years and shall be completed prior to the adoption of the budget prepared for the next fiscal year. The Golf Tax ordinance directs the City Council to determine, based on the needs of the City, if any modification to the tax rate is necessary or if the tax should be repealed. The City Council performed the required legislative review in 2009 and determined that the Golf Tax is necessary and that the current rate of 10% be maintained. The next legislative review is required during 2013.

Format of the 2010 Model

The 2010 Model includes the presentation of:

- Actual FY07-08 and FY08-09 revenue, expenditures and ending fund balances for

all funds;
- The final adjusted budget and the calculated budget variance for FY08-09 revenue, expenditures and ending fund balances for all funds;
- Estimated FY09-10 activity, primarily based on the adjusted FY09-10 budget; and
- The draft FY10-11 budget as the first year of the 2010 Model.

The 2010 Model includes the segregation of funds as follows:

- General Fund – The General Fund balance represents the City's unrestricted reserve monies. These monies may be used for any City expenditure, including general operations of the City.
- Funds restricted by action of the City Council – The fund balances of these funds represent monies restricted by City Council action for a particular purpose. The funds were initiated with transfers from the General Fund. These monies may be returned to the General Fund or used for other purposes (e.g. infrastructure projects) upon the action of the City Council.
- Funds restricted by law or external agencies – The fund balances of these funds represent monies restricted by law or external agencies, such as the Federal Government, State of California, or Los Angeles County. These monies can only be used for the purpose outlined by the restricting agency in accordance with the terms and conditions set by legislation and voter ballot measures.

The 2010 Model includes several schedules organized as follows:

Exhibit A	One Page Summary – 2010 Five-Year Financial Model
Exhibit B	2010 Five-Year Financial Model by Fund
Exhibit C	Capital Improvement Project Expenditures
Exhibit D	WQFP Program Expenses
Exhibit E	Summary of Fund Transfers

It should be noted that future economic activity, legislation and policy decisions, as well as any other unforeseen circumstances could affect the City's revenue stream and expenditures during any of the years presented in the 2010 Model.

<u>Complete List of 2010 Model Assumptions</u>

The following General Assumptions are consistent with previous years' Models:

1) Most of the expenditures have been increased annually using an average factor of 2.6% (2.0% in FY10-11 increasing to 2.8% in FY14-15) throughout the five years of the 2010 Model. The increase is based on the forecasted increase of Consumer Price Index from the Congressional Budget Office, plus annual merit increases for employee salaries.

2) Revenue categories (e.g. property taxes, projected changes in permit activity and retail sales) have been estimated based upon Staff's discussions with other agencies, reports provided by other agencies or Staff's own expectations. The

factors (% rate of change) are presented on Page 1 of the 2010 Model using an alphabetical index (a through p) and are referenced throughout the 2010 Model.

Assumptions Specific to the Funds and Program Revenues and Expenditures Included in the 2010 Model:

3) Property tax represents about half of General Fund revenue and any small variance in the percentage increase of property assessments has a large cumulative effect on the five years of the Model.

   Staff has acquired property transfer information from a land management database that indicates a property tax increase of about 0.5% for FY10-11. Staff has also received information that there will be no inflationary increase of property assessments for FY10-11. Therefore, Staff has assumed an overall property tax increase of 0.5%.

   The Terranea property is in process of being re-assessed by the County. Due to Resort improvements, the assessed value of the property is expected to increase. Although this increase will be effective for FY09-10, the County has informed Staff that it is behind in its re-assessment process; and the City can look forward to a catch-up payment during FY10-11 for any FY09-10 increase of Terranea property tax. Staff has included an assumption that property tax revenue will increase by about $140,000 for this property, and has included both the FY09-10 catch-up payment as well as increased annual revenue beginning in FY10-11.

4) The Terranea Resort has generated about $1.3 million of tax revenue to date during FY09-10 (transient occupancy tax, golf tax, business license tax, and sales tax). Transient occupancy tax (TOT) revenue is expected to reach about $1.8 million for FY09-10. Staff has included $2.0 million in the FY10-11 column of the model for Terranea TOT. To date, Terranea TOT revenue has not been included in the City's operating budget. During the 2010 budget process, Staff expects to offer suggestions and alternatives to City Council for the use of this revenue, including funding for capital projects and a sinking fund for developing the Civic Center, including the replacement of City Hall.

5) The Los Angeles County Sheriff's Department has provided a 2% cost increase estimate for FY10-11 services. The Draft FY10-11 budget, as presented in the two-year budget document, had included an increase of 3%. In addition, the City's contribution to the Sheriff's Liability Trust Fund is expected to be temporarily suspended for six months and reduced thereafter. Total annual savings is expected to be about $120,000, which has been reflected in the 2010 Model. Final FY10-11 numbers are expected from the Sheriff's Department sometime during April 2010.

6) Staff has been working with the City's grant consultant to secure federal funding for the Palos Verdes Drive East (PVDE)/Palos Verdes Drive South (PVDS) Roadway Stabilization Project (also known as the Lower San Ramon Canyon project). Statewide and regional support for the project continues to grow including support

letters from: Senator Tony Strickland, Senator Roderick D. Wright, Senator Alan Lowenthal, Assemblymember Bonnie Lowenthal, Assemblymember Ted Lieu, L.A. County Supervisor Don Knabe, and L.A. City Councilwoman Janice Hahn. Congressman Rohrabacher included the project is his High Priority Project portfolio for the reauthorization of SAFETEA-LU, which is a federal transportation bill renewed every six years allowing for specific projects to be authorized and funded. The project is estimated to cost $19.5 million, and RPV's federal funding request is for $9.75 million. In December a three-way letter was signed between RPV, the City of Los Angeles and Los Angeles County agreeing to raise funds to pay for the project. This project has been included in the CIP unfunded project list.

In FY09-10 and FY10-11, the City Council allocated approximately $1.5 million (including carry over money from FY08-09) to complete a Project Study Report which will serve as the project initiation document that is submitted and accepted by State and Federal Agencies for project funding. The Design Contract for this phase of the project was awarded to Harris and Associates at the March 16, 2010 City Council meeting. This study is expected to take 18 months to complete.

7) The Storm Drain User Fee, which generates revenue totaling about $1.2 million annually, will sunset in 2016 in accordance with the ballot measure approved by the voters in 2007. In FY12-13, Staff expects to prepare an update to the Storm Drain Master Plan; which is expected to identify additional projects that necessitate a future source of financing.

   The Fees are deposited into the Water Quality Flood Protection (WQFP) fund for the improvement and maintenance of the City's storm drain facilities. The City Council can elect to increase the Fee (but not more than 2% annually), reduce the fee or eliminate the Fee at its annual public fee hearing conducted in June of each year. Staff expects to recommend a 1.4% increase to the Fee for FY10-11 (from $89.47 to $90.72 per equivalent residential unit), based upon the change in consumer price index for the 12 months ended February 2010. The Storm Drain Oversight Committee is expected to consider this proposed increase and develop a recommendation to the City Council on May 5, 2010.

   Currently, only storm drain lining and maintenance costs are programmed for FY13-14 and FY14-15. Staff expects to recommend to the City Council to establish a reserve from the available FY13-14 and FY14-15 Fee revenue, as well as any project savings and interest earnings, for the PVDE/PVDS Roadway Stabilization project. The Storm Drain Oversight Committee will consider Staff's recommendation before it is presented to City Council.

   When the WQFP program was established in 2005, a list of 38 projects totaling about $20.1 million was identified and included in the original program. Of those projects, 11 projects with an estimated total cost of $11.2 million remain unfunded through FY14-15. The original 2005 program also included about $4.6 million of pipe lining over 30 years. Through FY14-15, about $4.8 million of pipe lining will have been funded over a period of 10 years.

8) The 2009 Capital Improvement Plan (CIP) includes a list of unfunded projects with a total cost range of $74,120,000 to $113,575,000. The unfunded list includes a new civic center, various arterial roadway projects and traffic signal upgrades, and storm drain projects. The CIP, including the unfunded project list, will be updated in 2010 during the FY10-11 budget process. The 2010 Model does not include any of these unfunded projects.

9) A placeholder of $1,000,000 has been included in the FY11-12 column of the 2010 Model for infrastructure and consulting costs related to planning for replacement of the Civic Center. Although it is premature to provide specific estimates, pre-construction professional services (i.e. architect, engineers, bond counsel, etc.) may or may not be borne by the City, and may exceed the $1 million placeholder included in the 2010 Model.

10) The residential pavement program is primarily funded with General Fund monies. Capital expenditures associated with the residential pavement management program total about $7.9 million for FY10-11 through FY14-15. The estimates included in the 2010 Model are based upon information provided by the City's pavement consulting engineer.

    The 2010 Model also includes a $2.7 million arterial roadway project that is primarily funded with a combination of Proposition C (transit), Measure R (transportation), and State Transportation Improvement Program (STIP) monies. As restricted funding is inadequate, the General Fund is expected to contribute about $125,000 to the FY11-12 arterial project. After FY11-12, the Proposition C fund balance will continue to accumulate until enough is available to fund another arterial project. More arterial projects could be added to the five-year plan, as other restricted funding is identified.

11) The City receives certain transportation revenues that are generated from cents-per-gallon taxes, including Highway Users Tax (HUTA or "gas tax"), Proposition C, and Proposition A taxes. Each of these taxes is restricted to either street maintenance or public transit activities. These revenue sources fluctuate with changes in consumption, not gas prices. In years past, these revenue sources have been consistently flat. Beginning in FY08-09, consumption began decreasing and affecting the City's revenue. Currently, these revenues are at about 85% of historic levels. Collectively, this is a loss of about $0.3 million of annual restricted revenue to the City.

    Without changes to the level of right-of-way maintenance, the Street Maintenance fund will require an additional average annual General Fund subsidy of about $80,000 (reflected in this version of the 2010 Model). Due to the expected receipt of federal stimulus monies, it appears that Proposition C funded arterial pavement projects budget for FY09-10 will remain intact. However, the City's contributions to the Palos Verdes Transit Authority and Municipal Area Express (MAX Transit) will be underfunded by about $130,000 annually.

Furthermore, MAX Transit is currently developing a proposal to purchase a number of gas-electric hybrid buses, which would require a capital infusion from each participating agency. The current estimate for the City's contribution to this purchase is about $330,000 to be paid over five years beginning in FY11-12. This purchase would require majority approval from participating agencies (Rancho Palos Verdes, Torrance, El Segundo, Lawndale, Lomita, City of Los Angeles, and Los Angeles County). As no decisions have been made about this proposal, the additional capital contribution has not been included in the 2010 Model.

At the May 22nd budget workshop, Staff may present these funding issues and offer recommendations to the City Council to balance the transportation shortfall. Until a reasonable solution is developed, such as decreasing the City's contribution to transit, service adjustments or identification of another transit funding source, Staff has reflected an increasing negative Proposition A fund balance in this version of the 2010 Model.

12) Staff has included an assumption in the 2010 Model, that the Beautification Fund will provide annual funding of about $165,000 for median maintenance. The Beautification Fund receives an annual $280,000 allocation of collector fees from the City's waste hauler. Without this funding source, the General Fund would have to backfill this right-of-way maintenance in the Street Maintenance Fund.

13) A one-time expenditure of $195,000 has been included in the FY10-11 column of the Street Maintenance Fund to repair storm damage to Palos Verdes Drive South in the landslide area of the City. The extraordinary repair includes re-grading the sides of the roadway, and will be funded with a transfer from the Proposition C Fund.

14) Currently, the City Council's reserve policy includes a requirement to keep one year of Portuguese Bend road maintenance costs (through the landslide area) on reserve in the Street Maintenance Fund. Due to increased landslide activity, the cost of maintenance to keep Palos Verdes Drive South in a drivable condition has increased from about $380,000 to about $450,000 annually. This increased level of maintenance will require an increase of the annual General Fund subsidy to the Street Maintenance Fund, which has been reflected in the 2010 Model. Staff believes that keeping one year of maintenance costs on reserve at the higher level is unnecessary, and expects to recommend a decrease for this reserve requirement to the City Council at the May 22nd Budget Workshop.

15) In 1980, the Cities of Rancho Palos Verdes and Rolling Hills Estates entered into an agreement for Rolling Hills Estates to maintain certain right-of-way areas within the borders of Rancho Palos Verdes and to share sales tax revenue from the Peninsula Shopping Center. The agreement expired on March 25, 2010. No sales tax revenue from Rolling Hills Estates has been included in the 2010 Model. A placeholder in the amount of $28,000 for right of way maintenance has been included within the Street Maintenance budget (e.g. traffic signal and median maintenance).

16) On April 16, 2010, Staff expects to request a $1.5 million appropriation from General Fund Reserves to pay off the City's pension liability (referred to as the side-fund liability). The liability currently accrues interest at a rate of 7.75%, and is amortized through FY23-24. The City's expected FY10-11 interest earnings rate on idle cash is 0.5%. Liability payments are set at 2.939% of the City's covered payroll. If the City Council authorizes this appropriation, pension cost savings are expected to be about $150,000 annually.

17) Due to losses in the CalPERS investment portfolio during 2007-2009, the actuary has estimated that the City's contribution rate will increase by 1.337% of covered payroll in FY11-12 (a 7% or roughly $72,000 increase in the City's pension cost).

18) Beginning in FY09-10, the City Council included an appropriation in the General Fund budget to provide park ranger service in the City's open space preserve. The original program concept included hiring 3 part-time park ranger employees, and providing training and equipment. On December 1, 2009, the City Council approved an agreement with Mountains Recreation & Conservation Authority to provide contracted park ranger services in lieu of hiring part-time employees. The two-year budget document included approximately $86,000 annually for this program; however, the estimated cost of the contracted services for FY10-11 is about $115,000. The additional cost has been added to the Public Safety Special Programs expenditure line-item in the General Fund.

19) On December 30, 2009, the City acquired 191 acres of open space known as the Upper Filiorum property. The annual operating cost for the additional open space is currently estimated to be about $47,000, and includes brush removal for fire hazard mitigation and Abalone Cove Landslide Abatement District (ACLAD) dues. This estimated cost has been added to the Park Maintenance expenditure program in the General Fund.

20) The 2010 Model indicates that the fund balance of the Improvement Authority's Abalone Cove fund will steadily decrease over the five years of the Model. The decrease is due to a commitment to fund a portion of the Abalone Cove Landslide Abatement District (ACLAD). Staff expects that after FY11-12, interest income on the non-expendable $1,000,000 portion of the fund balance will not be sufficient to pay for both estimated annual expenditures and a $60,000 annual contribution to ACLAD.

21) On September 15, 2009, the City Council approved a $419,087 use of the CIP emergency project reserve to make a contribution to the Upper Filiorum open space purchase. Staff expects that FY09-10 project savings will temporarily increase the CIP reserve above the policy threshold; but those savings are needed to provide funding for planned FY10-11 and FY11-12 projects. Therefore, the CIP reserve is expected to return to a deficit of about $400,000 by the end of FY11-12, as compared to the policy threshold. At the May 22nd Budget Workshop, Staff expects to present a recommendation to the City Council regarding future replenishment of this reserve.

22) Marymount College is currently circulating a petition for a ballot measure. If enough signatures are gathered and the initiative qualifies for the ballot, the City's General Fund will bear the cost for a November 2010 Special Election. The estimated cost ranges from $75,000 to $90,000. If the initiative qualifies, then the Special Election cost will be added to the 2010 Model.

23) In September 2008, the City Council authorized the Annenberg Foundation to begin the entitlement process for the proposed animal education center project at Lower Point Vicente Park, as identified in the City's Vision Plan. This approval provided the green light for the Foundation to begin the application process. This project is expected to be submitted to the Planning Commission for potential approval in September 2010. No expenditures or revenues associated with this project have been included in the 2010 Model at this time; however, facility operations are expected to be cost neutral to the City.

24) On March 17, 2009, the City Council/Redevelopment Agency (RDA) Board approved a Disposition and Development Agreement with AMCAL Mirandela Fund, L.P. (AMCAL) for an affordable housing project. The City's commitment to the project includes a transfer of the RDA-owned Crestridge property, a pre-development loan of $200,000, and construction financing of $3.6 million. The $3.6 million construction loan is to be financed with about $1.8 million transferred from the City's Affordable Housing In-Lieu Fund, and another $1.8 million from the RDA's Housing Set-Aside accumulated fund balance. Up to about $0.3 million of the $3.6 million construction financing commitment will be funded with FY10-11 tax increment revenue deposited to the RDA Housing Set-Aside Fund. The final amount of the construction financing commitment has been included in the FY10-11 column of the 2010 Model.

25) Currently, the RDA Debt Service Fund is repaying county bonds and deferred interest debt to the county. Staff expects the deferred interest debt will be paid off by the end of FY12-13. It is also expected that the RDA will begin repaying the long-term advance from the City. The estimated June 30, 2010 balance of that advance is $17.7 million dollars. The annual amount available for repayment of the advance is expected to be about $400,000, which would be repaid to the City's General Fund. This repayment is not currently reflected in the 2010 Model.

CITY OF RANCHO PALOS VERDES
2010 FIVE-YEAR FINANCIAL MODEL

EXHIBIT A

Fund	Fund Balance 6/30/2010	10-11 Estimated Resources		10-11 Estimated Appropriations		Fund Bal 6/30/2011	Fund Bal 6/30/2012	Fund Bal 6/30/2013	Fund Bal 6/30/2014	Fund Bal 6/30/2015
		Revenues	Transfers In	Expenditures	Transfers Out					
Unrestricted										
GENERAL	12,262,380	21,772,399	289,848	(17,899,495)	(4,293,858)	12,131,274	12,481,122	#########	16,655,418	19,288,866
Restricted by Council Action										
BEAUTIFICATION FUND	621,170	283,110	-	(96,814)	(415,200)	392,266	413,366	437,796	465,496	495,646
RPV TV FUND	1,696	1,010	85,000	(86,432)	-	1,274	3,394	3,274	884	824
CIP	3,483,133	930,680	4,093,275	(5,479,200)	-	3,027,888	2,874,488	2,926,888	3,009,688	3,113,088
UTILITY UNDERGROUNDING	277,870	1,390	-	-	-	279,260	282,890	289,820	299,820	311,960
ROADWAY BEAUTIFICATION	103,053	520	-	-	-	103,573	104,923	107,493	111,203	115,703
EQUIPMENT REPLACEMENT	1,882,758	68,500	-	(255,300)	-	1,695,958	1,657,958	1,636,858	1,630,158	1,631,158
BUILDING REPLACEMENT	830,851	4,200	-	(34,500)	-	800,551	810,951	830,851	859,551	894,351
EMPLOYEE BENEFITS	4	2,037,363	-	(2,015,560)	-	21,807	22,087	22,627	23,407	24,357
Subtotal	7,200,535	3,326,773	4,178,275	(7,967,806)	(415,200)	6,322,577	6,170,057	6,255,607	6,400,207	6,587,087
Restricted by Law or External Agencies										
STREET MAINTENANCE	403,055	1,129,170	1,117,100	(2,298,274)	-	351,051	301,311	301,491	301,191	300,391
1972 ACT	48,018	259,087	-	(70,300)	(204,000)	32,805	18,018	4,354	1,682	854
EL PRADO LIGHTING	2,168	1,920	-	(1,000)	-	3,088	4,078	5,168	6,378	7,708
CDBG	(6)	214,747	44,006	(231,899)	(26,848)	0	0	0	0	0
1911 ACT	1,560,007	500,600	-	(506,900)	(102,600)	1,451,107	1,345,607	1,248,107	1,154,407	1,056,507
WASTE REDUCTION	123,787	180,620	-	(163,939)	(12,000)	128,468	131,338	133,158	133,848	132,768
AIR QUALITY MANAGEMENT	53,376	50,070	-	(50,000)	-	53,446	53,936	55,056	56,756	58,856
PROPOSITION C	1,303,320	843,870	-	-	(645,300)	1,501,890	510	362,620	724,930	1,065,490
PROPOSITION A	71,917	577,214	-	(706,000)	-	(56,869)	(196,812)	(347,652)	(509,547)	(682,757)
PUBLIC SAFETY GRANTS	905	100,000	-	-	(100,000)	905	915	935	965	1,005
HABITAT RESTORATION	201,189	1,010	109,900	(126,411)	-	185,688	171,098	157,888	145,538	133,128
SUBREGION 1 MAINTENANCE	6,636	3,800	70,000	(79,000)	-	1,436	4,936	5,336	1,436	4,736
MEASURE A	33,928	151,170	-	-	(151,000)	34,098	34,538	35,388	36,608	13,088
ABALONE COVE SEWER DISTRICT	56,476	46,840	10,700	(63,206)	-	50,810	44,660	38,290	31,320	23,390
GINSBURG CULTURAL ARTS BUILDING	208,103	1,040	-	-	-	209,143	211,863	217,053	224,543	233,633
RECREATION IMPROVEMENTS DONATIONS	2,082	10	-	-	-	2,092	2,122	2,172	2,242	2,332
QUIMBY	25,170	130	-	-	-	25,300	25,630	26,260	27,170	28,270
AFFORDABLE HOUSING IN LIEU	7,975	40	-	-	-	8,015	8,115	8,315	8,605	8,955
ENVIRONMENTAL EXCISE TAX	793	-	-	-	-	793	803	823	853	883
BIKEWAYS	-	17,223	-	-	(17,223)	0	0	0	0	0
WATER QUALITY & FLOOD PROTECTION	422,254	1,253,689	-	(1,418,618)	-	257,325	322,924	258,323	736,726	1,333,050
RDA HOUSING SET ASIDE	710,376	215,000	-	(278,957)	-	646,419	847,519	1,068,119	1,313,119	1,584,219
RDA DEBT SERVICE	613,276	1,730,700	-	(1,798,835)	-	545,141	476,922	414,698	755,323	1,115,598
RDA - PORTUGUESE BEND	517,266	2,590	-	(31,366)	-	488,490	462,540	440,670	421,770	403,750
RDA - ABALONE COVE	6,261	30	-	-	-	6,291	6,371	6,531	6,761	7,031
IMPROV AUTH - PORTUGUESE BEND	205,733	1,030	101,000	(141,700)	-	166,063	126,423	86,923	46,423	3,503
IMPROV AUTH - ABALONE COVE	293,555	6,500	-	(109,490)	-	190,565	95,240	69,959	53,420	41,222
Subtotal	6,877,620	7,288,100	1,452,706	(8,075,895)	(1,258,971)	6,283,560	4,500,606	4,599,986	5,682,466	6,877,610
GRAND TOTAL	**26,340,535**	**32,387,272**	**5,920,829**	**(33,943,196)**	**(5,968,029)**	**24,737,411**	**23,151,784**	**25,133,462**	**28,738,091**	**32,753,562**

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 1		% Increase	% Increase	% Increase	% Increase	% Increase	% Increase	% Increase	% Increase	% Increase	% Increase
ECONOMIC MODEL INPUT FACTORS (a-m):											
Increase Factor (%) Revenues/Property Assessments	**(a)**	N/A	N/A	N/A	N/A	N/A	1.8%	2.0%	2.0%	2.0%	2.0%
Increase Factor (%) Expenditures	**(b)**	N/A	N/A	N/A	N/A	N/A	2.0%	2.9%	2.6%	2.6%	2.8%
Consumer Price Index (%)	**(c)**	N/A	N/A	N/A	N/A	N/A	1.9%	1.3%	1.2%	1.2%	1.5%
Sales Tax (%)	**(d)**	N/A	N/A	N/A	N/A	N/A	0.0%	1.3%	1.2%	1.2%	1.5%
Property Taxes (%)	**(e)**	N/A	N/A	N/A	N/A	N/A	0.5%	3.0%	3.5%	4.0%	4.5%
Sheriff Contract (%)	**(f)**	N/A	N/A	N/A	N/A	N/A	2.0%	3.0%	3.0%	3.0%	3.0%
Planning Permit Revenues (%)	**(g)**	N/A	N/A	N/A	N/A	N/A	0.0%	4.8%	4.7%	4.7%	5.0%
Building and Safety Revenues (%)	**(h)**	N/A	N/A	N/A	N/A	N/A	0.0%	4.8%	4.7%	4.7%	5.0%
Vehicle License Fee (VLF) (%)	**(i)**	N/A	N/A	N/A	N/A	N/A	0.0%	0.0%	0.0%	0.0%	0.0%
Street Maint. and Prop A & C Revenues (%)	**(j)**	N/A	N/A	N/A	N/A	N/A	0.0%	0.0%	0.0%	0.0%	0.0%
Property Transfer Tax (%)	**(k)**	N/A	N/A	N/A	N/A	N/A	-13.0%	2.0%	2.0%	2.0%	2.0%
Transient Occupancy Tax(%)	**(l)**	N/A	N/A	N/A	N/A	N/A	0.0%	0.0%	0.0%	0.0%	0.0%
Investment Interest (%)	**(m)**	N/A	N/A	N/A	N/A	N/A	0.5%	1.3%	2.5%	3.5%	4.1%
Utility Users Tax (%)	**(n)**	N/A	N/A	N/A	N/A	N/A	0.4%	1.3%	1.2%	1.2%	1.5%
Franchise Tax (%)	**(o)**	N/A	N/A	N/A	N/A	N/A	0.5%	1.3%	1.2%	1.2%	1.5%
Facility Rentals (%)	**(p)**	N/A	N/A	N/A	N/A	N/A	-3.0%	1.3%	1.2%	1.2%	1.5%

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 2											
SUMMARY OF ENDING UNRESERVED FUND BALANCES	PAGE										
UNRESTRICTED FUND											
(101) General Fund	6	**12,171,332**	**0**	**10,440,256**	**10,440,256**	**12,262,380**	**12,131,274**	**12,481,122**	**14,277,870**	**16,655,418**	**19,288,866**
RESTRICTED BY COUNCIL ACTION											
(212) Beautification Fund	7	1,327,191	916,507	1,367,251	450,744	621,170	392,266	413,366	437,796	465,496	495,646
(226) RPV TV Fund	8	41,593	(3,757)	(4,714)	(957)	1,696	1,274	3,394	3,274	884	824
(330) CIP Fund	9	3,395,966	9,224,647	7,207,180	(2,017,467)	3,483,133	3,027,888	2,874,488	2,926,888	3,009,688	3,113,088
(341) Utility Undergrounding Fund	10	269,241	276,041	273,770	(2,271)	277,870	279,260	282,890	289,820	299,820	311,960
(342) Roadway Beautification Fund	11	99,875	102,375	101,553	(822)	103,053	103,573	104,923	107,493	111,203	115,703
(681) Equipment Replacement Fund	12	3,023,617	2,797,797	2,968,158	170,361	1,882,758	1,695,958	1,657,958	1,636,858	1,630,158	1,631,158
(686) Building Replacement Fund	13	1,507,730	1,322,344	1,326,051	3,707	830,851	800,551	810,951	830,851	859,551	894,351
(685) Employee Benefit Fund	14	899,244	37,221	204,841	167,620	4	21,807	22,087	22,627	23,407	24,357
SUBTOTAL		**10,564,457**	**14,673,175**	**13,444,090**	**(1,229,085)**	**7,200,535**	**6,322,577**	**6,170,057**	**6,255,607**	**6,400,207**	**6,587,087**
RESTRICTED BY LAW OR EXTERNAL AGENCIES											
City Funds											
(202) Street Maintenance Fund	15	578,589	417,098	424,481	7,383	403,055	351,051	301,311	301,491	301,191	300,391
(203) 1972 Act Landscape & Lighting Fund	16	47,305	57,478	58,659	1,181	48,018	32,805	18,018	4,354	1,682	854
(209) El Prado Lighting Fund	17	9,572	10,702	11,138	436	2,168	3,088	4,078	5,168	6,378	7,708
(310) CDBG Fund	18	(17)	(17)	(6)	11	(6)	0	0	0	0	0
(211) 1911 Act Street Lighting Fund	19	1,591,701	1,444,901	1,632,607	187,706	1,560,007	1,451,107	1,345,607	1,248,107	1,154,407	1,056,507
(213) Waste Reduction Fund	20	319,550	175,930	174,105	(1,825)	123,787	128,468	131,338	133,158	133,848	132,768
(214) Air Quality Management Fund	21	52,197	53,507	52,776	(731)	53,376	53,446	53,936	55,056	56,756	58,856
(215) Proposition C (Streets/Transit) Fund	22	1,976,356	178,385	2,564,999	2,386,614	1,303,320	1,501,890	510	362,620	724,930	1,065,490
(216) Proposition A (Transit) Fund	23	223,971	287,778	197,694	(90,084)	71,917	(56,869)	(196,812)	(347,652)	(509,547)	(682,757)
(217) Public Safety Grants	24	65,200	33,635	34,540	905	905	905	915	935	965	1,005
(222) Habitat Restoration Fund	25	233,257	190,580	225,180	34,600	201,189	185,688	171,098	157,888	145,538	133,128
(223) Subregion 1 Maintenance Fund	26	760	1,860	17,336	15,476	6,636	1,436	4,936	5,336	1,436	4,736
(224) Measure A Cap. & Maint. Funds	27	9,405	305	33,928	33,623	33,928	34,098	34,538	35,388	36,608	13,088
(225) Abalone Cove Sewer District Fund	28	117,713	69,823	93,594	23,771	56,476	50,810	44,660	38,290	31,320	23,390
(227) Ginsburg Cultural Arts Building Fund	29	492,045	504,245	500,503	(3,742)	208,103	209,143	211,863	217,053	224,543	233,633
(228) Recreation Improvements Donations Fund	30	2,048	2,048	2,082	34	2,082	2,092	2,122	2,172	2,242	2,332
(334) Quimby Fund	31	24,754	12,064	25,170	13,106	25,170	25,300	25,630	26,260	27,170	28,270
(337) Affordable Housing In-Lieu Fund	32	1,155,231	843,299	838,333	(4,966)	7,975	8,015	8,115	8,315	8,605	8,955
(338) Environmental Excise Tax (EET) Fund	33	824,223	830,768	839,293	8,525	793	793	803	823	853	883
(340) Bikeways (TDA Article 3) Fund	34	5,198	0	0	0	0	0	0	0	0	0
(501) Water Quality & Flood Protection Fund	35	7,740,008	1,695,231	2,108,364	413,133	422,254	257,325	322,924	258,323	736,726	1,333,050
RDA & Improvement Authority Funds											
(218) RDA Housing Set - Aside	36	2,561,059	1,409,752	2,067,751	657,999	710,376	646,419	847,519	1,068,119	1,313,119	1,584,219
(410) RDA Debt Service Fund	37	481,602	(417,257)	603,677	1,020,934	613,276	545,141	476,922	414,698	755,323	1,115,598
(375) RDA - Portuguese Bend Fund	38	499,259	483,859	541,041	57,182	517,266	488,490	462,540	440,670	421,770	403,750
(380) RDA - Abalone Cove Fund	39	6,052	6,202	6,171	(31)	6,261	6,291	6,371	6,531	6,761	7,031
(285) Improvement Authority - Portuguese Bend	40	227,645	187,925	231,613	43,688	205,733	166,063	126,423	86,923	46,423	3,503
(795) Improvement Authority - Abalone Cove	41	371,281	297,405	362,231	64,826	293,555	190,565	95,240	69,959	53,420	41,222
SUBTOTAL		**19,615,964**	**8,777,506**	**13,647,260**	**4,869,754**	**6,877,620**	**6,283,560**	**4,500,606**	**4,599,986**	**5,682,466**	**6,877,610**
GRAND TOTAL - ALL FUNDS INCLUDED		**42,351,753**	**23,450,681**	**37,531,606**	**14,080,925**	**26,340,535**	**24,737,411**	**23,151,784**	**25,133,462**	**28,738,091**	**32,753,562**

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 3											
GENERAL FUND REVENUE DETAIL											
TAXES:											
Property taxes	**(e)**	5,632,664	5,945,600	5,855,099	(90,501)	5,924,893	6,239,416	6,426,600	6,651,500	6,917,600	7,228,900
Property taxes In-Lieu of VLF Revenues	**(e)**	3,210,504	3,405,000	3,388,494	(16,506)	3,428,500	3,490,200	3,594,900	3,720,700	3,869,500	4,043,600
Property taxes In-Lieu of Sales Tax	**(e)**	320,839	288,400	301,454	13,054	301,500	310,500	319,800	331,000	344,200	359,700
Sales and use tax	**(d)**	1,076,534	1,127,400	1,060,220	(67,180)	1,211,767	1,190,400	1,205,300	1,219,200	1,233,800	1,252,300
Property transfer tax	**(k)**	240,572	198,900	178,813	(20,087)	207,100	180,000	183,600	187,300	191,000	194,800
Business license tax/Application processing	**(c)**	499,014	521,800	531,982	10,182	515,600	520,800	527,300	533,400	539,800	547,900
Transient occupancy tax	**(l)**	26,076	32,100	85,245	53,145	1,826,100	2,026,100	2,026,100	2,026,100	2,026,100	2,026,100
Franchise taxes	**(o)**	1,598,644	1,603,200	1,709,009	105,809	1,719,715	1,726,000	1,747,600	1,767,700	1,788,900	1,815,700
Utility user tax	**(n)**	2,329,282	2,354,700	2,267,431	(87,269)	2,448,800	2,461,800	2,492,600	2,521,300	2,551,600	2,589,900
Golf tax	**(c)**	356,963	333,000	278,343	(54,657)	333,000	336,300	340,500	344,400	348,500	353,700
Total Taxes		15,291,092	15,810,100	15,656,090	(154,010)	17,916,975	18,481,516	18,864,300	19,302,600	19,811,000	20,412,600
LICENSES AND PERMITS:											
Animal control fees	**(a)**	50,929	60,000	45,810	(14,190)	55,000	58,600	59,800	61,000	117,200	63,400
Right of way & parking permits	**(h)**	51,478	49,800	39,819	(9,981)	63,800	59,026	61,800	64,700	67,700	71,100
Building and safety permits & geology fees	**(h)**	1,446,761	1,184,950	1,278,568	93,618	691,080	978,416	1,024,900	1,072,600	1,123,000	1,179,200
Planning permits	**(g)**	325,396	362,763	367,545	4,782	1,116,120	843,141	883,200	924,300	967,700	1,016,100
Film permits	**(c)**	38,629	33,900	21,408	(12,492)	66,100	50,000	50,600	51,200	51,800	52,600
Massage Permits		349	500	1,537	1,037	0	0	0	0	0	0
Total Licenses & Permits		1,913,542	1,691,913	1,754,687	62,774	1,992,100	1,989,183	2,080,300	2,173,800	2,327,400	2,382,400
FINES & FORFEITURES:											
Miscellaneous court fines	**(a)**	251,739	228,800	205,635	(23,165)	205,400	203,600	207,700	211,900	216,100	220,400
False alarm fines	**(a)**	7,900	12,800	8,265	(4,535)	13,100	13,400	13,700	14,000	14,300	14,600
Total Fines & Forfeitures		259,639	241,600	213,900	(27,700)	218,500	217,000	221,400	225,900	230,400	235,000
USE OF MONEY & PROPERTY:											
Property & Monopole Leases	**(c)**	181,376	179,600	158,019	(21,581)	180,500	182,300	184,600	186,700	188,900	191,700
Facility rentals - PVIC	**(p)**	166,072	177,350	181,534	4,184	176,800	180,000	182,300	184,400	186,600	189,400
Facility rentals - Other	**(p)**	150,456	119,100	130,699	11,599	111,900	100,000	101,300	102,500	103,700	105,300
Parking lot fees		43,522	42,800	43,857	1,057	43,500	43,500	43,500	43,500	43,500	43,500
PVIC gift shop	**(c)**	99,989	72,000	80,272	8,272	97,400	98,100	99,300	100,400	101,600	103,100
Interest earnings	**(m)**	590,139	222,500	266,124	43,624	90,100	65,000	170,700	330,300	527,100	715,000
Total Use of Money & Property		1,231,554	813,350	860,505	47,155	700,200	668,900	781,700	947,800	1,151,400	1,348,000
CHARGES FOR SERVICES:											
Recreation fees-REACH	**(c)**	8,338	8,900	8,863	(37)	8,900	9,000	9,100	9,200	9,300	9,400
Sale of Signs/Services	**(c)**	7,746	6,500	4,618	(1,882)	6,500	6,600	6,700	6,800	6,900	7,000
Interfund charges for services	**(a)**	141,200	145,300	145,300	0	148,200	151,200	154,200	157,300	160,400	163,600
Total Charges For Services		157,284	160,700	158,781	(1,919)	163,600	166,800	170,000	173,300	176,600	180,000
REVENUES FROM OTHER AGENCIES											
Motor vehicle license fees	**(i)**	195,987	172,500	147,904	(24,596)	140,000	140,000	140,000	140,000	140,000	140,000
Grant income		361,104	50,000	4,797	(45,203)	62,972	75,000	15,000	15,000	15,000	15,000
Total Revenues From Other Agencies		557,091	222,500	152,701	(69,799)	202,972	215,000	155,000	155,000	155,000	155,000
OTHER REVENUES:											
Donations	**(a)**	14,429	14,500	37,182	22,682	14,800	15,100	15,400	15,700	16,000	16,300
Other miscellaneous	**(a)**	123,307	75,900	82,314	6,414	20,400	18,900	19,300	19,700	20,100	20,500
Total Other Revenues		137,736	90,400	119,496	29,096	35,200	34,000	34,700	35,400	36,100	36,800
TOTAL GENERAL FUND REVENUES		19,547,938	19,030,563	18,916,160	(114,403)	21,229,547	21,772,399	22,307,400	23,013,800	23,887,900	24,749,800

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 4											
GENERAL FUND EXPENDITURE DETAIL											
City Council	(b)	90,176	116,800	104,015	12,785	97,378	95,935	98,700	101,300	103,900	106,800
City Manager	(b)	1,418,444	1,268,530	1,266,989	1,541	1,533,856	1,485,117	1,543,300	1,583,300	1,624,100	1,669,200
City Attorney	(b)	636,261	1,065,200	1,000,542	64,658	1,165,000	1,065,000	1,095,800	1,124,200	1,153,200	1,185,300
City Clerk	(b)	367,060	282,530	276,389	6,141	387,463	282,149	388,600	304,000	411,600	423,000
Community Outreach	(b)	133,743	156,550	143,350	13,200	100,650	100,650	103,600	106,300	109,000	112,000
Personnel	(b)	101,621	249,273	179,084	70,189	211,583	209,269	218,500	224,200	230,000	236,400
Finance	(b)	901,287	1,063,042	1,053,750	9,292	1,242,180	1,261,670	1,322,600	1,356,900	1,391,900	1,430,600
Information Technology - Data	(b)	559,447	776,310	705,669	70,641	568,340	630,767	652,500	669,400	686,700	705,800
Information Technology - Voice	(b)	54,466	115,320	65,399	49,921	81,705	92,970	95,700	98,200	100,700	103,500
Total Administration		4,262,505	5,093,555	4,795,187	298,368	5,388,155	5,223,527	5,519,300	5,567,800	5,811,100	5,972,600
Public Safety - sheriff	(f)	3,809,634	4,000,150	3,941,881	58,269	3,981,750	3,994,087	4,113,900	4,237,300	4,364,400	4,495,300
Special Programs	(b)	51,043	86,365	71,934	14,431	70,000	172,545	177,500	182,100	186,800	192,000
Animal Services	(b)	103,239	154,677	117,926	36,751	125,250	130,250	134,000	217,500	141,000	144,900
Emergency Preparedness	(b)	64,909	81,178	69,229	11,949	114,177	110,445	118,200	121,300	124,400	127,900
Total Public Safety		4,028,825	4,322,370	4,200,970	121,400	4,291,177	4,407,327	4,543,600	4,758,200	4,816,600	4,960,100
Public Works Administration	(b)	645,576	1,107,096	1,087,341	19,755	1,636,021	1,921,410	2,029,100	2,081,700	2,135,400	2,194,800
Sewer Maintenance	(b)	35,785	102,480	102,344	136	115,300	61,300	63,100	64,700	66,400	68,200
Traffic Management	(b)	244,247	364,063	291,539	72,524	293,600	278,400	286,400	293,800	301,400	309,800
Storm Water Quality (NPDES Compliance)	(b)	133,112	147,700	146,800	900	173,900	177,100	182,200	186,900	191,700	197,000
Public Building Maintenance	(b)	592,620	648,703	576,573	72,130	528,200	542,000	565,600	580,200	595,200	611,700
Parks Maintenance	(b)	660,472	984,452	829,796	154,656	1,184,893	1,291,249	1,328,600	1,363,000	1,398,200	1,437,100
Total Public Works		2,311,812	3,354,494	3,034,393	320,101	3,931,914	4,271,459	4,455,000	4,570,300	4,688,300	4,818,600
Planning	(b)	1,209,395	1,315,870	1,315,607	263	1,255,118	1,285,144	1,356,200	1,391,300	1,427,200	1,466,900
Building & Safety Services	(b)	694,989	555,140	519,945	35,195	615,177	596,409	630,900	647,200	663,900	682,400
Code Enforcement	(b)	149,160	210,990	177,141	33,849	201,658	203,494	213,900	219,400	225,100	231,400
View Restoration/Preservation	(b)	198,433	255,980	193,154	62,826	326,288	324,676	339,300	348,100	357,100	367,000
NCCP	(b)	45,538	46,450	45,581	869	0	0	0	0	0	0
Geology	(b)	176,748	200,000	160,722	39,278	200,000	200,000	205,800	211,100	216,500	222,500
Total Planning		2,474,263	2,584,430	2,412,150	172,280	2,598,241	2,609,723	2,746,100	2,817,100	2,889,800	2,970,200
Recreation administration	(b)	466,639	496,030	491,510	4,520	605,756	526,920	554,900	569,300	584,000	600,200
Recreation Facilities	(b)	349,255	374,790	350,404	24,386	430,296	409,878	431,400	442,600	454,000	466,600
Special events	(b)	26,629	104,670	86,667	18,003	40,904	40,980	42,200	43,300	44,400	45,600
PVIC	(b)	346,861	355,070	334,067	21,003	330,331	334,291	357,300	366,600	376,100	386,600
REACH	(b)	92,145	103,700	91,283	12,417	74,672	75,390	83,900	86,100	88,300	90,800
Total Recreation		1,281,529	1,434,260	1,353,931	80,329	1,481,959	1,387,459	1,469,700	1,507,900	1,546,800	1,589,800
TOTAL GENERAL FUND EXPENDITURES		14,358,934	16,789,109	15,796,631	992,478	17,691,446	17,899,495	18,733,700	19,221,300	19,752,600	20,311,300
GENERAL FUND NET BEFORE TRANSFERS		5,189,004	2,241,454	3,119,529	878,075	3,538,101	3,872,904	3,573,700	3,792,500	4,135,300	4,438,500

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 5											
GENERAL FUND TRANSFER DETAIL											
GENERAL FUND TRANSFERS IN:											
From CDBG fund - Reach		28,574	20,646	20,646	0	26,848	26,848	26,848	26,848	26,848	26,848
From Measure A Maint		100,599	75,900	54,200	(21,700)	151,000	151,000	151,000	151,000	151,000	151,000
From Public Safety Grants fund		100,000	100,000	100,000	0	100,000	100,000	100,000	100,000	100,000	100,000
From Waste Reduction		0	7,000	0	(7,000)	12,000	12,000	12,000	12,000	12,000	12,000
From Proposition A		2,600	2,700	2,700	0	2,800	0	0	0	0	0
Total General Fund Transfers In		231,773	206,246	177,546	(28,700)	292,648	289,848	289,848	289,848	289,848	289,848
GENERAL FUND TRANSFERS OUT:											
To CIP fund		1,482,711	4,531,571	4,531,571	0	1,412,000	3,826,052	3,052,800	1,752,800	1,482,800	1,482,800
To CDBG		0	0	0	0	0	44,006	0	0	0	0
To Improvement Authority PB	**(b)**	14,000	91,500	82,252	9,248	110,000	101,000	104,000	107,000	110,000	113,000
To Improvement Authority AC		6,000	0	0	0	0	0	0	0	0	0
To Abalone Cove Sewer District		80,700	10,700	10,700	0	10,700	10,700	10,700	10,700	10,700	10,700
To Habitat Restoration		115,000	115,000	115,000	0	169,000	109,900	113,100	116,000	119,000	122,300
To Subregion 1 Maintenance Fund		30,000	55,000	55,000	0	55,000	70,000	65,000	55,000	45,000	50,000
To Street Maintenance fund (PB Road Maint)		206,000	212,180	212,180	0	0	0	0	0	0	0
To Street Maintenance fund		239,000	242,845	242,845	0	22,000	0	30,000	105,000	140,000	170,000
To RPV TV		135,040	54,590	54,590	0	90,000	85,000	90,000	90,000	90,000	95,000
To Building Replacement fund		46,725	0	0	0	0	0	0	0	0	0
To Employee Benefits		0	0	0	0	94,125	0	0	0	0	0
To RDA Debt Service fund		0	67,902	0	67,902	45,800	47,200	48,100	49,100	50,100	51,100
To Water Quality and Flood Protection Fund		4,719,193	0	0	0	0	0	0	0	0	0
Total General Fund Transfers Out		7,074,369	5,381,288	5,304,138	77,150	2,008,625	4,293,858	3,513,700	2,285,600	2,047,600	2,094,900
Net Activity		(1,653,592)	(2,933,588)	(2,007,063)	772,225	1,822,124	(131,106)	349,848	1,796,748	2,377,548	2,633,448

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 6											
GENERAL FUND SUMMARY											
Beginning Fund Balance		21,747,929	20,094,337	20,094,337	0	18,087,274	19,909,398	19,778,292	20,128,140	21,924,888	24,302,436
Plus: Revenues		19,547,938	19,030,563	18,916,160	(114,403)	21,229,547	21,772,399	22,307,400	23,013,800	23,887,900	24,749,800
Less: Expenditures		(14,358,934)	(16,789,109)	(15,796,631)	992,478	(17,691,446)	(17,899,495)	(18,733,700)	(19,221,300)	(19,752,600)	(20,311,300)
Plus: Transfers In		231,773	206,246	177,546	(28,700)	292,648	289,848	289,848	289,848	289,848	289,848
Less: Transfers Out		(7,074,369)	(5,381,288)	(5,304,138)	77,150	(2,008,625)	(4,293,858)	(3,513,700)	(2,285,600)	(2,047,600)	(2,094,900)
Ending Fund Balance		20,094,337	17,160,749	18,087,274	926,525	19,909,398	19,778,292	20,128,140	21,924,888	24,302,436	26,935,884
Less Fund Balance Reservations:											
PB & AC RDA Loans, Bond Restructuring		6,175,060		6,219,543		6,219,543	6,219,543	6,219,543	6,219,543	6,219,543	6,219,543
Encumbrances		0		0		0	0	0	0	0	0
Continuing Appropriations		1,277,915		1,333,300		1,333,300	1,333,300	1,333,300	1,333,300	1,333,300	1,333,300
Prepaid Items & Other		470,030		94,175		94,175	94,175	94,175	94,175	94,175	94,175
Available Fund Balance		12,171,332		10,440,256		12,262,380	12,131,274	12,481,122	14,277,870	16,655,418	19,288,866
Policy Reserve Threshold		9,773,969		7,898,316		8,845,723	8,949,748	9,366,850	9,610,650	9,876,300	10,155,650
Surplus/(Deficit) Reserve vs. Policy Threshold		2,397,363		2,541,941		3,416,657	3,181,527	3,114,272	4,667,220	6,779,118	9,133,216

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 7											
BEAUTIFICATION FUND DETAIL (Fund-212)											
Revenues											
Beautification revenue	**(c)**	289,190	195,000	198,398	3,398	150,000	280,000	283,500	286,800	290,200	294,600
Interest earnings	**(m)**	49,720	22,300	22,672	372	12,900	3,110	5,100	10,130	15,100	18,850
Total Revenue		338,910	217,300	221,070	3,770	162,900	283,110	288,600	296,930	305,300	313,450
Expenditures											
Personnel services	**(b)**	16,955	20,740	20,151	589	15,230	15,414	15,900	16,300	16,700	17,200
Beautification Grants		153,364	440,844	143,875	296,969	86,000	75,000	75,000	75,000	75,000	75,000
Operations & maintenance	**(b)**	4,100	6,200	4,200	2,000	6,300	6,400	6,600	6,800	7,000	7,200
Total Expenditures		174,419	467,784	168,226	299,558	107,530	96,814	97,500	98,100	98,700	99,400
BEAUTIFICATION FUND NET BEFORE TRANSFERS		164,491	(250,484)	52,844	303,328	55,370	186,296	191,100	198,830	206,600	214,050
Transfers Out											
To CIP fund		0	160,200	12,784	147,416	544,591	250,000	0	0	0	0
To Street Maintenance fund		0	0	0	0	256,860	165,200	170,000	174,400	178,900	183,900
Total Transfers Out		0	160,200	12,784	147,416	801,451	415,200	170,000	174,400	178,900	183,900
BEAUTIFICATION FUND SUMMARY											
Beginning Fund Balance		1,162,700	1,327,191	1,327,191	0	1,367,251	621,170	392,266	413,366	437,796	465,496
Plus: Revenues		338,910	217,300	221,070	3,770	162,900	283,110	288,600	296,930	305,300	313,450
Less: Expenditures		(174,419)	(467,784)	(168,226)	299,558	(107,530)	(96,814)	(97,500)	(98,100)	(98,700)	(99,400)
Less: Transfers Out		0	(160,200)	(12,784)	147,416	(801,451)	(415,200)	(170,000)	(174,400)	(178,900)	(183,900)
Ending Fund Balance		1,327,191	916,507	1,367,251	450,744	621,170	392,266	413,366	437,796	465,496	495,646

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 8											
RPV TV (Fund-226)											
Revenues											
Donations		0	1,000	0	(1,000)	1,000	1,000	1,000	1,000	1,000	1,000
Interest earnings	**(m)**	3,754	150	192	42	160	10	20	80	110	40
Total Revenue		3,754	1,150	192	(958)	1,160	1,010	1,020	1,080	1,110	1,040
Expenditures											
Personnel services	**(b)**	5,375	14,290	16,990	2,700	30,250	31,132	32,000	32,800	33,600	34,500
Professional/Technical Services/Equipment	**(b)**	126,151	86,800	84,099	2,701	54,500	55,300	56,900	58,400	59,900	61,600
Total Expenditures		131,526	101,090	101,089	5,401	84,750	86,432	88,900	91,200	93,500	96,100
RPV TV FUND NET BEFORE TRANSFERS		(127,772)	(99,940)	(100,897)	4,443	(83,590)	(85,422)	(87,880)	(90,120)	(92,390)	(95,060)
Fund Transfer In											
From General Fund		135,040	54,590	54,590	0	90,000	85,000	90,000	90,000	90,000	95,000
Total Transfer In		135,040	54,590	54,590	0	90,000	85,000	90,000	90,000	90,000	95,000
RPV TV FUND SUMMARY:											
Beginning Fund Balance		34,325	41,593	41,593	0	(4,714)	1,696	1,274	3,394	3,274	884
Plus: Revenues		3,754	1,150	192	(958)	1,160	1,010	1,020	1,080	1,110	1,040
Less: Expenditures		(131,526)	(101,090)	(101,089)	1	(84,750)	(86,432)	(88,900)	(91,200)	(93,500)	(96,100)
Plus: Transfer In		135,040	54,590	54,590	0	90,000	85,000	90,000	90,000	90,000	95,000
Ending Fund Balance		41,593	(3,757)	(4,714)	(957)	1,696	1,274	3,394	3,274	884	824

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 9											
CIP FUND DETAIL (Fund-330)											
Revenues											
Grant-Federal		756,822	0	1,400	1,400	2,462,000	0	625,000	0	0	0
Grant-State		715,373	892,620	640,620	(252,000)	1,583,720	913,280	580,000	680,000	0	0
Miscellaneous revenues		0	0	17,803	17,803	5,950,000	0	0	0	0	0
Interest earnings	(m)	120,262	21,200	44,361	23,161	64,600	17,400	39,400	70,400	101,000	121,900
Total CIP Fund Revenue		1,592,457	913,820	704,184	(209,636)	10,060,320	930,680	1,244,400	750,400	101,000	121,900
Expenditures											
Total CIP Fund Expenditures (see Exhibit C)		2,803,675	2,262,081	1,501,477	760,604	18,118,701	5,479,200	6,362,800	2,468,000	1,518,200	1,543,500
CIP FUND NET BEFORE TRANSFERS		(1,211,218)	(1,348,261)	(797,293)	550,968	(8,058,381)	(4,548,520)	(5,118,400)	(1,717,600)	(1,417,200)	(1,421,600)
Transfers In											
From General fund		1,482,711	4,531,571	4,531,571	0	1,412,000	3,826,052	3,052,800	1,752,800	1,482,800	1,482,800
From Measure A Capital/Maintenance fund		0	0	21,700	21,700	10,913	0	0	0	0	0
From Proposition C fund		237,527	2,408,671	0	(2,408,671)	1,409,230	0	1,895,000	0	0	25,000
From Proposition A fund		15,000	15,500	12,450	(3,050)	0	0	0	0	0	0
From Recreation Improvements Donations fund		0	0	0	0	600,000	0	0	0	0	0
From Bikeways fund		80,000	32,000	30,002	(1,998)	25,000	17,223	17,200	17,200	17,200	17,200
From EET fund		0	29,000	0	(29,000)	332,600	0	0	0	0	0
From Beautification fund		0	160,200	12,784	(147,416)	544,591	250,000	0	0	0	0
Total Transfers In		1,815,238	7,176,942	4,608,507	(2,568,435)	4,334,334	4,093,275	4,965,000	1,770,000	1,500,000	1,525,000
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
CIP FUND SUMMARY											
Beginning Fund Balance		2,791,946	3,395,966	3,395,966	0	7,207,180	3,483,133	3,027,888	2,874,488	2,926,888	3,009,688
Plus: Revenues		1,592,457	913,820	704,184	(209,636)	10,060,320	930,680	1,244,400	750,400	101,000	121,900
Less: Expenditures		(2,803,675)	(2,262,081)	(1,501,477)	760,604	(18,118,701)	(5,479,200)	(6,362,800)	(2,468,000)	(1,518,200)	(1,543,500)
Plus: Transfers In		1,815,238	7,176,942	4,608,507	(2,568,435)	4,334,334	4,093,275	4,965,000	1,770,000	1,500,000	1,525,000
Plus: Transfers Out		0	0	0	0	0	0	0	0	0	0
Fund Balance		3,395,966	9,224,647	7,207,180	(2,017,467)	3,483,133	3,027,888	2,874,488	2,926,888	3,009,688	3,113,088
Emergency Reserve + Reserve for FEMA revenue received for disaster projects not yet closed						3,274,430	3,274,430	3,274,430	3,274,430	3,274,430	3,274,430
Available Fund Balance						208,703	(246,542)	(399,942)	(347,542)	(264,742)	(161,342)

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 10											
UTILITY UNDERGROUNDING FUND DETAIL (Fund-341)											
Revenues											
Interest earnings	**(m)**	10,744	6,800	4,529	(2,271)	4,100	1,390	3,630	6,930	10,000	12,140
Total Revenue		10,744	6,800	4,529	(2,271)	4,100	1,390	3,630	6,930	10,000	12,140
Expenditures											
Professional/Technical Services		0	0	0	0	0	0	0	0	0	0
Total Expenditures		0	0	0	0	0	0	0	0	0	0
UTILITY UNDERGROUNDING FUND NET BEFORE TRANSFERS		10,744	6,800	4,529	(2,271)	4,100	1,390	3,630	6,930	10,000	12,140
Fund Transfer In											
From General Fund		0	0	0	0	0	0	0	0	0	0
Total Transfer In		0	0	0	0	0	0	0	0	0	0
Fund Transfer Out		0	0	0	0	0	0	0	0	0	0
Total Transfer Out		0	0	0	0	0	0	0	0	0	0
UTILITY UNDERGROUNDING FUND SUMMARY:											
Beginning Fund Balance		258,497	269,241	269,241	0	273,770	277,870	279,260	282,890	289,820	299,820
Plus: Revenues		10,744	6,800	4,529	(2,271)	4,100	1,390	3,630	6,930	10,000	12,140
Less: Expenditures		0	0	0	0	0	0	0	0	0	0
Plus: Transfer In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		269,241	276,041	273,770	(2,271)	277,870	279,260	282,890	289,820	299,820	311,960

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 11											
ROADWAY BEAUTIFICATION FUND DETAIL (Fund-342)											
Revenues											
Interest earnings	**(m)**	3,986	2,500	1,678	(822)	1,500	520	1,350	2,570	3,710	4,500
Total Revenue		3,986	2,500	1,678	(822)	1,500	520	1,350	2,570	3,710	4,500
Expenditures											
Improvement Other Than Buildings		0	0	0	0	0	0	0	0	0	0
Total Expenditures		0	0	0	0	0	0	0	0	0	0
ROADWAY BEAUTIFICATION FUND NET BEFORE TRANSFERS		3,986	2,500	1,678	(822)	1,500	520	1,350	2,570	3,710	4,500
Fund Transfer In		0	0	0	0	0	0	0	0	0	0
Total Transfer In		0	0	0	0	0	0	0	0	0	0
Fund Transfer Out		0	0	0	0	0	0	0	0	0	0
Total Transfer Out		0	0	0	0	0	0	0	0	0	0
ROADWAY BEAUTIFICATION FUND SUMMARY:											
Beginning Fund Balance		95,889	99,875	99,875	0	101,553	103,053	103,573	104,923	107,493	111,203
Plus: Revenues		3,986	2,500	1,678	(822)	1,500	520	1,350	2,570	3,710	4,500
Less: Expenditures		0	0	0	0	0	0	0	0	0	0
Plus: Transfer In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		99,875	102,375	101,553	(822)	103,053	103,573	104,923	107,493	111,203	115,703

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 12											
EQUIPMENT REPLACEMENT FUND DETAIL (Fund-681)											
Revenues											
Interfund charges		268,100	165,600	180,600	15,000	69,700	59,100	202,700	207,900	213,300	219,200
Interest earnings	**(m)**	122,218	64,900	52,772	(12,128)	38,900	9,400	22,000	40,600	56,500	66,000
Total Revenue		390,318	230,500	233,372	2,872	108,600	68,500	224,700	248,500	269,800	285,200
Expenses											
Vehicles and vehicle maintenance	**(b)**	52,464	101,500	64,294	37,206	45,000	45,000	46,300	47,500	48,700	50,100
Computer equipment and maintenance	**(b)**	150,667	169,720	121,765	47,955	989,500	95,800	98,600	101,200	103,800	106,700
Furniture and equipment maintenance	**(b)**	158,266	185,100	160,634	24,466	159,500	114,500	117,800	120,900	124,000	127,400
Total Expenses		361,397	456,320	346,693	109,627	1,194,000	255,300	262,700	269,600	276,500	284,200
EQUIPMENT REPLACEMENT FUND NET BEFORE TRANSFERS		28,921	(225,820)	(113,321)	112,499	(1,085,400)	(186,800)	(38,000)	(21,100)	(6,700)	1,000
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
EQUIPMENT REPLACEMENT NET ASSET											
Beginning Net Assets		3,006,440	3,023,617	3,023,617	0	2,968,158	1,882,758	1,695,958	1,657,958	1,636,858	1,630,158
Plus: Revenues		390,318	230,500	233,372	2,872	108,600	68,500	224,700	248,500	269,800	285,200
Less: Expenses		(361,397)	(456,320)	(346,693)	109,627	(1,194,000)	(255,300)	(262,700)	(269,600)	(276,500)	(284,200)
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
(Increase)/Decrease in Capital Assets		(11,744)	0	57,862	57,862	0	0	0	0	0	0
Available Net Assets		3,023,617	2,797,797	2,968,158	170,361	1,882,758	1,695,958	1,657,958	1,636,858	1,630,158	1,631,158
Invested In Capital Assets		375,638	N/A	317,776							
Ending Net Assets Per Financial Statements		3,399,255	N/A	3,285,934							

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 13											
BUILDING REPLACEMENT FUND DETAIL (Fund-686)											
Revenues											
Grant Revenue		0	0	0	0	162,900	0	0	0	0	0
Interest earnings	**(m)**	61,395	26,200	24,419	(1,781)	15,800	4,200	10,400	19,900	28,700	34,800
Total Revenue		61,395	26,200	24,419	(1,781)	178,700	4,200	10,400	19,900	28,700	34,800
Expenses											
Professional Services		5,178	0	38,249	(38,249)	97,500	7,500	0	0	0	0
Building Improvements		47,122	211,586	167,849	43,737	576,400	27,000	0	0	0	0
Total Expenses		52,300	211,586	206,098	5,488	673,900	34,500	0	0	0	0
BUILDING REPLACEMENT FUND NET BEFORE TRANSFERS		9,095	(185,386)	(181,679)	3,707	(495,200)	(30,300)	10,400	19,900	28,700	34,800
Transfers In											
From General fund		46,725	0	0	0	0	0	0	0	0	0
Total Transfers In		46,725	0	0	0	0	0	0	0	0	0
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
BUILDING REPLACEMENT NET ASSET SUMMARY:											
Beginning Net Assets		1,451,910	1,507,730	1,507,730	0	1,326,051	830,851	800,551	810,951	830,851	859,551
Plus: Revenues		61,395	26,200	24,419	(1,781)	178,700	4,200	10,400	19,900	28,700	34,800
Less: Expenses		(52,300)	(211,586)	(206,098)	5,488	(673,900)	(34,500)	0	0	0	0
Plus: Transfers In		46,725	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Net Assets		1,507,730	1,322,344	1,326,051	3,707	830,851	800,551	810,951	830,851	859,551	894,351

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 14											
EMPLOYEE BENEFIT FUND DETAIL											
(Fund-685)											
Revenues											
Interfund Charge for Services		1,630,930	1,689,930	1,615,134	(74,796)	2,126,672	2,037,363	2,145,500	2,201,100	2,257,800	2,320,600
Interest earnings	**(m)**	19,612	960	8,927	7,967	70	0	280	540	780	950
Total Revenue		1,650,542	1,690,890	1,624,061	(66,829)	2,126,742	2,037,363	2,145,780	2,201,640	2,258,580	2,321,550
Expenses											
Retirement (PERS)	**(b)**	747,183	997,990	808,304	189,686	983,510	1,023,500	1,124,700	1,153,800	1,183,600	1,216,500
PERS Side-Fund Liability Pay Down		0	691,500	700,000	0	180,000	0	0	0	0	0
Defined Cont. Ret. Health Care Accounts	**(b)**	0	30,226	3,824	26,402	171,998	78,300	80,600	82,700	84,800	87,200
Insurance - Employee	**(b)**	523,459	609,420	673,281	(63,861)	618,935	649,900	668,700	686,000	703,700	723,300
FICA/Medicare	**(b)**	55,351	77,550	(3,701)	81,251	93,094	97,260	100,100	102,700	105,300	108,200
Bonus Plan/Education Reimbursement	**(b)**	40,191	72,747	71,180	1,567	300,967	85,500	88,000	90,300	92,600	95,200
Worker Compensation Insurance	**(b)**	67,806	73,480	65,576	7,904	77,200	81,100	83,400	85,600	87,800	90,200
Total Expenses		1,433,990	2,552,913	2,318,464	242,949	2,425,704	2,015,560	2,145,500	2,201,100	2,257,800	2,320,600
EMPLOYEE BENEFIT FUND NET BEFORE		216,552	(862,023)	(694,403)	176,120	(298,962)	21,803	280	540	780	950
Fund Transfer In - from general fund		0	0	0	0	94,125	0	0	0	0	0
Total Transfer In		0	0	0	0	94,125	0	0	0	0	0
Fund Transfer Out		0	0	0	0	0	0	0	0	0	0
Total Transfer Out		0	0	0	0	0	0	0	0	0	0
EMPLOYEE BENEFIT NET ASSET SUMMARY:											
Beginning Net Assets		682,692	899,244	899,244	0	204,841	4	21,807	22,087	22,627	23,407
Plus: Revenues		1,650,542	1,690,890	1,624,061	(66,829)	2,126,742	2,037,363	2,145,780	2,201,640	2,258,580	2,321,550
Less: Expenses		(1,433,990)	(2,552,913)	(2,318,464)	234,449	(2,425,704)	(2,015,560)	(2,145,500)	(2,201,100)	(2,257,800)	(2,320,600)
Plus: Transfers In		0	0	0	0	94,125	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Net Assets		899,244	37,221	204,841	167,620	4	21,807	22,087	22,627	23,407	24,357

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 15											
STREET MAINT. FUND DETAIL (Fund-202)											
Revenues											
State gas tax		766,919	796,000	700,665	(95,335)	686,900	684,112	684,000	684,000	684,000	684,000
Proposition 42 (aka Traffic Congestion Relief)	(a)	0	414,829	363,197	(51,632)	391,888	433,438	442,100	450,900	459,900	469,100
Sidewalk repair	(a)	349	4,000	105,100	101,100	4,100	4,200	4,300	4,400	4,500	4,600
Miscellaneous revenues	(a)	21,277	5,200	24,214	19,014	5,300	5,400	5,500	5,600	5,700	5,800
Interest earnings	(m)	24,985	3,800	5,846	2,046	3,200	2,020	4,560	7,380	10,400	12,200
Total Street Maintenance Fund Revenue		813,530	1,223,829	1,199,022	(24,807)	1,091,388	1,129,170	1,140,460	1,152,280	1,164,500	1,175,700
Expenditures											
Street Maintenance - Pavement Management	(b)	316,251	283,180	282,420	760	556,000	645,300	463,300	475,300	487,600	501,200
Street Maintenance - Non-Pavement	(b)	1,333,311	1,730,165	1,699,243	30,922	1,631,674	1,550,374	1,595,200	1,636,500	1,678,700	1,725,400
Traffic signal maintenance	(b)	68,574	83,800	83,292	508	84,000	102,600	105,600	108,300	111,100	114,200
Total Street Maintenance Fund Expenditures		1,718,136	2,097,145	2,064,955	32,190	2,271,674	2,298,274	2,164,100	2,220,100	2,277,400	2,340,800
STREET MAINTENANCE FUND NET BEFORE TRANSFERS		(904,606)	(873,316)	(865,933)	7,383	(1,180,286)	(1,169,104)	(1,023,640)	(1,067,820)	(1,112,900)	(1,165,100)
Street Maintenance Fund Transfers In											
From General Fund		239,000	242,845	242,845	0	22,000	0	30,000	105,000	140,000	170,000
From General Fund (PB Road Maint)		206,000	212,180	212,180	0	0	0	0	0	0	0
From Prop C Fund (PB Road Maint)		0	0	0	0	556,000	645,300	463,300	475,300	487,600	501,200
From 1972 Act		180,000	180,000	180,000	0	200,000	204,000	205,000	205,000	195,000	195,000
From 1911 Act		66,931	76,800	76,800	0	84,000	102,600	105,600	108,300	111,100	114,200
From Beautification fund		0	0	0	0	256,860	165,200	170,000	174,400	178,900	183,900
From Waste Reduction		38,000	0	0	0	40,000	0	0	0	0	0
Total Transfers In		729,931	711,825	711,825	0	1,158,860	1,117,100	973,900	1,068,000	1,112,600	1,164,300
Street Maintenance Fund Transfers Out											
To CIP Fund		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
STREET MAINTENANCE FUND SUMMARY											
Beginning Fund Balance		753,264	578,589	578,589	0	424,481	403,055	351,051	301,311	301,491	301,191
Plus: Revenues		813,530	1,223,829	1,199,022	(24,807)	1,091,388	1,129,170	1,140,460	1,152,280	1,164,500	1,175,700
Less: Expenditures		(1,718,136)	(2,097,145)	(2,064,955)	32,190	(2,271,674)	(2,298,274)	(2,164,100)	(2,220,100)	(2,277,400)	(2,340,800)
Plus: Transfers In		729,931	711,825	711,825	0	1,158,860	1,117,100	973,900	1,068,000	1,112,600	1,164,300
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		578,589	417,098	424,481	7,383	403,055	351,051	301,311	301,491	301,191	300,391
Reserve (1 year of Pavement Management Exp)						277,000	645,300	463,300	475,300	487,600	501,200
Available Fund Balance						126,055	(294,249)	(161,989)	(173,809)	(186,409)	(200,809)

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 16											
1972 ACT LANDSCAPE & LIGHTING FUND DETAIL (Fund 203)											
Revenues											
Property assessments		255,183	257,273	257,138	(135)	257,559	258,847	262,083	265,097	268,278	272,302
Interest earnings	(m)	8,786	800	1,877	1,077	900	240	430	440	150	70
Total Revenue		263,969	258,073	259,015	942	258,459	259,087	262,513	265,537	268,428	272,372
Expenditures											
Operations & maintenance	(b)	65,789	67,900	67,661	239	69,100	70,300	72,300	74,200	76,100	78,200
Total Expenditures		65,789	67,900	67,661	239	69,100	70,300	72,300	74,200	76,100	78,200
1972 ACT FUND NET BEFORE TRANSFERS		198,180	190,173	191,354	1,181	189,359	188,787	190,213	191,337	192,328	194,172
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out											
To Street Maintenance fund		180,000	180,000	180,000	0	200,000	204,000	205,000	205,000	195,000	195,000
Total Transfers Out		180,000	180,000	180,000	0	200,000	204,000	205,000	205,000	195,000	195,000
1972 ACT LANDSCAPE & LIGHTING FUND											
Beginning Fund Balance		29,125	47,305	47,305	0	58,659	48,018	32,805	18,018	4,354	1,682
Plus: Revenues		263,969	258,073	259,015	942	258,459	259,087	262,513	265,537	268,428	272,372
Less: Expenditures		(65,789)	(67,900)	(67,661)	239	(69,100)	(70,300)	(72,300)	(74,200)	(76,100)	(78,200)
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		(180,000)	(180,000)	(180,000)	0	(200,000)	(204,000)	(205,000)	(205,000)	(195,000)	(195,000)
Ending Fund Balance		47,305	57,478	58,659	1,181	48,018	32,805	18,018	4,354	1,682	854

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 17											
EL PRADO LIGHTING FUND DETAIL											
(Fund-209)											
Revenues											
Property assessments	**(a)**	1,793	1,820	1,827	7	1,870	1,910	1,950	1,990	2,030	2,070
Interest earnings	**(m)**	342	210	173	(37)	160	10	40	100	180	260
Total Revenue		2,135	2,030	2,000	(30)	2,030	1,920	1,990	2,090	2,210	2,330
Expenditures											
Light and Power	**(b)**	314	200	348	(148)	300	300	300	300	300	300
Maintenance Services	**(b)**	0	700	86	614	10,700	700	700	700	700	700
Total Expenditures		314	900	434	466	11,000	1,000	1,000	1,000	1,000	1,000
EL PRADO LIGHTING FUND NET BEFORE		1,821	1,130	1,566	436	(8,970)	920	990	1,090	1,210	1,330
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
EL PRADO LIGHTING FUND SUMMARY:											
Beginning Fund Balance		7,751	9,572	9,572	0	11,138	2,168	3,088	4,078	5,168	6,378
Plus: Revenues		2,135	2,030	2,000	(30)	2,030	1,920	1,990	2,090	2,210	2,330
Less: Expenditures		(314)	(900)	(434)	466	(11,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		9,572	10,702	11,138	436	2,168	3,088	4,078	5,168	6,378	7,708

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 18											
CDBG FUND DETAIL (Fund-310)											
Revenues											
Grant income		244,904	188,908	113,021	(75,887)	336,826	214,747	194,747	194,747	194,747	194,747
Total Revenue		244,904	188,908	113,021	(75,887)	336,826	214,747	194,747	194,747	194,747	194,747
Expenditures											
Operations & maintenance		146,542	168,262	92,364	75,898	167,899	167,899	167,899	167,899	167,899	167,899
Capital outlay		69,786	0	0	0	142,079	64,000	0	0	0	0
Total Expenditures		216,328	168,262	92,364	75,898	309,978	231,899	167,899	167,899	167,899	167,899
CDBG FUND NET BEFORE TRANSFERS		28,576	20,646	20,657	11	26,848	(17,152)	26,848	26,848	26,848	26,848
Transfers In											
From General fund		0	0	0	0	0	44,006	0	0	0	0
Total Transfers Out		0	0	0	0	0	44,006	0	0	0	0
Transfers Out											
To General fund (REACH)		28,574	20,646	20,646	0	26,848	26,848	26,848	26,848	26,848	26,848
Total Transfers Out		28,574	20,646	20,646	0	26,848	26,848	26,848	26,848	26,848	26,848
CDBG FUND SUMMARY:											
Beginning Fund Balance		(19)	(17)	(17)	0	(6)	(6)	0	0	0	0
Plus: Revenues		244,904	188,908	113,021	(75,887)	336,826	214,747	194,747	194,747	194,747	194,747
Less: Expenditures		(216,328)	(168,262)	(92,364)	75,898	(309,978)	(231,899)	(167,899)	(167,899)	(167,899)	(167,899)
Plus: Transfers In		0	0	0	0	0	44,006	0	0	0	0
Less: Transfers Out		(28,574)	(20,646)	(20,646)	0	(26,848)	(26,848)	(26,848)	(26,848)	(26,848)	(26,848)
Ending Fund Balance		(17)	(17)	(6)	11	(6)	0	0	0	0	0

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 19											
1911 ACT STREET LIGHTING FUND DETAIL (Fund-211)											
Revenues											
Property assessments	**(a)**	473,633	375,000	492,705	117,705	483,100	492,800	502,700	512,800	523,100	533,600
Interest earnings	**(m)**	66,092	35,000	27,552	(7,448)	21,700	7,800	18,900	33,000	43,100	46,800
Total Revenue		539,725	410,000	520,257	110,257	504,800	500,600	521,600	545,800	566,200	580,400
Expenditures											
Operations & maintenance	**(b)**	375,687	480,000	402,551	77,449	493,400	506,900	521,500	535,000	548,800	564,100
Total Expenditures		375,687	480,000	402,551	77,449	493,400	506,900	521,500	535,000	548,800	564,100
1911 ACT FUND NET BEFORE TRANSFERS		164,038	(70,000)	117,706	187,706	11,400	(6,300)	100	10,800	17,400	16,300
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out											
To Street Maintenance Fund		66,931	76,800	76,800	0	84,000	102,600	105,600	108,300	111,100	114,200
Total Transfers Out		66,931	76,800	76,800	0	84,000	102,600	105,600	108,300	111,100	114,200
1911 ACT STREET LIGHTING FUND SUMMARY											
Beginning Fund Balance		1,494,594	1,591,701	1,591,701	0	1,632,607	1,560,007	1,451,107	1,345,607	1,248,107	1,154,407
Plus: Revenues		539,725	410,000	520,257	110,257	504,800	500,600	521,600	545,800	566,200	580,400
Less: Expenditures		(375,687)	(480,000)	(402,551)	77,449	(493,400)	(506,900)	(521,500)	(535,000)	(548,800)	(564,100)
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		(66,931)	(76,800)	(76,800)	0	(84,000)	(102,600)	(105,600)	(108,300)	(111,100)	(114,200)
Ending Fund Balance		1,591,701	1,444,901	1,632,607	187,706	1,560,007	1,451,107	1,345,607	1,248,107	1,154,407	1,056,507

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 20											
WASTE REDUCTION FUND DETAIL (Fund-213)											
Revenues											
Collection Fees (AB939)		51,042	25,000	68,454	43,454	25,000	0	0	0	0	0
Allocation of refuse hauler collection fees	**(c)**	0	45,000	0	0	36,150	155,000	156,900	158,700	160,600	163,000
State income		72,272	102,500	66,092	(36,408)	65,000	25,000	25,000	25,000	25,000	25,000
Misc income		0	0	0	0	158,500	0	0	0	0	0
Interest earnings	**(m)**	14,204	5,540	4,582	(958)	1,740	620	1,670	3,220	4,590	5,420
Total Revenue		137,518	178,040	139,128	6,088	286,390	180,620	183,570	186,920	190,190	193,420
Expenditures											
Personnel services	**(b)**	45,367	64,260	64,707	(447)	54,958	55,889	57,500	59,000	60,500	62,200
Operations & maintenance	**(b)**	69,609	250,400	219,866	30,534	229,750	108,050	111,200	114,100	117,000	120,300
Total Expenditures		114,976	314,660	284,573	30,087	284,708	163,939	168,700	173,100	177,500	182,500
WASTE REDUCTION FUND NET BEFORE		22,542	(136,620)	(145,445)	36,175	1,682	16,681	14,870	13,820	12,690	10,920
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out											
To General fund		0	7,000	0	7,000	12,000	12,000	12,000	12,000	12,000	12,000
To Street Maintenance		38,000	0	0	0	40,000	0	0	0	0	0
Total Transfers Out		38,000	7,000	0	7,000	52,000	12,000	12,000	12,000	12,000	12,000
WASTE REDUCTION FUND SUMMARY											
Beginning Fund Balance		335,008	319,550	319,550	0	174,105	123,787	128,468	131,338	133,158	133,848
Plus: Revenues		137,518	178,040	139,128	(38,912)	286,390	180,620	183,570	186,920	190,190	193,420
Less: Expenditures		(114,976)	(314,660)	(284,573)	30,087	(284,708)	(163,939)	(168,700)	(173,100)	(177,500)	(182,500)
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		(38,000)	(7,000)	0	7,000	(52,000)	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)
Ending Fund Balance		319,550	175,930	174,105	(1,825)	123,787	128,468	131,338	133,158	133,848	132,768

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 21											
AIR QUALITY MANAGEMENT FUND DETAIL (Fund-214)											
Revenues											
AB 2766 fees		51,468	50,000	50,124	124	99,800	49,800	49,800	49,800	49,800	49,800
Interest earnings	**(m)**	1,227	1,310	455	(855)	800	270	690	1,320	1,900	2,300
Total Revenue		52,695	51,310	50,579	(731)	100,600	50,070	50,490	51,120	51,700	52,100
Expenditures											
Operations & maintenance		57,818	50,000	50,000	0	100,000	50,000	50,000	50,000	50,000	50,000
Total Expenditures		57,818	50,000	50,000	0	100,000	50,000	50,000	50,000	50,000	50,000
AQMD FUND NET BEFORE TRANSFERS		(5,123)	1,310	579	(731)	600	70	490	1,120	1,700	2,100
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
AIR QUALITY MANAGEMENT FUND DETAIL											
Beginning Fund Balance		57,320	52,197	52,197	0	52,776	53,376	53,446	53,936	55,056	56,756
Plus: Revenues		52,695	51,310	50,579	(731)	100,600	50,070	50,490	51,120	51,700	52,100
Less: Expenditures		(57,818)	(50,000)	(50,000)	0	(100,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		52,197	53,507	52,776	(731)	53,376	53,446	53,936	55,056	56,756	58,856

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 22											
PROPOSITION C (STREET/TRANSIT) FUND DETAIL (Fund-215)											
Revenues											
Proposition C - 1/2 cent sales tax revenue	**(j)**	572,874	601,100	557,794	(43,306)	457,384	478,485	478,500	478,500	478,500	478,500
Measure R - 1/2 cent sales tax revenue	**(j)**	0	0	0	0	221,267	358,865	358,900	358,900	358,900	358,900
Interest earnings	**(m)**	81,611	15,300	36,944	21,644	24,900	6,520	19,520	10	12,510	29,360
Total Revenue		654,485	616,400	594,738	(21,662)	703,551	843,870	856,920	837,410	849,910	866,760
Expenditures											
Personnel services	**(b)**	4,626	5,700	6,095	(395)	0	0	0	0	0	0
Total Expenditures		4,626	5,700	6,095	(395)	0	0	0	0	0	0
PROPOSITION C FUND NET BEFORE TRANSFERS		649,859	610,700	588,643	(22,057)	703,551	843,870	856,920	837,410	849,910	866,760
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out											
To CIP fund		237,527	2,408,671	0	2,408,671	1,409,230	0	1,895,000	0	0	25,000
To Street Maintenance fund		0	0	0	0	556,000	645,300	463,300	475,300	487,600	501,200
Total Transfers Out		237,527	2,408,671	0	2,408,671	1,965,230	645,300	2,358,300	475,300	487,600	526,200
PROPOSITION C (STREET/TRANSIT) FUND SUMMARY:											
Beginning Fund Balance		1,564,024	1,976,356	1,976,356	0	2,564,999	1,303,320	1,501,890	510	362,620	724,930
Plus: Revenues		654,485	616,400	594,738	(21,662)	703,551	843,870	856,920	837,410	849,910	866,760
Less: Expenditures		(4,626)	(5,700)	(6,095)	(395)	0	0	0	0	0	0
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		(237,527)	(2,408,671)	0	2,408,671	(1,965,230)	(645,300)	(2,358,300)	(475,300)	(487,600)	(526,200)
Ending Fund Balance		1,976,356	178,385	2,564,999	2,386,614	1,303,320	1,501,890	510	362,620	724,930	1,065,490

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 23											
PROPOSITION A (TRANSIT) FUND DETAIL (Fund-216)											
Revenues											
Proposition A - 1/2 cent sales tax revenue	**(j)**	686,698	721,300	621,569	(99,731)	546,923	576,854	576,900	576,900	576,900	576,900
Interest earnings	**(m)**	285	5,600	2,351	(3,249)	1,000	360	0	0	0	0
Total Revenue		686,983	726,900	623,920	(102,980)	547,923	577,214	576,900	576,900	576,900	576,900
Expenditures											
Personnel services		1,650	5,700	6,095	(395)	0	0	0	0	0	0
Operations (including PV Transit)		496,701	639,193	628,952	10,241	654,900	689,500	699,843	710,340	720,995	731,810
Capital Outlay (Bus Shelter Improvements)	**(b)**	0	0	0	0	16,000	16,500	17,000	17,400	17,800	18,300
Total Expenditures		498,351	644,893	635,047	9,846	670,900	706,000	716,843	727,740	738,795	750,110
PROPOSITION A FUND NET BEFORE TRANSFERS		188,632	82,007	(11,127)	(93,134)	(122,977)	(128,786)	(139,943)	(150,840)	(161,895)	(173,210)
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out											
To General Fund	**(b)**	2,600	2,700	2,700	0	2,800	0	0	0	0	0
To CIP Fund		15,000	15,500	12,450	3,050	0	0	0	0	0	0
Total Transfers Out		17,600	18,200	15,150	3,050	2,800	0	0	0	0	0
PROPOSITION A (TRANSIT) FUND SUMMARY:											
Beginning Fund Balance		52,939	223,971	223,971	0	197,694	71,917	(56,869)	(196,812)	(347,652)	(509,547)
Plus: Revenues		686,983	726,900	623,920	(102,980)	547,923	577,214	576,900	576,900	576,900	576,900
Less: Expenditures		(498,351)	(644,893)	(635,047)	9,846	(670,900)	(706,000)	(716,843)	(727,740)	(738,795)	(750,110)
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		(17,600)	(18,200)	(15,150)	3,050	(2,800)	0	0	0	0	0
Ending Fund Balance		223,971	287,778	197,694	(90,084)	71,917	(56,869)	(196,812)	(347,652)	(509,547)	(682,757)

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 24											
PUBLIC SAFETY GRANTS											
(Fund-217)											
Revenues											
Grant Income - State		100,000	100,000	100,000	0	100,000	100,000	100,000	100,000	100,000	100,000
Interest earnings	**(m)**	7,347	720	1,625	905	0	0	10	20	30	40
Total Revenue		107,347	100,720	101,625	905	100,000	100,000	100,010	100,020	100,030	100,040
Expenditures											
Equipment purchases		15,600	32,285	32,285	0	33,635	0	0	0	0	0
Total Expenditures		15,600	32,285	32,285	0	33,635	0	0	0	0	0
PUBLIC SAFETY GRANTS FUND NET BEFORE TRANSFERS		91,747	68,435	69,340	905	66,365	100,000	100,010	100,020	100,030	100,040
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out											
To General fund		100,000	100,000	100,000	0	100,000	100,000	100,000	100,000	100,000	100,000
Total Transfers Out		100,000	100,000	100,000	0	100,000	100,000	100,000	100,000	100,000	100,000
PUBLIC SAFETY GRANTS FUND SUMMARY:											
Beginning Fund Balance		73,453	65,200	65,200	0	34,540	905	905	915	935	965
Plus: Revenues		107,347	100,720	101,625	905	100,000	100,000	100,010	100,020	100,030	100,040
Less: Expenditures		(15,600)	(32,285)	(32,285)	0	(33,635)	0	0	0	0	0
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		(100,000)	(100,000)	(100,000)	0	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Ending Fund Balance		65,200	33,635	34,540	905	905	905	915	935	965	1,005

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 25											
HABITAT RESTORATION FUND DETAIL											
(Fund-222)											
Revenues											
Grants		0	0	6,528	6,528	0	0	0	0	0	0
Interest earnings	**(m)**	12,627	4,400	2,585	(1,815)	1,800	1,010	2,410	4,190	5,450	5,890
Total Revenue		12,627	4,400	9,113	4,713	1,800	1,010	2,410	4,190	5,450	5,890
Expenditures											
Preserve Management	**(b)**	85,075	108,200	109,199	(999)	108,800	109,900	113,100	116,000	119,000	122,300
Habitat Maintenance and Monitoring	**(b)**	16,881	15,000	15,488	(488)	15,991	16,511	17,000	17,400	17,800	18,300
Habitat Restoration		28,967	38,877	7,503	31,374	70,000	0	0	0	0	0
Total Expenditures		130,923	162,077	132,190	29,887	194,791	126,411	130,100	133,400	136,800	140,600
HABITAT RESTORATION FUND NET BEFORE TRANSFERS		(118,296)	(157,677)	(123,077)	34,600	(192,991)	(125,401)	(127,690)	(129,210)	(131,350)	(134,710)
Transfers In											
From General fund		115,000	115,000	115,000	0	169,000	109,900	113,100	116,000	119,000	122,300
Total Transfers In		115,000	115,000	115,000	0	169,000	109,900	113,100	116,000	119,000	122,300
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
HABITAT RESTORATION FUND SUMMARY:											
Beginning Fund Balance		236,553	233,257	233,257	0	225,180	201,189	185,688	171,098	157,888	145,538
Plus: Revenues		12,627	4,400	9,113	4,713	1,800	1,010	2,410	4,190	5,450	5,890
Less: Expenditures		(130,923)	(162,077)	(132,190)	29,887	(194,791)	(126,411)	(130,100)	(133,400)	(136,800)	(140,600)
Plus: Transfers In		115,000	115,000	115,000	0	169,000	109,900	113,100	116,000	119,000	122,300
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		233,257	190,580	225,180	34,600	201,189	185,688	171,098	157,888	145,538	133,128
Reserve						54,122	64,443	75,410	87,503	100,867	115,357
Available Fund Balance						147,067	121,245	95,688	70,385	44,671	17,771

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 26											
SUBREGION 1 - MAINTENANCE FUND DETAIL (Fund 223)											
Revenues											
Interest earnings	**(m)**	29,147	12,000	12,331	331	11,300	3,800	9,800	18,500	26,100	30,400
Total Revenue		29,147	12,000	12,331	331	11,300	3,800	9,800	18,500	26,100	30,400
Expenditures											
Operations & maintenance	**(b)**	62,956	65,900	50,755	15,145	77,000	79,000	71,300	73,100	75,000	77,100
Total Expenditures		62,956	65,900	50,755	15,145	77,000	79,000	71,300	73,100	75,000	77,100
SUBREGION 1 - MAINTENANCE FUND NET BEFORE TRANSFERS		(33,809)	(53,900)	(38,424)	15,476	(65,700)	(75,200)	(61,500)	(54,600)	(48,900)	(46,700)
Transfers In-from general fund		30,000	55,000	55,000	0	55,000	70,000	65,000	55,000	45,000	50,000
Total Transfers In		30,000	55,000	55,000	0	55,000	70,000	65,000	55,000	45,000	50,000
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
SUBREGION 1 - MAINTENANCE FUND SUMMARY:											
Beginning Fund Balance		4,569	760	760	0	17,336	6,636	1,436	4,936	5,336	1,436
Plus: Revenues		29,147	12,000	12,331	331	11,300	3,800	9,800	18,500	26,100	30,400
Less: Expenditures		(62,956)	(65,900)	(50,755)	15,145	(77,000)	(79,000)	(71,300)	(73,100)	(75,000)	(77,100)
Plus: Transfers In		30,000	55,000	55,000	0	55,000	70,000	65,000	55,000	45,000	50,000
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Available Fund Balance		760	1,860	17,336	15,476	6,636	1,436	4,936	5,336	1,436	4,736
Unexpendable Endowment		750,000	750,000	750,000							
Ending Fund Balance per Financial Statements		750,760	751,860	767,336							

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 27											
MEASURE A - CAPITAL (Fund-339) & MAINTENANCE (Fund-224) FUNDS DETAIL											
matched 224 with CAFR only											
Revenues											
Grant income		35,175	66,000	98,945	32,945	160,913	150,000	150,000	150,000	150,000	125,000
Rolling Hills Maintenance Allocation		0	0	0	0	1,000	1,000	1,000	1,000	1,000	1,000
Interest earnings	(m)	6,873	800	1,478	678	0	170	440	850	1,220	1,480
Total Revenue		42,048	66,800	100,423	33,623	161,913	151,170	151,440	151,850	152,220	127,480
Expenditures											
Operations & maintenance		0	0	0	0	0	0	0	0	0	0
Capital Outlay		0	0	0	0	0	0	0	0	0	0
Total Expenditures		0	0	0	0	0	0	0	0	0	0
MEASURE A - CAPITAL & MAINTENANCE FUND NET BEFORE TRANSFERS		42,048	66,800	100,423	33,623	161,913	151,170	151,440	151,850	152,220	127,480
Transfers Out											
To General fund		100,599	75,900	54,200	21,700	151,000	151,000	151,000	151,000	151,000	151,000
To CIP fund		0	0	21,700	(21,700)	10,913	0	0	0	0	0
Total Transfers Out		100,599	75,900	75,900	0	161,913	151,000	151,000	151,000	151,000	151,000
MEASURE A (PARKS) - CAPITAL & MAINTENANCE FUNDS SUMMARY:											
Beginning Fund Balance		67,956	9,405	9,405	0	33,928	33,928	34,098	34,538	35,388	36,608
Plus: Revenues		42,048	66,800	100,423	33,623	161,913	151,170	151,440	151,850	152,220	127,480
Less: Expenditures		0	0	0	0	0	0	0	0	0	0
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		(100,599)	(75,900)	(75,900)	0	(161,913)	(151,000)	(151,000)	(151,000)	(151,000)	(151,000)
Ending Fund Balance		9,405	305	33,928	33,623	33,928	34,098	34,538	35,388	36,608	13,088

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 28											
ABALONE COVE SEWER DISTRICT FUND DETAIL (Fund-225)											
Revenues											
Property Assessments	**(a)**	43,091	44,750	52,150	7,400	45,650	46,560	47,490	48,440	49,410	50,400
Interest earnings	**(m)**	5,206	460	2,021	1,561	570	280	660	1,090	1,320	1,270
Total Revenue		48,297	45,210	54,171	8,961	46,220	46,840	48,150	49,530	50,730	51,670
Expenditures											
Maintenance Services	**(b)**	57,381	43,400	37,809	5,591	45,500	46,500	47,800	49,000	50,300	51,700
Personnel & Professional services		8,098	22,400	12,546	9,854	16,538	16,706	17,200	17,600	18,100	18,600
Capital Outlay		0	38,000	38,635	(635)	32,000	0	0	0	0	0
Total Expenditures		65,479	103,800	88,990	14,810	94,038	63,206	65,000	66,600	68,400	70,300
ABALONE COVE SEWER DISTRICT FUND NET BEFORE TRANSFERS		(17,182)	(58,590)	(34,819)	23,771	(47,818)	(16,366)	(16,850)	(17,070)	(17,670)	(18,630)
Fund Transfer In											
From General Fund		80,700	10,700	10,700	0	10,700	10,700	10,700	10,700	10,700	10,700
Total Transfer In		80,700	10,700	10,700	0	10,700	10,700	10,700	10,700	10,700	10,700
Fund Transfer Out		0	0	0	0	0	0	0	0	0	0
Total Transfer Out		0	0	0	0	0	0	0	0	0	0
ABALONE COVE SEWER DISTRICT FUND											
Beginning Fund Balance		54,195	117,713	117,713	0	93,594	56,476	50,810	44,660	38,290	31,320
Plus: Revenues		48,297	45,210	54,171	8,961	46,220	46,840	48,150	49,530	50,730	51,670
Less: Expenditures		(65,479)	(103,800)	(88,990)	14,810	(94,038)	(63,206)	(65,000)	(66,600)	(68,400)	(70,300)
Plus: Transfer In		80,700	10,700	10,700	0	10,700	10,700	10,700	10,700	10,700	10,700
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		117,713	69,823	93,594	23,771	56,476	50,810	44,660	38,290	31,320	23,390

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 29											
DR. ALLEN AND CHARLOTTE GINSBURG CULTURAL ARTS BUILDING FUND DETAIL (Fund-227)											
Revenues											
Restricted Donations		500,000	0	0	0	0	0	0	0	0	0
Interest earnings	**(m)**	10,651	12,200	8,458	(3,742)	7,600	1,040	2,720	5,190	7,490	9,090
Total Revenue		510,651	12,200	8,458	(3,742)	7,600	1,040	2,720	5,190	7,490	9,090
Expenditures											
Capital Outlay		18,606	0	0	0	300,000	0	0	0	0	0
Total Expenditures		18,606	0	0	0	300,000	0	0	0	0	0
DR. ALLEN AND CHARLOTTE GINSBURG CULTURAL ARTS BUILDING FUND NET BEFORE TRANSFERS		492,045	12,200	8,458	0	(292,400)	1,040	2,720	5,190	7,490	9,090
Fund Transfer In		0	0	0	0	0	0	0	0	0	0
Total Transfer In		0	0	0	0	0	0	0	0	0	0
Fund Transfer Out		0	0	0	0	0	0	0	0	0	0
Total Transfer Out		0	0	0	0	0	0	0	0	0	0
DR. ALLEN AND CHARLOTTE GINSBURG CULTURAL ARTS BUILDING FUND SUMMARY:											
Beginning Fund Balance		0	492,045	492,045	0	500,503	208,103	209,143	211,863	217,053	224,543
Plus: Revenues		510,651	12,200	8,458	(3,742)	7,600	1,040	2,720	5,190	7,490	9,090
Less: Expenditures		(18,606)	0	0	0	(300,000)	0	0	0	0	0
Plus: Transfer In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		492,045	504,245	500,503	(3,742)	208,103	209,143	211,863	217,053	224,543	233,633

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 30											
RECREATION IMPROVEMENTS DONATIONS FUND DETAIL - (Fund 228)											
Revenues											
Restricted Donations		2,014	0	0	0	300,000	0	0	0	0	0
Grant Revenue		0	0	0	0	300,000	0	0	0	0	0
Interest earnings	**(m)**	34	0	34	34	0	10	30	50	70	90
Total Revenue		2,048	0	34	34	600,000	10	30	50	70	90
Expenditures											
Capital Outlay		0	0	0	0	0	0	0	0	0	0
Total Expenditures		0	0	0	0	0	0	0	0	0	0
RECREATION IMPROVEMENTS DONATIONS FUND NET BEFORE TRANSFERS		2,048	0	34	0	600,000	10	30	50	70	90
Fund Transfer In		0	0	0	0	0	0	0	0	0	0
Total Transfer In		0	0	0	0	0	0	0	0	0	0
Transfer To CIP		0	0	0	0	600,000	0	0	0	0	0
Total Transfer Out		0	0	0	0	600,000	0	0	0	0	0
RECREATION IMPROVEMENTS DONATIONS BUILDING FUND SUMMARY:											
Beginning Fund Balance		0	2,048	2,048	0	2,082	2,082	2,092	2,122	2,172	2,242
Plus: Revenues		2,048	0	34	34	600,000	10	30	50	70	90
Less: Expenditures		0	0	0	0	0	0	0	0	0	0
Plus: Transfer In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	(600,000)	0	0	0	0	0
Ending Fund Balance		2,048	2,048	2,082	34	2,082	2,092	2,122	2,172	2,242	2,332

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 31											
QUIMBY FUND DETAIL (Fund-334)											
Revenues											
Developer fees		0	12,000	0	(12,000)	0	0	0	0	0	0
Interest earnings	**(m)**	988	310	416	106	0	130	330	630	910	1,100
Total Revenue		988	12,310	416	(11,894)	0	130	330	630	910	1,100
Expenditures											
Improvements		0	25,000	0	25,000	0	0	0	0	0	0
Total Expenditures		0	25,000	0	25,000	0	0	0	0	0	0
QUIMBY FUND NET BEFORE TRANSFERS		988	(12,690)	416	13,106	0	130	330	630	910	1,100
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
QUIMBY FUND SUMMARY:											
Beginning Fund Balance		23,766	24,754	24,754	0	25,170	25,170	25,300	25,630	26,260	27,170
Plus: Revenues		988	12,310	416	(11,894)	0	130	330	630	910	1,100
Less: Expenditures		0	(25,000)	0	25,000	0	0	0	0	0	0
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		24,754	12,064	25,170	13,106	25,170	25,300	25,630	26,260	27,170	28,270

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 32											
AFFORDABLE HOUSING IN - LIEU FUND (NON-RDA) DETAIL (Fund-337)											
Revenues											
Developer fees		0	0	0	0	931,910	0	0	0	0	0
Interest earnings	**(m)**	46,136	19,500	14,534	(4,966)	16,600	40	100	200	290	350
Total Revenue		46,136	19,500	14,534	(4,966)	948,510	40	100	200	290	350
Expenditures											
Capital Outlay		0	331,432	328,916	0	0	0	0	0	0	0
Improvements		1,200	0	2,516	(2,516)	12,500	0	0	0	0	0
Total Expenditures		1,200	331,432	331,432	(2,516)	12,500	0	0	0	0	0
AFFORDABLE HOUSING SET-ASIDE FUND NET BEFORE TRANSFERS		44,936	(311,932)	(316,898)	(7,482)	936,010	40	100	200	290	350
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out		0	0	0	0	1,766,368	0	0	0	0	0
Total Transfers Out		0	0	0	0	1,766,368	0	0	0	0	0
AFFORDABLE HOUSING IN - LIEU FUND SUMMARY (NON-RDA)											
Beginning Fund Balance		1,110,295	1,155,231	1,155,231	0	838,333	7,975	8,015	8,115	8,315	8,605
Plus: Revenues		46,136	19,500	14,534	(4,966)	948,510	40	100	200	290	350
Less: Expenditures		(1,200)	(331,432)	(331,432)	0	(12,500)	0	0	0	0	0
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	(1,766,368)	0	0	0	0	0
Ending Fund Balance		1,155,231	843,299	838,333	(4,966)	7,975	8,015	8,115	8,315	8,605	8,955

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 33											
ENVIRONMENTAL EXCISE TAX (EET) FUND DETAIL (Fund-338)											
Revenues											
Developer fees		580,954	74,240	59,111	(15,129)	90,000	0	0	0	0	0
Interest earnings	**(m)**	21,296	19,600	14,237	(5,363)	10,100	0	10	20	30	30
Total Revenue		602,250	93,840	73,348	(20,492)	100,100	0	10	20	30	30
Expenditures											
Capital Outlay		0	0	0	0	565,000	0	0	0	0	0
Improvements		44,704	58,295	58,278	17	41,000	0	0	0	0	0
Total Expenditures		44,704	58,295	58,278	17	606,000	0	0	0	0	0
EET FUND NET BEFORE TRANSFERS		557,546	35,545	15,070	(20,475)	(505,900)	0	10	20	30	30
Transfers Out											
To CIP fund		0	29,000	0	29,000	332,600	0	0	0	0	0
Total Transfers Out		0	29,000	0	29,000	332,600	0	0	0	0	0
ENVIRONMENTAL EXCISE TAX (EET) FUND SUMMARY											
Beginning Fund Balance		266,677	824,223	824,223	0	839,293	793	793	803	823	853
Plus: Revenues		602,250	93,840	73,348	(20,492)	100,100	0	10	20	30	30
Less: Expenditures		(44,704)	(58,295)	(58,278)	17	(606,000)	0	0	0	0	0
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	(29,000)	0	29,000	(332,600)	0	0	0	0	0
Ending Fund Balance		824,223	830,768	839,293	8,525	793	793	803	823	853	883

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 34											
BIKEWAYS (TDA ARTICLE 3) FUND DETAIL (Fund-340)											
Revenues											
Grant Income		36,825	26,802	24,630	(2,172)	25,000	17,223	17,200	17,200	17,200	17,200
Interest earnings		2,770	0	174	174	0	0	0	0	0	0
Total Revenue		39,595	26,802	24,804	(1,998)	25,000	17,223	17,200	17,200	17,200	17,200
Expenditures											
Operations & maintenance		0	0	0	0	0	0	0	0	0	0
Total Expenditures		0	0	0	0	0	0	0	0	0	0
BIKEWAYS FUND NET BEFORE TRANSFERS		39,595	26,802	24,804	(1,998)	25,000	17,223	17,200	17,200	17,200	17,200
Transfers Out											
To CIP fund		80,000	32,000	30,002	1,998	25,000	17,223	17,200	17,200	17,200	17,200
Total Transfers Out		80,000	32,000	30,002	1,998	25,000	17,223	17,200	17,200	17,200	17,200
BIKEWAYS FUND SUMMARY:											
Beginning Fund Balance		45,603	5,198	5,198	0	0	0	0	0	0	0
Plus: Revenues		39,595	26,802	24,804	(1,998)	25,000	17,223	17,200	17,200	17,200	17,200
Less: Expenditures		0	0	0	0	0	0	0	0	0	0
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		(80,000)	(32,000)	(30,002)	1,998	(25,000)	(17,223)	(17,200)	(17,200)	(17,200)	(17,200)
Ending Fund Balance		5,198	0	0	0	0	0	0	0	0	0

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 35											
WATER QUALITY & FLOOD PROTECTION (Fund-501)											
Revenues											
Donations		0	0	89	89	0	0	0	0	0	0
Grants		0	0	326,651	326,651	0	0	0	0	0	0
Storm Drain User Fee		1,221,825	1,240,728	1,251,733	11,005	1,239,197	1,251,589	1,267,234	1,281,807	1,307,443	1,333,592
Interest earnings	(m)	282,670	30,100	104,512	74,412	700	2,100	3,300	7,900	8,900	29,800
Total Revenue		1,504,495	1,270,828	1,682,985	412,157	1,239,897	1,253,689	1,270,534	1,289,707	1,316,343	1,363,392
Expenses											
Administration		140,183	183,907	242,074	(58,167)	144,190	146,314	148,062	152,504	157,079	161,792
Maintenance		56,178	120,214	216,890	(96,676)	271,495	237,687	244,817	252,162	349,727	267,518
Improvements & Engineering		3,533,383	7,011,484	6,855,665	155,819	2,510,322	1,034,617	812,055	949,642	331,135	337,758
Equipment Purchases		12,149	0	0	0	0	0	0	0	0	0
Total Expenses		3,741,893	7,315,605	7,314,629	976	2,926,007	1,418,618	1,204,935	1,354,308	837,941	767,068
WQFP FUND NET BEFORE TRANSFERS		(2,237,398)	(6,044,777)	(5,631,644)	413,133	(1,686,110)	(164,929)	65,599	(64,601)	478,402	596,325
Fund Transfer In											
From General Fund		4,719,193	0	0	0	0	0	0	0	0	0
Total Transfer In		4,719,193	0	0	0	0	0	0	0	0	0
Fund Transfer Out		0	0	0	0	0	0	0	0	0	0
Total Transfer Out		0	0	0	0	0	0	0	0	0	0
WQFP NET ASSET SUMMARY:											
Beginning Unrestricted Net Assets		5,258,213	7,740,008	7,740,008	0	2,108,364	422,254	257,325	322,924	258,323	736,726
Plus: Revenues		1,504,495	1,270,828	1,682,985	412,157	1,239,897	1,253,689	1,270,534	1,289,707	1,316,343	1,363,392
Less: Expenses		(3,741,893)	(7,315,605)	(7,314,629)	976	(2,926,007)	(1,418,618)	(1,204,935)	(1,354,308)	(837,941)	(767,068)
Plus: Transfer In		4,719,193	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Available Net Assets		7,740,008	1,695,231	2,108,364	413,133	422,254	257,325	322,924	258,323	736,726	1,333,050
Invested in Capital Assets		5,599,028	N/A	12,476,664							
Ending Net Assets Per Financial Statements		13,339,036	N/A	14,585,028							

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 36											
RDA HOUSING SET - ASIDE FUND DETAIL											
(Fund-218)											
Revenues											
Property tax increment	**(e)**	199,645	204,600	220,201	15,601	211,700	211,400	217,700	225,400	234,400	244,900
Interest earnings	**(m)**	102,410	31,400	27,391	(4,009)	10,600	3,600	8,400	20,800	36,900	53,200
Total Revenue		302,055	236,000	247,592	11,592	222,300	215,000	226,100	246,200	271,300	298,100
Expenditures											
Operations & maintenance	**(b)**	20,676	174,670	308,806	(134,136)	12,500	12,500	25,000	25,600	26,300	27,000
Land		0	0	432,094	(432,094)	0	0	0	0	0	0
Capital Outlay		0	1,212,637	0	1,212,637	3,333,543	266,457	0	0	0	0
Total Expenditures		20,676	1,387,307	740,900	646,407	3,346,043	278,957	25,000	25,600	26,300	27,000
RDA HOUSING SET - ASIDE FUND NET BEFORE TRANSFERS		281,379	(1,151,307)	(493,308)	657,999	(3,123,743)	(63,957)	201,100	220,600	245,000	271,100
Fund Transfer In											
From City's Affordable Housing In-Lieu Fund		0	0	0	0	1,766,368	0	0	0	0	0
Total Transfer In		0	0	0	0	1,766,368	0	0	0	0	0
RDA HOUSING SET - ASIDE FUND SUMMARY											
Beginning Fund Balance		2,279,680	2,561,059	2,561,059	0	2,067,751	710,376	646,419	847,519	1,068,119	1,313,119
Plus: Revenues		302,055	236,000	247,592	11,592	222,300	215,000	226,100	246,200	271,300	298,100
Less: Expenditures		(20,676)	(1,387,307)	(740,900)	646,407	(3,346,043)	(278,957)	(25,000)	(25,600)	(26,300)	(27,000)
Plus: Transfers In		0	0	0	0	1,766,368	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Available Fund Balance		2,561,059	1,409,752	2,067,751	657,999	710,376	646,419	847,519	1,068,119	1,313,119	1,584,219
Land Asset		702,392	702,392	702,392							
Ending Fund Balance Per Financial Statements		3,263,451	2,112,144	2,770,143							

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 37											
RDA DEBT SERVICE FUND DETAIL											
(Fund-410)											
Revenues											
Property tax increment	**(e)**	797,983	826,800	901,061	74,261	846,900	845,500	870,900	901,400	937,500	979,700
Long term advance from city		1,122,578	0	876,927	0	760,400	885,200	802,700	1,063,700	1,330,600	1,551,800
Total Revenue		1,920,561	826,800	1,777,988	74,261	1,607,300	1,730,700	1,673,600	1,965,100	2,268,100	2,531,500
Expenditures											
Pass thru to county fire department		168,784	175,700	187,211	(11,511)	174,400	179,700	185,100	191,500	199,200	208,200
County administrative fee		16,491	13,900	18,509	(4,609)	16,400	17,000	17,400	18,000	18,800	19,600
Repayment of county bonds		309,500	323,125	323,125	0	330,125	345,375	355,750	370,250	378,875	391,625
Repayment of county deferred interest debt		275,793	294,627	294,627	0	354,606	371,560	380,869	383,874	0	0
Interest on city advance		1,100,371	918,307	832,441	85,866	722,170	885,200	802,700	1,063,700	1,330,600	1,551,800
Total Expenditures		1,870,939	1,725,659	1,655,913	69,746	1,597,701	1,798,835	1,741,819	2,027,324	1,927,475	2,171,225
RDA DEBT SERVICE FUND NET BEFORE		49,622	(898,859)	122,075	144,007	9,599	(68,135)	(68,219)	(62,224)	340,625	360,275
Fund Transfer In											
From General Fund		0	0	0	0	0	0	0	0	0	0
Total Transfer In		0	0	0	0	0	0	0	0	0	0
Fund Transfer Out		0	0	0	0	0	0	0	0	0	0
Total Transfer Out		0	0	0	0	0	0	0	0	0	0
RDA DEBT SERVICE FUND SUMMARY:											
Beginning Fund Balance		431,980	481,602	481,602	0	603,677	613,276	545,141	476,922	414,698	755,323
Plus: Revenues		1,920,561	826,800	1,777,988	951,188	1,607,300	1,730,700	1,673,600	1,965,100	2,268,100	2,531,500
Less: Expenditures		(1,870,939)	(1,725,659)	(1,655,913)	69,746	(1,597,701)	(1,798,835)	(1,741,819)	(2,027,324)	(1,927,475)	(2,171,225)
Plus: Transfer In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Available Fund Balance For Debt Service		481,602	(417,257)	603,677	1,020,934	613,276	545,141	476,922	414,698	755,323	1,115,598
Long-Term Advance Due To The City		16,010,045	16,010,045	16,886,971							
Ending Fund Balance Per Financial Statements		(15,528,443)	(16,427,302)	(16,283,294)							

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 38											
RDA - PORTUGUESE BEND FUND DETAIL (Fund-375)											
Revenues											
Interest earnings	**(m)**	27,731	10,900	9,712	(1,188)	7,300	2,590	6,350	11,330	15,200	17,080
Loans received		50,004	0	50,004	50,004	0	0	0	0	0	0
Total Revenue		77,735	10,900	59,716	48,816	7,300	2,590	6,350	11,330	15,200	17,080
Expenditures											
Administration	**(b)**	19,561	23,900	17,829	6,071	28,675	28,966	29,800	30,600	31,400	32,300
Agency attorney	**(b)**	2,297	2,400	105	2,295	2,400	2,400	2,500	2,600	2,700	2,800
Total Expenditures		21,858	26,300	17,934	8,366	31,075	31,366	32,300	33,200	34,100	35,100
RDA - PORTUGUESE BEND FUND NET BEFORE TRANSFERS		55,877	(15,400)	41,782	57,182	(23,775)	(28,776)	(25,950)	(21,870)	(18,900)	(18,020)
Transfers In		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
RDA - PORTUGUESE BEND FUND SUMMARY											
Beginning Fund Balance		443,382	499,259	499,259	0	541,041	517,266	488,490	462,540	440,670	421,770
Plus: Revenues		77,735	10,900	59,716	48,816	7,300	2,590	6,350	11,330	15,200	17,080
Less: Expenditures		(21,858)	(26,300)	(17,934)	8,366	(31,075)	(31,366)	(32,300)	(33,200)	(34,100)	(35,100)
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Less: Prior Period Adjustments		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		499,259	483,859	541,041	57,182	517,266	488,490	462,540	440,670	421,770	403,750

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 39											
RDA - ABALONE COVE FUND DETAIL											
(Fund-380)											
Revenues											
Interest earnings	**(m)**	357	150	119	(31)	90	30	80	160	230	270
Total Revenue		357	150	119	(31)	90	30	80	160	230	270
Expenditures											
Capital projects		0	0	0	0	0	0	0	0	0	0
Total Expenditures		0	0	0	0	0	0	0	0	0	0
RDA - ABALONE COVE FUND NET BEFORE TRANSFERS		357	150	119	(31)	90	30	80	160	230	270
Transfers In											
From General fund		0	0	0	0	0	0	0	0	0	0
Total Transfers In		0	0	0	0	0	0	0	0	0	0
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
RDA - ABALONE COVE FUND SUMMARY											
Beginning Fund Balance		5,695	6,052	6,052	0	6,171	6,261	6,291	6,371	6,531	6,761
Plus: Revenues		357	150	119	(31)	90	30	80	160	230	270
Less: Expenditures		0	0	0	0	0	0	0	0	0	0
Plus: Transfers In		0	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		6,052	6,202	6,171	(31)	6,261	6,291	6,371	6,531	6,761	7,031

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 40											
IMPROVEMENT AUTHORITY - PORTUGUESE BEND FUND DETAIL (Fund-285)											
Revenues											
Interest earnings	**(m)**	15,780	3,880	3,969	89	2,820	1,030	2,160	3,100	3,000	1,880
Total Revenue		15,780	3,880	3,969	89	2,820	1,030	2,160	3,100	3,000	1,880
Expenditures											
Maintenance & Operations	**(b)**	83,331	135,100	82,253	52,847	138,700	141,700	145,800	149,600	153,500	157,800
Total Expenditures		83,331	135,100	82,253	52,847	138,700	141,700	145,800	149,600	153,500	157,800
IMPROVEMENT AUTHORITY - PORTUGUESE BEND FUND NET BEFORE TRANSFERS		(67,551)	(131,220)	(78,284)	52,936	(135,880)	(140,670)	(143,640)	(146,500)	(150,500)	(155,920)
Transfers In											
From General fund		14,000	91,500	82,252	(9,248)	110,000	101,000	104,000	107,000	110,000	113,000
Total Transfers In		14,000	91,500	82,252	(9,248)	110,000	101,000	104,000	107,000	110,000	113,000
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
IMPROVEMENT AUTHORITY - PORTUGUESE BEND FUND SUMMARY											
Beginning Fund Balance		281,196	227,645	227,645	0	231,613	205,733	166,063	126,423	86,923	46,423
Plus: Revenues		15,780	3,880	3,969	89	2,820	1,030	2,160	3,100	3,000	1,880
Less: Expenditures		(83,331)	(135,100)	(82,253)	52,847	(138,700)	(141,700)	(145,800)	(149,600)	(153,500)	(157,800)
Plus: Transfers In		14,000	91,500	82,252	(9,248)	110,000	101,000	104,000	107,000	110,000	113,000
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Ending Fund Balance		227,645	187,925	231,613	43,688	205,733	166,063	126,423	86,923	46,423	3,503

CITY OF RANCHO PALOS VERDES

2009 FIVE-YEAR FINANCIAL MODEL - (BY FUND)

EXHIBIT B

	FACTOR	ACTUAL FY07-08	BUDGET FY08-09	ACTUAL FY08-09	VARIANCE FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15
PAGE 41											
IMPROVEMENT AUTHORITY - ABALONE COVE FUND DETAIL (Fund-795)											
Revenues											
Interest earnings	(m)	85,905	32,900	26,082	(6,818)	19,500	6,500	15,500	26,800	36,900	42,700
Total Revenue		85,905	32,900	26,082	(6,818)	19,500	6,500	15,500	26,800	36,900	42,700
Expenditures											
RDA Storm Drain User Fee		2,722	2,776	2,776	0	2,776	2,790	2,825	2,881	2,939	2,998
Operations	(b)	40,209	44,000	32,356	11,644	45,400	46,700	48,000	49,200	50,500	51,900
ACLAD Contribution		67,500	60,000	0	60,000	40,000	60,000	60,000	0	0	0
Total Expenditures		110,431	106,776	35,132	71,644	88,176	109,490	110,825	52,081	53,439	54,898
IMPROVEMENT AUTHORITY - ABALONE COVE FUND NET BEFORE TRANSFERS		(24,526)	(73,876)	(9,050)	64,826	(68,676)	(102,990)	(95,325)	(25,281)	(16,539)	(12,198)
Transfers In											
From General fund		6,000	0	0	0	0	0	0	0	0	0
Total Transfers In		6,000	0	0	0	0	0	0	0	0	0
Transfers Out		0	0	0	0	0	0	0	0	0	0
Total Transfers Out		0	0	0	0	0	0	0	0	0	0
IMPROVEMENT AUTHORITY - ABALONE COVE FUND SUMMARY											
Beginning Fund Balance		389,807	371,281	371,281	0	362,231	293,555	190,565	95,240	69,959	53,420
Plus: Revenues		85,905	32,900	26,082	(6,818)	19,500	6,500	15,500	26,800	36,900	42,700
Less: Expenditures		(110,431)	(106,776)	(35,132)	71,644	(88,176)	(109,490)	(110,825)	(52,081)	(53,439)	(54,898)
Plus: Transfers In		6,000	0	0	0	0	0	0	0	0	0
Less: Transfers Out		0	0	0	0	0	0	0	0	0	0
Expendable Fund Balance		371,281	297,405	362,231	64,826	293,555	190,565	95,240	69,959	53,420	41,222
Unexpendable Endowment		1,000,000	1,000,000	1,000,000							
Ending Fund Balance Per Financial Statements		1,371,281	1,297,405	1,362,231							

CITY OF RANCHO PALOS VERDES
2010 FIVE-YEAR FINANCIAL MODEL
CIP PLAN PROJECT EXPENDITURES

EXHIBIT C

CIP FUND PROJECTS	ACTUAL FY07-08	ACTUAL FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15	FUNDING SOURCE
Street Infrastructure									
Annual Residential Pavement	1,550,354	930,461	2,904,955	1,520,000	1,800,000	1,600,000	1,500,000	1,500,000	General fund, Bikeways
Annual Arterial Pavement	910,527	172,173	5,240,755		2,700,000				Prop C/STIP/Meas R
Pavement Management Study		4,689	5,200		120,000			25,000	Prop C
Bus Shelter Improvements	15,441	12,450							Prop A
PVDS/PVDE Roadside Landscaping	90,110								Beautification
Arterial Median Improvements		12,784	544,591	250,000					Beautification
Traffic Signal - Crenshaw/Crestridge		11,217	263,000						General fund/Grant
Traffic Calming Toscanini		20,831							CIP Accumulated Fund Balance
PVDE Safety Improvements			280,000						90% Grant/10% General Fund
ADA Curb Ramp Improvements		15,616	25,000						General Fund
Pedestrian Improvements on Hawthorne Blvd			285,400	1,141,600					80% Grant/20% City Match
PVDS Bikeway Safety Project			813,000						Prop C & Grant
Study PVDS in Landslide Area				50,000					
Parks & Open Space Infrastructure									
PVIC & Forrestal Trail Improvements	106,584	7,700							General fund
Hesse Park Tot Lot Play Structure		22,287							General fund
PVIC Circular Path	1,120	12,768							General fund
PVIC Rear Entrance Gate		4,995							General fund
Klondike Canyon Trail Repair		21,700							EET
Ladera Linda Security Fence		17,348							CIP Accumulated Fund Balance
Park Sites for Community Banners			4,000						CIP Accumulated Fund Balance
Antenna Repeater at San Pedro Hill Trailhead			15,000						CIP Accumulated Fund Balance
Infrastructure/Consultants for Civic Center					1,000,000				General fund
Hesse Park Lower Picnic Playgroung			251,300						EET
Hesse Park Field Upgrade Phase I & II			146,300	500,000					EET
PVIC Exhibits - Phase II			600,000						Donations & Annenberg Grant
Forrestal Open Space Gate			12,000						CIP Accumulated Fund Balance
Abalone Cove Parking Lot Gate & Railing			3,000						CIP Accumulated Fund Balance
Point Vicente Interpretive Center Curb Lighting			5,000						CIP Accumulated Fund Balance
Coastal Access Trail					425,000	425,000			80% Grant/20% General Fund Match
Gateway Park Development Phase I & II					200,000	275,000			80% Grant/20% General Fund Match
Abalone Cove Shoreline Park Improvements					100,000	150,000			80% Grant/20% General Fund Match
Upper Filiorum Open Space Purchase			6,600,000						
Lower Hesse/Grandview Improvements			50,000	2,000,000					
Sewer Infrastructure									
Sewer Overflow Capacity Analysis		69,282	17,000						CIP Accumulated Fund Balance
General Administration/Maintenance	129,540	165,176	53,200	17,600	17,800	18,000	18,200	18,500	CIP Fund Interest Earnings
Total CIP Fund Expenditures	2,803,675	1,501,477	18,118,701	5,479,200	6,362,800	2,468,000	1,518,200	1,543,500	

NOTE: The Total Expenditures above agree to Total CIP fund expenditures on Page 9 of the Model.

CITY OF RANCHO PALOS VERDES
2010 FIVE-YEAR FINANCIAL MODEL
WATER QUALITY FLOOD PROTECTION (STORM DRAIN) EXPENSES
EXHIBIT D

WQFP FUND PROJECTS	ACTUAL FY07-08	ACTUAL FY08-09	BUDGET FY09-10	PROPOSED FY10-11	MODEL FY11-12	MODEL FY12-13	MODEL FY13-14	MODEL FY14-15	FUNDING SOURCE
Backbone Projects									
McCarrell Canyon	1,005,197	6,139,888	167,000						General Fund/User Fees
McCarrell Canyon Land Aqcquisition	1,408,493								
Sunnyside Ridge	377,666								General Fund/User Fees
PVDE/PVDS Roadway Stabilization		10,980	1,152,000	350,000					User Fees
Pipe Lining									
Monero Storm Drain									User Fees
Other	470,262	652,716	524,822	314,617	319,555	324,642	331,135	337,758	General Fund/User Fees
Capacity & Secondary System Projects									
Via Colinita, Roan & Miraleste									User Fees
Via Colinita Vickery Canyon			251,500		292,500				User Fees
Hawthorne Blvd				370,000	200,000				User Fees
Filtration Systems									
Installation of Filtration Devices		7,490	205,000						User Fees
Other Projects									
Los Verdes Golf Course Drainage			95,000						General Fund
PVDE Drainage Inlets			60,000						General Fund
Mossbank Storm Drain Rehabilitation	245,885								General Fund
Miscellanous Repairs & Maintenance									
Misc. Storm Drain Repairs	25,880	44,590	55,000						General Fund
Storm Drain & Filtration Maintenance	56,178	216,890	271,495	237,687	244,817	252,162	349,727	267,518	User Fees
Push Camera For Storm Drain Inspection									General Fund
Storm Drain Master Plan Update						625,000			General Fund
Administration (contract/staff engineer)	140,183	242,074	144,190	146,314	148,062	152,504	157,079	161,792	User Fees
Grand Total - WQFP Fund Expenditure	**3,729,744**	**7,314,628**	**2,926,007**	**1,418,618**	**1,204,935**	**1,354,308**	**837,941**	**767,068**	

CITY OF RANCHO PALOS VERDES
2010 FIVE-YEAR FINANCIAL MODEL
2010-11 SUMMARY OF FUND TRANSFERS

EXHIBIT E

	TRANSFERS TO FUND:												
TRANSFERS FROM FUND:	**General**	**Street Maintenance**	**Abalone Cove Sewer District**	**Capital Improvement Program**	**Water Quality & Flood Protection**	**Habitat Restoration**	**Building Replacement**	**RPV TV**	**Sub 1 Maint.**	**CDBG**	**RDA Debt Service**	**RDA Port. Bend Imp. Auth.**	**Total**
General		0	10,700	3,826,052	0	109,900	0	85,000	70,000	44,006	47,200	101,000	4,293,858
Beautification		165,200		250,000									415,200
Waste Reduction	12,000	0											12,000
CDBG	26,848												26,848
1972 Act		204,000											204,000
1911 Act		102,600											102,600
Proposition A	0			0									0
Proposition C		645,300		0									645,300
Recreation Improve Donations				0									0
Environmental Excise Tax				0									0
Bikeways				17,223									17,223
Measure A	151,000												151,000
Public Safety Grants	100,000												100,000
TOTAL	**289,848**	**1,117,100**	**10,700**	**4,093,275**	**0**	**109,900**	**0**	**85,000**	**70,000**	**44,006**	**47,200**	**101,000**	**5,968,029**

CITY OF RANCHO PALOS VERDES
2010 FIVE-YEAR FINANCIAL MODEL
2011-12 SUMMARY OF FUND TRANSFERS

EXHIBIT E

TRANSFERS FROM FUND:	TRANSFERS TO FUND:											Total
	General	Street Maintenance	Abalone Cove Sewer District	Capital Improvement Program	Water Quality & Flood Protection	Habitat Restoration	Building Replacement	RPV TV	Sub 1 Maint.	RDA Debt Service	RDA Port. Bend Imp. Auth.	
General		30,000	10,700	3,052,800	0	113,100	0	90,000	65,000	48,100	104,000	3,513,700
Beautification				0								0
Waste Reduction	12,000											12,000
CDBG	26,848											26,848
1972 Act		205,000										205,000
1911 Act		105,600										105,600
Proposition A	0			0								0
Proposition C		463,300		1,895,000								2,358,300
Bikeways				17,200								17,200
Measure A	151,000											151,000
Public Safety Grants	100,000											100,000
TOTAL	**289,848**	**803,900**	**10,700**	**4,965,000**	**0**	**113,100**	**0**	**90,000**	**65,000**	**48,100**	**104,000**	**6,489,648**

CITY OF RANCHO PALOS VERDES
2010 FIVE-YEAR FINANCIAL MODEL
2012-13 SUMMARY OF FUND TRANSFERS

EXHIBIT E

	TRANSFERS TO FUND:											
TRANSFERS FROM FUND:	**General**	**Street Maintenance**	**Abalone Cove Sewer District**	**Capital Improvement Program**	**Water Quality & Flood Protection**	**Habitat Restoration**	**Building Replacement**	**RPV TV**	**Sub 1 Maint.**	**RDA Debt Service**	**RDA Port. Bend Imp. Auth.**	**Total**
General		105,000	10,700	1,752,800	0	116,000	0	90,000	55,000	49,100	107,000	2,285,600
Waste Reduction	12,000											12,000
CDBG	26,848											26,848
1972 Act		205,000										205,000
1911 Act		108,300										108,300
Proposition A	0			0								0
Proposition C		475,300		0								475,300
Bikeways				17,200								17,200
Measure A	151,000											151,000
Public Safety Grants	100,000											100,000
TOTAL	**289,848**	**893,600**	**10,700**	**1,770,000**	**0**	**116,000**	**0**	**90,000**	**55,000**	**49,100**	**107,000**	**3,381,248**

CITY OF RANCHO PALOS VERDES
2010 FIVE-YEAR FINANCIAL MODEL
2013-14 SUMMARY OF FUND TRANSFERS

EXHIBIT E

TRANSFERS FROM FUND:	TRANSFERS TO FUND:											Total
	General	Street Maintenance	Abalone Cove Sewer District	Capital Improvement Program	Water Quality & Flood Protection	Habitat Restoration	Building Replacement	RPV TV	Sub 1 Maint.	RDA Debt Service	RDA Port. Bend Imp. Auth.	
General		140,000	10,700	1,482,800	0	119,000	0	90,000	45,000	50,100	110,000	2,047,600
Waste Reduction	12,000											12,000
CDBG	26,848											26,848
1972 Act		195,000										195,000
1911 Act		111,100										111,100
Proposition A	0			0								0
Proposition C		487,600		0								487,600
Bikeways				17,200								17,200
Measure A	151,000											151,000
Public Safety Grants	100,000											100,000
TOTAL	**289,848**	**933,700**	**10,700**	**1,500,000**	**0**	**119,000**	**0**	**90,000**	**45,000**	**50,100**	**110,000**	**3,148,348**
												3,148,348
												0

CITY OF RANCHO PALOS VERDES
2010 FIVE-YEAR FINANCIAL MODEL
2014-15 SUMMARY OF FUND TRANSFERS

EXHIBIT E

TRANSFERS FROM FUND:	TRANSFERS TO FUND:											Total
	General	Street Maintenance	Abalone Cove Sewer District	Capital Improvement Program	Water Quality & Flood Protection	Habitat Restoration	Building Replacement	RPV TV	Sub 1 Maint.	RDA Debt Service	RDA Port. Bend Imp. Auth.	
General		170,000	10,700	1,482,800	0	122,300	0	95,000	50,000	51,100	113,000	2,094,900
Waste Reduction	12,000											12,000
CDBG	26,848											26,848
1972 Act		195,000										195,000
1911 Act		114,200										114,200
Proposition A	0			0								0
Proposition C		501,200		25,000								526,200
Bikeways				17,200								17,200
Measure A	151,000											151,000
Public Safety Grants	100,000											100,000
TOTAL	**289,848**	**980,400**	**10,700**	**1,525,000**	**0**	**122,300**	**0**	**95,000**	**50,000**	**51,100**	**113,000**	**3,237,348**
												3,237,348
												0