

June 14, 2004

Honorable Mayor and Members of  
the Hermosa Beach City Council

City Council Meeting of  
June 22, 2004

## **ADOPTION OF 2004-2005 BUDGET**

### **RECOMMENDATION:**

It is recommended that the City Council:

1. Hear public testimony regarding the 2004-2005 Budget;
  - a. Letter from Jean Lombardo, attached, see page 7,
  - b. Letter from Jeff Duclos, attached, see page 26,
2. Review the Questions/Information from the 2<sup>nd</sup> Budget Workshop beginning on page 28,
3. Review the changes to the budget below,
4. Approve contracts listed below for services budgeted in the 2004-05 Budget;
5. Adopt Resolution 04- , approving the 2004-2005 Budget, page 43.

### **BACKGROUND:**

Budget workshops were held in the Council Chambers on May 18, 2004 and June 7, 2004.

### **ANALYSIS:**

See Questions/Requests for Information from the 2<sup>nd</sup> Budget Workshop attached, beginning on page 28.

## **CHANGES TO BUDGET**

### **GENERAL FUND**

#### **Revision to State Take-Away**

The Preliminary Budget included a reduction in secured property tax revenue of \$287,478, per the Governor's January budget proposal. In the Governor's May Revise, that number increased by \$73,564, to \$361,042. Even though the number is not final until the budget is adopted by the Legislature, staff thought it prudent to reflect the increased take-away at this time. If the amount changes again, staff will return with a revision to the Adopted Budget when the amount is known.

#### **Sales Tax Revision**

Staff reviewed the original assumptions for the 2004-05 sales tax estimate and current tax revenue. We recommend increasing the estimate by \$60,000.

### Increase in Encroachment Fees

As presented at the 2<sup>nd</sup> Budget Workshop, the budget has been amended to include an increase from the \$2/square foot rate included in the budget for Plaza commercial dining encroachments to \$4/square foot for Plaza businesses open after midnight, which results in an additional \$107,616. As shown on the attached worksheet, this revision generates \$177,410.40. Since \$69,794.40 was already included in the budget as a result of changing from \$1//square foot to \$2/square foot, the net increase now is \$107,616. A copy of the spreadsheet showing the businesses affected is attached on page 36.

### Beach Cities Health District Funding

As mentioned at the last workshop, funding from Beach Cities Health District for Paramedic Services was approved in the amount of \$21,840. The change to revenue is reflected in the revisions to the budget.

### Conference/Training Reduction

At the 2<sup>nd</sup> Workshop, the City Council reduced their conference/training budget by \$4,000 and the City Clerk indicated that that her budget could be reduced by having only one person attend the annual conference. Staff agreed to come back with further reductions, if possible. Reductions are listed below by department.

DEPARTMENT	AMOUNT	TOTAL
<u>General Fund</u>		
City Council	4,000	
City Clerk	1,350	
Community Development - Planning	4,935	
Public Works	493	
Personnel	2,500	
Police	3,400	
Fire	7,000	
Finance Administration	500	
	Total	24,178
<u>Parking Fund</u>		
Community Services	3,300	
Finance Cashier	950	
	Total	4,250
<u>Insurance Fund</u>		
Liability Insurance	2,000	
	Total	2,000
	Total Reduction	30,428

**Net Change to General Fund/Transfer to CIP Fund**

The net change to the General Fund, including the above revisions and the reduction to Lighting District administration included below, is +\$139,489. Staff recommends that this amount be transferred to the Capital Improvement Fund (CIP Fund).

**LIGHTING/LANDSCAPING FUND**

As requested by the City Council, staff presented at the 2<sup>nd</sup> Budget Workshop, a reduction over a two-year period, which causes operating costs to equal the assessment. Public Works originally estimated a first year and second year reduction in street lighting costs to be \$23,650 and \$82,000, respectively. Upon review, the first year reduction should be \$50,590 and the second year \$113,000. Using the new estimates, the first year reduction of \$142,903 (shown below) brings total appropriations/transfers out to \$518,228. For the second year, in order to bring the total operating costs in line with the assessment levy amount of \$455,000, a reduction of \$63,228 would be required. (it will actually be more since some line items will increase however we are not attempting to estimate the increase for 2005-06 at this time) If the \$113,000 savings for the reduction of lights in the second year is obtained, there should be funds to cover the operating costs, with some funds left for capital improvement.

Salaries and Benefits:	Reduce 1 Maintenance II Position	(59,482)
Reduction in Transfer	Administration reduced for above	(4,831)
Utilities	Estimate too high	(28,000)
Reduction of Lights	1 <sup>st</sup> Year Savings	(50,590)
	<b>Total 1<sup>st</sup> Year Reduction</b>	<b>142,903</b>

A revised budget page for the Lighting Division is attached as page 37.

See the attached memo from Public Works that outlines the costs savings in detail and the process and timing for taking the lights out of service. (page 38)

**CAPITAL IMPROVEMENT FUND**

**Excess Funds: Review of Financial Funding Goals**

To meet the City Council’s request to provide funds for street repairs and sewer repairs, it is recommended that the City Council approve transfers from the following funds to the Capital Improvement Fund since the estimated fund balances at 7/1/05 are in excess of the established goal amount:

FUND	GOAL	FUND BALANCE	AMOUNT OVER
Compensated Absence Fund	\$ 448,271	\$ 512,003	\$ 63,732
Contingency Fund	2,657,267	2,689,724	32,457
Equipment Replacement Fund	1,723,709	1,538,008	185,701
<b>TOTAL</b>			<b>\$281,890</b>

A cautionary note: The above amounts are based on estimates of the fund balance that will be available as of 7/1/2005. Typically when we have moved funds to the Capital Improvement Fund, amounts were actual balances rather than estimates. There is no problem moving forward as we recommend as long as it is recognized that actual amounts may differ and as long as the funds are appropriated conservatively.

**Capital Improvement Projects**

**CIP 04-114 Speed Humps**

The City Council directed at the 2<sup>nd</sup> Workshop that funding for this project should be reduced to \$12,500 for 24<sup>th</sup> Street only. A revised CIP Request sheet is attached as page 40.

**CIP 04-117 Manhattan Avenue Street Improvements**

This is a new CIP created for design of improvements for Manhattan Avenue. \$15,000 is included for a survey and \$20,000 for in-house design of the project, for a total of \$35,000. A new CIP Request sheet is attached as page 41.

**Net Change to CIP Fund**

The transfer from the General Fund and the excess of goal amounts from the other funds results in \$421,379 being deposited to the CIP Fund. Reducing CIP 114 Speed Humps to \$12,500 and adding CIP 117 Manhattan Avenue Improvements for \$35,000 results in a balance of \$398,879 in the CIP Fund.

**Summary of Fund Balance Changes**

A summary of all the revisions above is shown in the summary attached as page 42.

**Contracts for Services**

The following contracts are for services budgeted in various departments. Rather than submitting them individually on future agendas, we are submitting them en masse. The contracts are on file in the Finance Department for your review.

<u>Contractor Name</u>	<u>Service Provided</u>	<u>Term/Amount</u>
<u>Community Development</u>		
Hayer Consultants, Inc.	General Building Consulting Services	7/1/04-6/30/07/no increase, same rate: \$75/hour
Lawrence Associates	Consulting Planning Services for CDBG	7/1/04-6/30/07/no increase, same rate: \$85/hour

### Finance Administration

Caporicci & Larson, LLP	Audit Services*	7/1/03-6/30/04 1.75% increase \$23,225
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### Information Systems

Prosum Technology Consulting Group	Systems and Network Support	7/1/04 to 6/30/05 50.1% decrease \$14,375
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### Public Works

John L. Hunter & Associates	Beverage Container Recycling Program	7/1/04-6/30/05 .6% decrease \$5,374
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John L. Hunter & Associates	Used Oil Recycling Program	7/1/04-6/30/05 no increase \$5,400
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Enfact, Inc.	Stormwater Management Program (same consultant, new company name)	7/1/04-6/30/05 3.8% decrease \$54,000
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### Police Department

All City Management Services	School Crossing Guard Services – one year extension of existing contract	7/1/04-6/30/05 2.9 % increase \$63,761
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\* The audit contract would normally have been extended for two years when it was brought to City Council in September 2002 for fiscal year 2002-03. (the contract contains a clause that the audit is awarded for three years, with an option to extend for two years). Since only one year was addressed at that time, staff requests the contract be extended for 2003-04. An RFP will be done for future audit services as usual.

### **Budget Summary**

The Budget Summary, which incorporates the above revisions, is attached to the budget resolution on page 44, marked as Exhibit A.

## **Five Year Capital Improvement Program**

The first year of the plan is adopted within the 2004-05 Budget. The Five-year Plan will go to the Public Works Commission in September and then come back to the City Council in November.

Respectfully submitted,

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Viki Copeland  
Finance Director

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Stephen R. Burrell  
City Manager

QUESTIONS/REQUESTS FOR INFORMATION  
FROM 2<sup>nd</sup> BUDGET WORKSHOP,  
June 7, 2004

- Q1. Is the base year for the Sheriff initiative 2003-04 or 2004-05
- A.1 The base year in the initiative is 2003-04.
- Q2. There was consensus to look at implementing a grease trap program for businesses.
- A2. Staff will return with an ordinance and funding plan.
- Q3. Staff agreed to look at a reduction in the frequency of street sweeping and the related reduction in cost. In addition, use of AB939 (recycling/source reduction) fees to pay for street sweeping, as well as a possible increase in the fee amount, will be explored
- A3. Reducing the frequency of street sweeping from once a week to every two weeks would reduce the contract from \$209,000 to \$130,000-\$140,000. It would cost approximately \$15,000 as a one-time costs to modify the street signage. The net savings would be \$115,000-\$125,000. However, since street sweeping parking violations generated \$313, 000 in 2002-03, if we assume a 50% reduction in revenue, the change would result in a net loss of \$31,500 to \$41,500.
- Staff provided information on the use of AB939 Funds and the potential for increasing the fund at the 2<sup>nd</sup> workshop. Staff will bring back this item for consideration if the City Council so directs.
- Q4. There was consensus to look at use of a private contractor for ambulance transport.
- A4. Staff will return with an analysis of service, costs and revenue related to using a private contractor.
- Q5. There was consensus to look at smart meters and metering of Lot A.
- A5. Staff will return with an analysis of implementing smart meters and metering Lot A, with and without smart meters.
- Q6. There was consensus to reduce the Lighting/Landscaping costs to the amount of the levy over the next two budget years.

- A6. The reduction is contained in the staff report under “Changes to the Budget”.
- Q7. The City Council requested that their conference/training budget be reduced by \$4,000. The City Clerk said that she could reduce by having only one person attend the annual conference. It was requested that the City Manager review the other departmental conference and training accounts.
- A7. See the staff report under “Changes to the Budget” for a list of reductions. Total reductions recommended are \$30,428.
- Q8. Concern was expressed for the unsafe condition of the Fire Station. All purchases should be made with report recommendations from the Fire Department needs assessment in mind.
- A8. Prior to spending funds, staff will investigate whether there is any safety concern and if so, develop a plan to address it.
- Q9. Councilmember Reviczky requested a City Attorney opinion on “supplanting” language contained in the law relating to Supplemental Law Enforcement Services Funds (COPS). May funds be used to pay salaries of existing officers? If the number of positions is reduced one budget year, may funds be used to pay for salaries when a position is added back?
- A9. See attached opinion from the City Attorney, copies of Government Code Section 30062, and the Certified Expenditure Report that the Chief of Police signs each year. Staff contacted the County CAO’s Office, who will provide us with the correct contact person to help answering the remaining question.
- Q10. A request was made to look at reducing the cost of the New Year’s celebration and consider soliciting business donations. There was consensus to have the same band.
- A10. Staff will discuss the issue with the event contractor and report back.
- Q11. There was consensus to reduce CIP 04-114 to \$12,500, with 24<sup>th</sup> Street listed as the only project since it is already set to come before the City Council.
- A11. The reduction is contained in the staff report under “Changes to the Budget”.
- Q12. There was consensus that funds need to be included in the 2004-05 Adopted Budget for street repairs and sewer repairs, perhaps as much as \$400,000.
- A12. Funds have been added to the Capital Improvement Fund. The information is provided in the staff report under “Changes to the Budget”. A new CIP 04-117 has been added for Manhattan Avenue Improvements with funding in 2004-05 for design.



Q13. How much is recovered for Police and Fire special event work?

A13. This information is found in revenue accounts 3823 Special Event Security/Police on page 48 of the Preliminary Budget and 3882 Special Event Security/Fire on page 49. \$57,985 and \$6,632, respectively, was collected in 2002-03, with estimates of \$40,000 and \$1,848 for 2003-04 and 2004-05.

Q14. A statement was made that the City needs long term goals with a work plan for staff to focus on. The list should address such items as whether to do a General Plan update, specific infrastructure improvements such as Police/Fire Buildings, etc.

A14. The draft Work Plan is attached, starting on page 35.

2004-05 Draft Work Plan  
(not in priority order)

Street Sweeping Use of AB939 Funds, potential fee increase	Trash Enclosures
Grease Trap Ordinance	Trash Can Ordinance
Ambulance Transport System	Street Light Removal
Smart Meters	Capital Projects
Street/Sewer Plan	Aviation/Pch
Pavement Management Plan	Recycling Program
Government Buildings/Facilities Plan – Funding/Process	Upper Pier Avenue
Planning Commission Items	User Fee Study
General Plan	Bring Website Maintenance Inhouse
Joint Meeting Dates	Parks and Recreation Commission
Historic Preservation Plan, 1% Tax	Tennis Court Lighting
Underground Districts	Meter Lot A
Wifi Project	Change Machines
	Reduce Cost of New Year's Eve Event



**CITY OF HERMOSA BEACH BUDGET SUMMARY  
2004-05 ADOPTED BUDGET**

	<b>GENERAL FUND 001</b>	<b>LIGHTING LANDSCAPING FUND 105</b>	<b>DOWNTOWN ENHANCEMENT FUND 109</b>	<b>PARKING FUND 110</b>
<b>ESTIMATED REVENUE</b>				
Taxes	\$13,081,984	\$455,900	\$0	\$0
Licenses/Permits	\$544,794	\$0	\$0	\$0
Fines/Forfeitures	\$300,000	\$0	\$0	\$1,193,135
Use of Money/Property	\$272,905	\$1,850	\$75,210	\$5,583
Intergovernmental/State	\$1,254,663	\$0	\$0	\$0
Intergovernmental/County	\$0	\$0	\$0	\$0
Intergovernmental/Federal	\$0	\$0	\$0	\$0
Current Service Charges	\$1,362,096	\$0	\$982,400	\$1,760,000
Other Revenue	\$34,708	\$0	\$0	\$0
<b>TOTAL ESTIMATED REVENUE</b>	\$16,851,150	\$457,750	\$1,057,610	\$2,958,718
INTERFUND TRANSFERS IN	\$2,009,762			
ESTIMATED FUNDS AVAILABLE	\$18,860,912	\$457,750	\$1,057,610	\$2,958,718
<b>ESTIMATED FUND BALANCE</b>				
<b>7/1/04</b>	\$125,731	\$203,381	\$7,049,541	\$187,802
TOTAL FUNDS AVAILABLE	\$18,986,643	\$661,131	\$8,107,151	\$3,146,520
<b>APPROPRIATIONS</b>				
Operating Budget	\$17,998,351 <sup>1</sup>	\$501,030	\$1,059,471	\$1,758,018
Capital Outlay	\$26,972	\$0	\$0	\$0
Capital Improvements	\$10,000 <sup>1</sup>	\$0	\$192,126	\$5,520
<b>TOTAL APPROPRIATIONS</b>	\$18,035,323	\$501,030	\$1,251,597	\$1,763,538
INTERFUND TRANSFERS OUT	\$839,489	\$17,198	\$3,565	\$1,200,425
TOTAL APPROPRIATIONS/TRANSFERS OUT	\$18,874,812	\$518,228	\$1,255,162	\$2,963,963
ADJUST FUND BALANCE FOR FIXED ASSET ADDITIONS <sup>2</sup>				
<b>ESTIMATED FUND BALANCE 6/30/05 (a)</b>	<b>\$111,831</b>	<b>\$142,903 (b)</b>	<b>\$6,851,989 (c)</b>	<b>\$182,557</b>
(a) DESIGNATIONS/RESERVES OF FUND BALANCE: Affordable Housing	\$111,831		(b) Investment In Fixed Assets \$6,487,766	(c) Investment In Fixed Assets \$182,557
<b>Available Fund Balance 6/30/05</b>	<b>\$0</b>	<b>\$142,903</b>	<b>\$364,223</b>	<b>\$0</b>

<sup>1</sup> Funding from 2003-04 Designations -  
\$10,000 Climbing wall; \$3,900 Trash Containers

<sup>2</sup> Reflects increase to fund balance for fixed asset purchases  
in Enterprise/Internal Service Funds.

**EXHIBIT A**



**CITY OF HERMOSA BEACH BUDGET SUMMARY  
2004-05 ADOPTED BUDGET**

	STATE GAS TAX FUND 115	AB 939 FUND 117	COMPENSATED ABSENCES FUND 119	PROP A OPEN SPACE FUND 121	TYCO FUND 122
<b>ESTIMATED REVENUE</b>					
Taxes	\$0	\$0	\$0	\$0	\$0
Licenses/Permits	\$0	\$0	\$0	\$0	\$0
Fines/Forfeitures	\$0	\$0	\$0	\$0	\$0
Use of Money/Property	\$31	\$8,435	\$0	\$0	\$637,198
Intergovernmental/State	\$357,151	\$0	\$0	\$0	\$0
Intergovernmental/County	\$0	\$0	\$0	\$242,300	\$0
Intergovernmental/Federal	\$0	\$0	\$0	\$0	\$0
Current Service Charges	\$0	\$59,020	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0	\$0
<b>TOTAL ESTIMATED REVENUE</b>	<b>\$357,182</b>	<b>\$67,455</b>	<b>\$0</b>	<b>\$242,300</b>	<b>\$637,198</b>
INTERFUND TRANSFERS IN	\$0			\$0	\$0
ESTIMATED FUNDS AVAILABLE	\$357,182	\$67,455	\$0	\$242,300	\$637,198
<b>ESTIMATED FUND BALANCE</b>					
<b>7/1/04</b>	\$5,380	\$284,779	\$512,003	\$2	\$1,805,602
TOTAL FUNDS AVAILABLE	\$362,562	\$352,234	\$512,003	\$242,302	\$2,442,800
<b>APPROPRIATIONS</b>					
Operating Budget	\$0	\$39,046	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0
Capital Improvements	\$0	\$0	\$0	\$221,743	\$2,167,800
<b>TOTAL APPROPRIATIONS</b>	<b>\$0</b>	<b>\$39,046</b>	<b>\$0</b>	<b>\$221,743</b>	<b>\$2,167,800</b>
INTERFUND TRANSFERS OUT	\$357,151		\$63,732	\$20,557	\$275,000
TOTAL APPROPRIATIONS/TRANSFERS OUT	\$357,151	\$39,046	\$63,732	\$242,300	\$2,442,800
ADJUST FUND BALANCE FOR FIXED ASSET ADDITIONS <sup>2</sup>					
<b>ESTIMATED FUND BALANCE 6/30/05</b>	<b>\$5,411 (d)</b>	<b>\$313,188</b>	<b>\$448,271</b>	<b>\$2</b>	<b>0</b>
(d) RESERVES:					
Transportation Development Act - Local (TDA)		\$665			
Regional		\$2,980			
<b>Available Fund Balance 6/30/05</b>	<b>\$1,766</b>	<b>\$313,188</b>	<b>\$448,271</b>	<b>\$2</b>	<b>\$0</b>



**CITY OF HERMOSA BEACH BUDGET SUMMARY  
2004-05 ADOPTED BUDGET**

	<b>PARK/ RECREATION FACILITY TAX FUND 125</b>	<b>4% UTILITY USER TAX RAILROAD RIGHT OF WAY FUND 126</b>	<b>BUILDING IMPROVEMENT FUND 127</b>	<b>LOWER PIER ADMINISTRATIVE EXPENSE FUND 136</b>
<b>ESTIMATED REVENUE</b>				
Taxes	\$7,000	\$0	\$0	\$0
Licenses/Permits	\$0	\$0	\$0	\$0
Fines/Forfeitures	\$0	\$0	\$0	\$0
Use of Money/Property	\$3,459	\$607	\$93	\$0
Intergovernmental/State	\$0	\$0	\$0	\$0
Intergovernmental/County	\$0	\$0	\$0	\$0
Intergovernmental/Federal	\$0	\$0	\$0	\$0
Current Service Charges	\$0	\$0	\$0	\$0
Other Revenue	\$41,168	\$0	\$0	\$2,905
<b>TOTAL ESTIMATED REVENUE</b>	\$51,627	\$607	\$93	\$2,905
INTERFUND TRANSFERS IN	\$0	\$0	\$0	\$0
ESTIMATED FUNDS AVAILABLE	\$51,627	\$607	\$93	\$2,905
<b>ESTIMATED FUND BALANCE</b>				
<b>7/1/04</b>	\$121,159	\$17,137	\$4,676	\$286
TOTAL FUNDS AVAILABLE	\$172,786	\$17,744	\$4,769	\$3,191
<b>APPROPRIATIONS</b>				
Operating Budget	\$0	\$0	\$0	\$1,807
Capital Outlay	\$0	\$0	\$0	\$0
Capital Improvements	\$15,000	\$0	\$0	\$0
TOTAL APPROPRIATIONS	\$15,000	\$0	\$0	\$1,807
INTERFUND TRANSFERS OUT		\$0	\$0	\$1,057
TOTAL APPROPRIATIONS/TRANSFERS OUT	\$15,000	\$0	\$0	\$2,864
ADJUST FUND BALANCE FOR FIXED ASSET ADDITIONS <sup>2</sup>				
<b>ESTIMATED FUND BALANCE 6/30/05</b>	<b>\$157,786</b>	<b>\$17,744</b>	<b>\$4,769</b>	<b>327</b>

<b>Available Fund Balance 6/30/05</b>	<b>\$157,786</b>	<b>\$17,744</b>	<b>\$4,769</b>	<b>\$327</b>
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**CITY OF HERMOSA BEACH BUDGET SUMMARY  
2004-05 ADOPTED BUDGET**

	<b>MYRTLE DISTRICT ADMINISTRATIVE EXPENSE FUND 137</b>	<b>LOMA DISTRICT ADMINISTRATIVE EXPENSE FUND 138</b>	<b>COMMUNITY DEVELOPMENT BLOCK GRANT FUND 140</b>	<b>PROPOSITION A FUND 145</b>
<b>ESTIMATED REVENUE</b>				
Taxes	\$0	\$0	\$0	\$318,290
Licenses/Permits	\$0	\$0	\$0	\$0
Fines/Forfeitures	\$0	\$0	\$0	\$0
Use of Money/Property	\$123	\$185	\$0	\$3,246
Intergovernmental/State	\$0	\$0	\$0	\$0
Intergovernmental/County	\$0	\$0	\$0	\$0
Intergovernmental/Federal	\$0	\$0	\$159,522	\$0
Current Service Charges	\$0	\$0	\$0	\$15,550
Other Revenue	\$9,400	\$10,267	\$0	\$0
<b>TOTAL ESTIMATED REVENUE</b>	\$9,523	\$10,452	\$159,522	\$337,086
<b>INTERFUND TRANSFERS IN</b>	\$0	\$0	\$0	\$0
<b>ESTIMATED FUNDS AVAILABLE</b>	\$9,523	\$10,452	\$159,522	\$337,086
<b>ESTIMATED FUND BALANCE</b>				
<b>7/1/04</b>	\$6,671	\$9,151	\$0	\$143,155
<b>TOTAL FUNDS AVAILABLE</b>	\$16,194	\$19,603	\$159,522	\$480,241
<b>APPROPRIATIONS</b>				
Operating Budget	\$5,861	\$6,355	\$11,300	\$330,179
Capital Outlay	\$0	\$0	\$0	\$0
Capital Improvements	\$0	\$0	\$148,222	\$60,000
<b>TOTAL APPROPRIATIONS</b>	\$5,861	\$6,355	\$159,522	\$390,179
<b>INTERFUND TRANSFERS OUT</b>	\$3,063	\$3,500	\$0	\$0
<b>TOTAL APPROPRIATIONS/TRANSFERS OUT</b>	\$8,924	\$9,855	\$159,522	\$390,179
ADJUST FUND BALANCE FOR FIXED ASSET ADDITIONS <sup>2</sup>				
<b>ESTIMATED FUND BALANCE 6/30/05</b>	<b>\$7,270</b>	<b>\$9,748</b>	<b>\$0</b>	<b>\$90,062</b>

<b>Available Fund Balance 6/30/05</b>	<b>\$7,270</b>	<b>\$9,748</b>	<b>\$0</b>	<b>\$90,062</b>
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**CITY OF HERMOSA BEACH BUDGET SUMMARY  
2004-05 ADOPTED BUDGET**

	<b>PROPOSITION C FUND 146</b>	<b>GRANTS FUND 150</b>	<b>AIR QUALITY IMPROVEMENT FUND 152</b>	<b>SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND 153</b>
<b>ESTIMATED REVENUE</b>				
Taxes	\$226,492	\$0	\$0	\$100,000
Licenses/Permits	\$0	\$0	\$0	\$0
Fines/Forfeitures	\$0	\$0	\$0	\$0
Use of Money/Property	\$15,869	\$0	\$0	\$2,943
Intergovernmental/State	\$0	\$329,374	\$22,000	\$0
Intergovernmental/County	\$0	\$0	\$0	\$0
Intergovernmental/Federal	\$0	\$0	\$0	\$0
Current Service Charges	\$0	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0
<b>TOTAL ESTIMATED REVENUE</b>	<b>\$242,361</b>	<b>\$329,374</b>	<b>\$22,000</b>	<b>\$102,943</b>
INTERFUND TRANSFERS IN	\$0	\$0	\$0	\$0
ESTIMATED FUNDS AVAILABLE	\$242,361	\$329,374	\$22,000	\$102,943
<b>ESTIMATED FUND BALANCE</b>				
<b>7/1/04</b>	<b>\$913,148</b>	<b>\$0</b>	<b>\$21,911</b>	<b>\$86,416</b>
TOTAL FUNDS AVAILABLE	\$1,155,509	\$329,374	\$43,911	\$189,359
<b>APPROPRIATIONS</b>				
Operating Budget	\$0	\$5,374	\$1,000	\$15,000
Capital Outlay	\$0	\$0	\$0	\$127,000
Capital Improvements	\$60,000	\$324,000	\$0	\$0
<b>TOTAL APPROPRIATIONS</b>	<b>\$60,000</b>	<b>\$329,374</b>	<b>\$1,000</b>	<b>\$142,000</b>
INTERFUND TRANSFERS OUT	\$0	\$0	\$0	
TOTAL APPROPRIATIONS/TRANSFERS OUT	\$60,000	\$329,374	\$1,000	\$142,000
ADJUST FUND BALANCE FOR FIXED ASSET ADDITIONS <sup>2</sup>				
<b>ESTIMATED FUND BALANCE 6/30/05</b>	<b>\$1,095,509</b>	<b>\$0</b>	<b>\$42,911</b>	<b>\$47,359</b>

<b>Available Fund Balance 6/30/05</b>	<b>\$1,095,509</b>	<b>\$0</b>	<b>\$42,911</b>	<b>\$47,359</b>
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**CITY OF HERMOSA BEACH BUDGET SUMMARY  
2004-05 ADOPTED BUDGET**

	<b>CALIFORNIA LAW ENFORCEMENT EQUIPMENT PROGRAM FUND 154</b>	<b>TASKFORCE FOR REG AUTO THEFT PREVENTION FUND 156</b>	<b>SEWER FUND 160</b>	<b>ASSET FORFEITURE FUND 170</b>
<b>ESTIMATED REVENUE</b>				
Taxes	\$0	\$0	\$0	\$0
Licenses/Permits	\$0	\$0	\$0	\$0
Fines/Forfeitures	\$0	\$0	\$0	\$3,400
Use of Money/Property	\$941	\$0	\$34,558	\$3,398
Intergovernmental/State	\$0	\$0	\$5,400	\$0
Intergovernmental/County	\$0	\$123,293	\$2,500	\$0
Intergovernmental/Federal	\$0	\$0	\$0	\$0
Current Service Charges	\$0	\$0	\$20,670	\$0
Other Revenue	\$0	\$0	\$9,536	\$0
<b>TOTAL ESTIMATED REVENUE</b>	\$941	\$123,293	\$72,664	\$6,798
INTERFUND TRANSFERS IN	\$0	\$0	\$700,000	\$0
ESTIMATED FUNDS AVAILABLE	\$941	\$123,293	\$772,664	\$6,798
<b>ESTIMATED FUND BALANCE</b>				
<b>7/1/04</b>	\$2,009	\$0	\$342,982	\$128,538
TOTAL FUNDS AVAILABLE	\$2,950	\$123,293	\$1,115,646	\$135,336
<b>APPROPRIATIONS</b>				
Operating Budget	\$0	\$123,293	\$682,138	\$125,415 <sup>3</sup>
Capital Outlay	\$0	\$0	\$0	\$0
Capital Improvements	\$0	\$0	\$359,696	\$0
<b>TOTAL APPROPRIATIONS</b>	\$0	\$123,293	\$1,041,834	\$125,415
INTERFUND TRANSFERS OUT	\$0	\$0	\$0	
TOTAL APPROPRIATIONS/TRANSFERS OUT	\$0	\$123,293	\$1,041,834	\$125,415
ADJUST FUND BALANCE FOR FIXED ASSET ADDITIONS <sup>2</sup>				
<b>ESTIMATED FUND BALANCE 6/30/05</b>	<b>\$2,950</b>	<b>\$0</b>	<b>\$73,812</b>	<b>\$9,921</b>

<b>Available Fund Balance 6/30/05</b>	<b>\$2,950</b>	<b>\$0</b>	<b>\$73,812</b>	<b>\$9,921</b>
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<sup>3</sup> Funding from 2003-04 Designations -  
\$1,370 Dept of Justice;  
\$2,920 Dept of Treasury





**CITY OF HERMOSA BEACH BUDGET SUMMARY  
2004-05 ADOPTED BUDGET**

	<b>FIRE PROTECTION FUND 180</b>	<b>RETIREMENT STABILIZATION FUND 198</b>	<b>CONTINGENCY FUND 199</b>	<b>CAPITAL IMPROVEMENT FUND 301</b>	<b>ARTESIA BLVD RELINQUISHMENT FUND 302</b>
<b>ESTIMATED REVENUE</b>					
Taxes	\$0	\$0	\$0	\$0	\$0
Licenses/Permits	\$0	\$0	\$0	\$0	\$0
Fines/Forfeitures	\$0	\$0	\$0	\$0	\$0
Use of Money/Property	\$9,162	\$7,555	\$54,098	\$39,989	\$10,498
Intergovernmental/State	\$0	\$0	\$0	\$0	\$0
Intergovernmental/County	\$0	\$0	\$0	\$0	\$0
Intergovernmental/Federal	\$0	\$0	\$0	\$0	\$0
Current Service Charges	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$67,200	\$0	\$0	\$0	\$0
<b>TOTAL ESTIMATED REVENUE</b>	<b>\$76,362</b>	<b>\$7,555</b>	<b>\$54,098</b>	<b>\$39,989</b>	<b>\$10,498</b>
INTERFUND TRANSFERS IN	\$0		\$0	\$696,379	\$0
ESTIMATED FUNDS AVAILABLE	\$76,362	\$7,555	\$54,098	\$736,368	\$10,498
<b>ESTIMATED FUND BALANCE</b>					
<b>7/1/04</b>	<b>\$226,023</b>	<b>\$701,081</b>	<b>\$2,635,626</b>	<b>\$1,836,388</b>	<b>\$522,954</b>
TOTAL FUNDS AVAILABLE	\$302,385	\$708,636	\$2,689,724	\$2,572,756	\$533,452
<b>APPROPRIATIONS</b>					
Operating Budget	\$0	\$0	\$0	\$0	\$9,000
Capital Outlay	\$36,991	\$0	\$0	\$0	\$0
Capital Improvements	\$80,550	\$0	\$0	\$2,173,877	\$0
<b>TOTAL APPROPRIATIONS</b>	<b>\$117,541</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,173,877</b>	<b>\$9,000</b>
INTERFUND TRANSFERS OUT	\$154,316	\$260,000	\$32,457	\$0	\$0
TOTAL APPROPRIATIONS/TRANSFERS OUT	\$271,857	\$260,000	\$32,457	\$2,173,877	\$9,000
ADJUST FUND BALANCE FOR FIXED ASSET ADDITIONS <sup>2</sup>					
<b>ESTIMATED FUND BALANCE 6/30/05</b>	<b>\$30,528</b>	<b>\$448,636 (e)</b>	<b>\$2,657,267</b>	<b>\$398,879</b>	<b>\$524,452</b>

<b>Available Fund Balance 6/30/05</b>	<b>\$30,528</b>	<b>\$448,636</b>	<b>\$2,657,267</b>	<b>\$398,879</b>	<b>\$524,452</b>
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**CITY OF HERMOSA BEACH BUDGET SUMMARY  
2004-05 ADOPTED BUDGET**

	<b>LOWER PIER AVENUE IMPROVEMENT FUND 305</b>	<b>MYRTLE UTILITY UNDERGROUND IMPROVEMENT FUND 307</b>	<b>LOMA UTILITY UNDERGROUND IMPROVEMENT FUND 308</b>	<b>BAYVIEW DRIVE UTILITY UNDERGROUNDING DISTRICT FUND 309</b>
<b>ESTIMATED REVENUE</b>				
Taxes	\$0	\$0	\$0	\$0
Licenses/Permits	\$0	\$0	\$0	\$0
Fines/Forfeitures	\$0	\$0	\$0	\$0
Use of Money/Property	\$1,427	\$93	\$2,003	\$0
Intergovernmental/State	\$0	\$0	\$0	\$0
Intergovernmental/County	\$0	\$0	\$0	\$0
Intergovernmental/Federal	\$0	\$0	\$0	\$0
Current Service Charges	\$0	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0
<b>TOTAL ESTIMATED REVENUE</b>	\$1,427	\$93	\$2,003	\$0
<b>INTERFUND TRANSFERS IN</b>	\$0	\$0	\$0	\$0
<b>ESTIMATED FUNDS AVAILABLE</b>	\$1,427	\$93	\$2,003	\$0
<b>ESTIMATED FUND BALANCE</b>				
<b>7/1/04</b>	\$70,988	\$4,466	\$100,704	(\$38,000)
<b>TOTAL FUNDS AVAILABLE</b>	\$72,415	\$4,559	\$102,707	(\$38,000)
<b>APPROPRIATIONS</b>				
Operating Budget	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0
Capital Improvements	\$0	\$0	\$0	\$0
<b>TOTAL APPROPRIATIONS</b>	\$0	\$0	\$0	\$0
<b>INTERFUND TRANSFERS OUT</b>	\$0	\$0	\$0	\$0
<b>TOTAL APPROPRIATIONS/TRANSFERS OUT</b>	\$0	\$0	\$0	\$0
ADJUST FUND BALANCE FOR FIXED ASSET ADDITIONS <sup>2</sup>				
<b>ESTIMATED FUND BALANCE 6/30/05</b>	\$72,415	\$4,559	\$102,707	(\$38,000)

<b>Available Fund Balance 6/30/05</b>	\$72,415	\$4,559	\$102,707	(\$38,000)
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**CITY OF HERMOSA BEACH BUDGET SUMMARY  
2004-05 ADOPTED BUDGET**

	<b>BONNIE BRAE UTILITY UNDERGROUNDING DISTRICT FUND 310</b>	<b>BEACH DRIVE UTILITY UNDERGROUNDING DISTRICT FUND 311</b>	<b>PROSPECT UNDERGROUNDING DISTRICT FUND 312</b>	<b>LOWER PIER DISTRICT REDEMPTION FUND 610</b>
<b>ESTIMATED REVENUE</b>				
Taxes	\$0	\$0	\$0	\$0
Licenses/Permits	\$0	\$0	\$0	\$0
Fines/Forfeitures	\$0	\$0	\$0	\$0
Use of Money/Property	\$0	\$0	\$0	\$278
Intergovernmental/State	\$0	\$0	\$0	\$0
Intergovernmental/County	\$0	\$0	\$0	\$0
Intergovernmental/Federal	\$0	\$0	\$0	\$0
Current Service Charges	\$0	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0
<b>TOTAL ESTIMATED REVENUE</b>	\$0	\$0	\$0	\$278
INTERFUND TRANSFERS IN	\$0	\$0	\$0	\$0
ESTIMATED FUNDS AVAILABLE	\$0	\$0	\$0	\$278
<b>ESTIMATED FUND BALANCE</b>				
<b>7/1/04</b>	(\$50,000)	(\$44,000)	(\$200,000)	\$4,756
TOTAL FUNDS AVAILABLE	(\$50,000)	(\$44,000)	(\$200,000)	\$5,034
<b>APPROPRIATIONS</b>				
Operating Budget	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0
Capital Improvements	\$0	\$0	\$0	\$0
<b>TOTAL APPROPRIATIONS</b>	\$0	\$0	\$0	\$0
INTERFUND TRANSFERS OUT	\$0	\$0	\$0	\$0
TOTAL APPROPRIATIONS/TRANSFERS OUT	\$0	\$0	\$0	\$0
ADJUST FUND BALANCE FOR FIXED ASSET ADDITIONS <sup>2</sup>				
<b>ESTIMATED FUND BALANCE 6/30/05</b>	<b>(\$50,000)</b>	<b>(\$44,000)</b>	<b>(\$200,000)</b>	<b>\$5,034</b>

<b>Available Fund Balance 6/30/05</b>	<b>(\$50,000)</b>	<b>(\$44,000)</b>	<b>(\$200,000)</b>	<b>\$5,034</b>
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**CITY OF HERMOSA BEACH BUDGET SUMMARY  
2004-05 ADOPTED BUDGET**

	<b>MYRTLE AVENUE ASSESSMENT FUND 617</b>	<b>LOMA DRIVE ASSESSMENT FUND 618</b>	<b>INSURANCE FUND 705</b>	<b>EQUIPMENT REPLACEMENT FUND 715</b>	<b>TOTAL (MEMORANDUM ONLY)</b>
<b>ESTIMATED REVENUE</b>					
Taxes	\$0	\$0	\$0	\$0	\$14,189,666
Licenses/Permits	\$0	\$0	\$0	\$0	\$544,794
Fines/Forfeitures	\$0	\$0	\$0	\$0	\$1,496,535
Use of Money/Property	\$1,049	\$1,018	\$0	\$0	\$1,193,804
Intergovernmental/State	\$0	\$0	\$0	\$0	\$1,968,588
Intergovernmental/County	\$0	\$0	\$0	\$0	\$368,093
Intergovernmental/Federal	\$0	\$0	\$0	\$0	\$159,522
Current Service Charges	\$0	\$0	\$1,450,152	\$1,099,281	\$6,749,169
Other Revenue	\$0	\$0	\$0	\$15,000	\$190,184
<b>TOTAL ESTIMATED REVENUE</b>	\$1,049	\$1,018	\$1,450,152	\$1,114,281	\$26,860,355
INTERFUND TRANSFERS IN	\$0	\$0		\$11,070	\$3,417,211
ESTIMATED FUNDS AVAILABLE	\$1,049	\$1,018	\$1,450,152	\$1,125,351	\$30,277,566
<b>ESTIMATED FUND BALANCE</b>					
<b>7/1/04</b>	\$15,996	\$14,304	\$2,262,606	\$4,237,524	\$24,272,876
TOTAL FUNDS AVAILABLE	\$17,045	\$15,322	\$3,712,758	\$5,362,875	\$54,550,442
<b>APPROPRIATIONS</b>					
Operating Budget	\$0	\$0	\$1,448,152	\$1,144,551	\$25,265,345
Capital Outlay	\$0	\$0	\$0	\$214,896	\$405,859
Capital Improvements	\$0	\$0	\$0	\$79,858	\$5,898,393
<b>TOTAL APPROPRIATIONS</b>	\$0	\$0	\$1,448,152	\$1,439,305	\$31,569,592
INTERFUND TRANSFERS OUT	\$0	\$0	\$0	\$185,701	\$3,417,211
TOTAL APPROPRIATIONS/TRANSFERS OL	\$0	\$0	\$1,448,152	\$1,625,006	\$34,986,803
ADJUST FUND BALANCE FOR FIXED ASSET ADDITIONS <sup>2</sup>				\$214,896	\$214,896
<b>ESTIMATED FUND BALANCE 6/30/05</b>	<b>\$17,045</b>	<b>\$15,322</b>	<b>\$2,264,606 (f)</b>	<b>\$3,952,765</b>	<b>\$19,778,535</b>
				(f) Investment In Fixed Assets \$2,414,757	
<b>Available Fund Balance 6/30/05</b>	<b>\$17,045</b>	<b>\$15,322</b>	<b>\$2,264,606</b>	<b>\$1,538,008</b>	<b>\$19,778,535</b>

**INCREASE OF ENCROACHMENT FEES  
PLAZA BUSINESSES  
FROM \$1/PER SQ FT TO \$2  
EXCEPT PLAZA BUSINESSES OPEN PAST MIDNIGHT \$4/PER SQ FT**

BUSINESS NAME	SQ. FOOTAGE	AMOUNT PAID PER QUARTER @ \$1/sq. ft as of 7/1/2000	AMOUNT PAID PER QUARTER @ \$4/sq. ft	DIFFERENCE PER QUARTER	AMOUNT PAID PER YEAR @ \$1/sq. ft	AMOUNT PAID PER YEAR @ \$4/sq. ft	DIFFERENCE PER YEAR
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**BUSINESSES ON PLAZA  
OPEN AFTER 12:00 MIDNIGHT**

ALOHA SHARKEEZ	390	1,170.00	4,680	3,510.00	4,680	18,720	14,040.00
CANTINA REAL	312	936.00	3,744	2,808.00	3,744	14,976	11,232.00
CAFÉ BONAPARTE	169	507.00	2,028	1,521.00	2,028	8,112	6,084.00
DRAGON RESTAURANT	316	948.00	3,792	2,844.00	3,792	15,168	11,376.00
FAT FACE FENNER'S	200	600.00	2,400	1,800.00	2,400	9,600	7,200.00
HENNESSEY'S TAVERN	975	2,925.00	11,700	8,775.00	11,700	46,800	35,100.00
PARADISE SUSHI	250	750.00	3,000	2,250.00	3,000	12,000	9,000.00
PATRICK MOLLOY'S	429	1,287.00	5,148	3,861.00	5,148	20,592	15,444.00
SANGRIA	780	2,340.00	9,360	7,020.00	9,360	37,440	28,080.00
THE LIGHTHOUSE	390	1,170.00	4,680	3,510.00	4,680	18,720	14,040.00
ZEPPY'S PIZZERIA	273	819.00	3,276	2,457.00	3,276	13,104	9,828.00
		<u>13,452.00</u>	<u>53,808</u>	<u>40,356.00</u>	<u>53,808</u>	<u>215,232</u>	<u>161,424.00</u>

SQ. FOOTAGE	AMOUNT PAID PER QUARTER @ \$1/sq. ft as of 7/1/2000	AMOUNT PAID PER QUARTER @ \$2/sq. ft	DIFFERENCE PER QUARTER	AMOUNT PAID PER YEAR @ \$1/sq. ft	AMOUNT PAID PER YEAR @ \$2/sq. ft	DIFFERENCE PER YEAR
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**NOT OPEN AFTER 12:00 MIDNIGHT**

HERMOSA FISH MARKET	403	1,209.00	2,418	1,209.00	4,836	9,672	4,836.00
IL BOCCACCIO	247	741.00	1,482	741.00	2,964	5,928	2,964.00
<sup>1</sup> LORETO PLAZA	292.2	876.60	1,753	876.60	3,506	7,013	3,506.40
MEDITERRANEO	390	1,170.00	2,340	1,170.00	4,680	9,360	4,680.00
		<u>3,996.60</u>	<u>7,993</u>	<u>3,996.60</u>	<u>15,986</u>	<u>31,973</u>	<u>15,986.40</u>
<b>TOTAL ON PLAZA</b>							<b><u>177,410.40</u></b>

SQ. FOOTAGE	AMOUNT PAID PER QUARTER @ \$1/sq. ft as of 7/1/2000	AMOUNT PAID PER QUARTER @ \$2/sq. ft	DIFFERENCE PER QUARTER	AMOUNT PAID PER YEAR @ \$1/sq. ft	AMOUNT PAID PER YEAR @ \$2/sq. ft	DIFFERENCE PER YEAR
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**BUSINESSES NOT ON PLAZA**

BARNACLES BAR & GRILL	200	600.00	1,200	600.00	2,400	4,800	2,400.00
<sup>2</sup> BOTTLE INN	427.5	1,282.50	2,565	1,282.50	5,130	10,260	5,130.00
CLASSIC BURGER CAFÉ	315	945.00	1,890	945.00	3,780	7,560	3,780.00
COFFEE BEAN & TEA LEAF	192.5	577.50	1,155	577.50	2,310	4,620	2,310.00
GOOD STUFF	480	1,440.00	2,880	1,440.00	5,760	11,520	5,760.00
MARTHA'S 22 ND. ST. GRILL	913.5	2,740.50	5,481	2,740.50	10,962	21,924	10,962.00
THE BEACH HOUSE	600	1,800.00	3,600	1,800.00	7,200	14,400	7,200.00
		<u>9,385.50</u>	<u>18,771.00</u>	<u>9,385.50</u>	<u>37,542.00</u>	<u>75,084.00</u>	<u>37,542.00</u>

**GRAND TOTAL**

214,952.40

<sup>1</sup> Effective Feb 2004 the rate is \$2/Sq. Ft.

<sup>2</sup> Encroachment rate varies - Oct-Mar = 285 sq. ft. Apr-Sep = 570 sq. ft (average sq. footage is 427.5)

\* To open in May 2004



**City of Hermosa Beach  
Department Expenditure Detail  
Preliminary Budget 2004-05**

2002-03 Expended	2003-04 Total Budget	2003-04 Expend YTD (Thru Jan)	2003-04 Year End Estimate
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**City of Hermosa Beach  
Department Expenditure Detail  
Preliminary Budget 2004-05**

	2002-03 Expended	2003-04 Total Budget	2003-04 Expend YTD (Thru Jan)	2003-04 Year End Estimate
105 Lightg/Landscapg Dist Fund				
2601 Lighting/Landscaping/Medians				
2601-4100 Personal Services				
2601-4102 Regular Salaries	177,228	167,456	96,065	167,456
2601-4106 Regular Overtime	2,174	2,000	1,837	2,200
2601-4111 Accrual Cash In	10,573	3,621	5,219	3,621
2601-4112 Part Time/Temporary	6,322	0	0	0
2601-4180 Retirement	13,276	12,532	7,190	12,532
2601-4188 Employee Benefits	23,192	20,616	15,326	20,616
2601-4189 Medicare Benefits	2,214	2,212	1,359	2,212
Personal Services	234,979	208,437	126,996	208,637
2601-4200 Contract Services				
2601-4201 Contract Serv/Private	28,622	41,207	20,009	41,207
2601-4251 Contract Service/Govt	12,622	21,700	5,768	19,700
Contract Services	41,244	62,907	25,777	60,907
2601-4300 Materials/Supplies/Other				
2601-4303 Utilities	164,798	188,000	72,750	175,000
2601-4309 Maintenance Materials	24,157	28,300	11,794	28,300
2601-4395 Equip Replacement Charges	39,809	41,819	24,395	41,819
2601-4396 Insurance User Charges	36,962	36,192	21,112	36,192
Materials/Supplies/Other	265,726	294,311	130,051	281,311
2601-5400 Equipment/Furniture				
2601-5401 Equip-Less Than \$1,000	916	0	0	0
2601-5402 Equip-More Than \$1,000	4,479	0	0	0
Equipment/Furniture	5,395	0	0	0
Lighting/Landscaping/Medians	547,344	565,655	282,824	550,855

2004-05  
Dept  
Request



2004-05  
Dept  
Request

171,980  
2,200  
6,239  
0  
19,571  
23,058  
2,266

225,314

43,600  
21,700

65,300

109,410  
28,300  
33,570  
39,136

210,416

0  
0  
0

501,030

**SUMMARY OF FUND BALANCE CHANGES**

	General Fund 001	Lighting/Landscaping Fund 105	Parking Fund 110	Compensated Absences Fund 119	Contingency Fund 199	Capital Improvement Fund 301	Insurance Fund 705
Preliminary Budget Fund Balance	\$111,831	\$0	\$182,557	\$512,003	\$2,689,724	\$0	\$2,262,606
Revenue Changes							
Reduce Property tax revenue	(\$73,564)						
Increase Sales Tax Revenue	\$60,000						
Increase Plaza Outdoor Dining permits from \$2 to \$4/businesses open after midnight	\$107,616						
Add Beach Cities Health District Paramedic funding	\$21,840						
Transfers In Changes							
Reduce Ltng/Lndscaping Admin transfer	(\$4,831)						
Increase Parking Fund Transfer In/Conf Exp reduction	\$4,250						
Add Transfer In from General Fund						\$139,489	
Add Transfer In from Compensated Absences Fund						\$63,732	
Add Transfer In from Contingency Fund						\$32,457	
Add Transfer In from Equip Repl Fund						\$185,701	
Appropriations Changes							
Reduce Dept Conference Expense	(\$24,178)		(\$4,250)				(\$2,000)
Reduce 1 Maintenance II Position		(\$59,482)					
Reduce Utility cost estimate - too high		(\$28,000)					
Reduce number of street lights		(\$50,590)					
Reduce CIP 114-Speed Humps by 1/2 for 24th Street only						(\$12,500)	
Add CIP 117-Manhattan Ave St. Improvements						\$35,000	
Transfers Out Changes							
Add Transfer to Capital Improvement Fund	\$139,489						
Reduce Transfer to General Fund for Admin		(\$4,831)					
Increase Gen Fund Transfer/Conf exp reduction			\$4,250				
Add Transfer of excess goal amount to the Capital Improvement Fund				\$63,732	\$32,457		
Adopted Budget Fund Balance	\$111,831	\$142,903	\$182,557	\$448,271	\$2,657,267	\$398,879	\$2,264,606

Equip Replacement  
Fund  
715

\$4,138,466

\$185,701

\$3,952,765

**RESOLUTION NO. 04-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH,  
CALIFORNIA ADOPTING THE BUDGET FOR THE FISCAL YEAR 2004-2005**

**WHEREAS**, a budget for the fiscal year 2004-2005 has been prepared by the City Manager,  
and;

**WHEREAS**, said budget incorporates expenditures for operating purposes, capital outlay and  
capital improvement projects, and;

**WHEREAS**, said final budget will include the appropriations limit and total annual  
appropriations subject to limitation as required by Section 37200 of the Government Code, and;

**WHEREAS**, the City Council has examined said budget and, after due deliberation and  
consideration, has made such amendments to the budget as it deems advisable.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH,  
CALIFORNIA DOES RESOLVE AS FOLLOWS:**

**SECTION 1.** That the City Council does hereby approve and adopt the revised budget for  
the 2004-2005 Fiscal Year as presented in the documents entitled "City of Hermosa Beach Budget  
Summary 2004-2005," as amended by the City Council through June 22, 2004, and attached as  
"Exhibit A."

**PASSED, APPROVED, and ADOPTED** this 22nd day of June 2004.

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**PRESIDENT of the City Council, and MAYOR of the City of Hermosa Beach, California**

ATTEST:

APPROVED AS TO FORM:

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CITY CLERK

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CITY ATTORNEY