

Expenditure Reductions Summary

Budget Study Session #2

May 30, 2017

Tier 1 = Moderate impact to community/organization (Also includes internal efficiencies and savings)

Tier 2 = Moderate to significant impact to City operations and community service levels

Tier 3 = Significant and sustained impacts (over time will deteriorate services, programs or facilities)

EXPENDITURES*

General Fund	Amount	Tier 1	Tier 2	Tier 3
Communications/Advertising	\$67,500	\$10,500	\$57,000	-
Community Engagement/Events	66,670	15,000	31,670	20,000
Computer Contract Services	11,000	-	11,000	-
Contract Services	155,947	38,648	105,299	12,000
Internal Efficiencies/Savings	79,945	79,945	-	-
Public Safety	439,342	90,850	50,800	297,692
Programs -				
Arts	15,500	-	9,500	6,000
Aquatics	4,000	4,000	-	-
Seniors	37,000	-	-	37,000
Youth	2,000	2,000	-	-
Employee Development	53,740	17,780	15,960	20,000
Public Safety (Community Police Academy)	12,500	-	-	12,500
Economic Development	34,800	2,800	32,000	-
Historic Preservation	261,250	75,000	186,250	-
Subtotal Programs	\$420,790	\$101,580	\$243,710	\$75,500
SUBTOTAL GENERAL FUND	\$1,241,194	\$336,523	\$499,479	\$405,192
<i>Cumulative Subtotal</i>			\$836,002	\$1,241,194
Reductions with staffing impact:				
Environmental Programs				
Manager, Events, and ancillary costs	\$211,653	-	\$6,840	\$204,813
Total Programs	\$632,443	\$101,580	\$250,550	\$280,313
TOTAL GENERAL FUND	\$1,452,847	\$336,523	\$506,319	\$610,005
<i>Cumulative Total</i>			\$842,842	\$1,452,847
Other Funds	Amount	Tier 1	Tier 2	Tier 3
Contract Services	110,000	20,000	90,000	-
TOTAL OTHER FUNDS	\$110,000	\$20,000	\$90,000	\$0
ALL FUNDS	\$1,562,847	\$356,523	\$596,319	\$610,005
<i>Cumulative Total</i>			\$952,842	\$1,562,847

*In the event appropriated funds are not spent in any given fiscal year, those funds revert to fund balance and are available for future uses.

Department	Description	Amount	Anticipated Impact*			Comments/Impacts	
			Tier 1	Tier 2	Tier 3		
GENERAL FUND							
Communications/Advertising							
1	Parks and Recreation	Manhappenings	45,000		45,000		The Community wide survey by FM3 showed that Manhappenings was one of the first places MB residents look for information. (Same as Easy Reader.) Reduction in Manhappenings may impact overall department registration. To minimize the impact on registration of Parks & Rec programs, the brochure will be available online and for pick up in City Hall, community center and local businesses. A special brochure will be mailed to residents notifying them the brochure is available online and the dates for registration.
2	Parks and Recreation	Advertising for social media/marketing	12,000		12,000		This reduction will eliminate the contract with the Beach Reporter for social media advertisements, which have helped us build our social media following to over 8,000. The social media connections have been instrumental in driving registrations and special event attendance, and is an effective way to communicate with MB residents.
3	Finance	Advertising for Community Meetings	9,300	9,300			Includes Budget Letter previously mailed to households for which little response was received, as well as a banner announcing the budget community meeting. Staff will utilize social media, print media, City website and community announcements during Council meetings to advertise the meetings.
4	Public Works	Advertising for CIP bids	1,200	1,200			This expense will be transferred to the CIP project budgets as part of the total cost to implement the project. No impact on services.
Communications/Advertising			\$67,500	\$10,500	\$57,000	-	

Department	Description	Amount	Anticipated Impact*			Comments/Impacts	
			Tier 1	Tier 2	Tier 3		
Community Engagement/Events							
5	Public Works	Overtime for Community Events	21,170		21,170		PW provides staff time for community events, such as the Grand Prix Bike Race, Hometown Fair, Robinson Fun Run, MB Little League Parade, Grandview Gator Run, Tour de Pier. Overtime costs could be transferred to the event organizers to cover. Otherwise, City staffing would not be available for these events if the overtime budget is reduced.
6	Management Services	Community Survey	20,000			20,000	The City conducted its first Community Survey in 2015 and used the information gathered to inform decisions regarding the budget and strategic planning. It is also a helpful tool for the City Council when prioritizing initiatives or projects. This survey offers a statistically accurate overview of how residents of Manhattan Beach feel about issues facing their community. This survey provides a benchmark for service improvements that affect the entire City. It gathered data regarding the construction of a skate park, as well as identified street light repair as a major infrastructure priority, which helped inform the decision of the City to purchase its lights from Southern California Edison. Eliminating this from the budget would hinder the City's ability to collect such information.
7	Finance	Community Budget Meeting/Survey	15,000	15,000			These meetings were previously facilitated by an outside firm. Staff will conduct these meetings going forward.

	Department	Description	Amount	Anticipated Impact*			Comments/Impacts
				Tier 1	Tier 2	Tier 3	
8	Management Services	Grades of Green Sponsorship	5,500		5,500		The City has sponsored the annual Grades of Green Fundraising Gala, Verte, since 2014. In 2017, the City was one of 11 sponsors of the fundraiser. This organization began in Manhattan Beach and has grown into an organization that has impacted hundreds of thousands of students across the world. Supporting this cause and attending this event allows the City Council and sometimes City staff to show support for an organization that is doing great things in our community.
9	Management Services	Growing Great Sponsorship	5,000		5,000		This program began in Manhattan Beach in 1999 and has expanded regionally, as well as into other states. It supplements our school system's nutritional education without putting a strain on often already overextended resources. It supplements our school system's nutritional education without putting a strain on often already overextended resources. Supporting this cause is a way for the City Council to promote a community of health at any age.
Community Engagement/Events			66,670	15,000	31,670	20,000	
Computer Contract Services							
10	Finance	GovInvest Actuarial Software	6,000		6,000		The goal was to be able to utilize this software to run in-house estimates of pension costs under "what-if" scenarios. Given the complexities and the need for more exact projections, staff prefers to retain the services of a professional actuary on an as-needed basis.

Department	Description	Amount	Anticipated Impact*			Comments/Impacts
			Tier 1	Tier 2	Tier 3	
11 Finance	OpenGov Budget Transparency Tool	5,000		5,000		While the tool allows for staff and the public to parse budget and actual data in various ways, It has not been widely used. This cost is an annual subscription for the cloud-based service. The application can be viewed on the City's website under Budget and Accounting, Budget Transparency Platform (OpenGov). Eliminating this tool will reduce public access to an understanding of City finances.
Computer Contract Services		\$11,000	-	\$11,000	-	
Contract Services						
12 Parks and Recreation	Monthly Contract cleaning at recreation facilities	44,000		32,000	12,000	Will result in a decline in Community Centers' cleanliness on a daily basis. Will result in additional responsibilities for staff and contract day porter.
13 Management Services	Legal Services not covered by retainer	15,000		15,000		This cut will decrease the capacity of the City's legal services for "major projects" and prosecution.
14 Finance	Commercial Enterprise Audits	20,000	20,000			The major audits have been completed or are financially provided for with current funds. The next round of audits will be performed in 3-4 years therefore funds may be reduced until that time.
15 Public Works	Traffic Control Markings Contract	20,000		20,000		Reduce contract by 25%. This will impact PW availability for special roadway striping requests and striping/painting "refresh" frequency will be less. This will eventually impact the operation of and upkeep of the facilities as they fade.
16 Public Works	Reduce extras in Janitorial Contract	17,200		17,200		Reduce carpet cleaning frequency to annually, furniture cleaning, window washing from quarterly to biannually. The cleanliness and care of City facilities will be impacted.
17 Public Works	Reduce Engineering Contract Services	11,750	11,750			If Public Works receives 4 additional engineers, work that is currently contracted out will be absorbed and performed in house.

Department	Description	Amount	Anticipated Impact*			Comments/Impacts
			Tier 1	Tier 2	Tier 3	
18 Public Works	Powerwashing the Strand	11,725		11,725		Reduce frequency by half, from bi-weekly to monthly, with spot cleaning every two weeks instead of weekly. This will impact the look and cleanliness of the Strand. We have received complaints from residents on the current cleanliness on the Strand.
19 Finance	Water Service	9,374		9,374		Filtered water is available from water dispensers in most City facilities.
20 Finance	Plant service	3,427	3,427			This weekly service maintains the health and appearance of office plants. Maintenance (watering, trimming, etc.) would be performed by City staff.
21 Public Works	Reduce weekly floor mat service	1,720	1,720			Reduce by half at City Hall, PW, PD, Fire. The look and care of City facilities will be impacted.
22 Information Technology	Broadband mobile connection	867	867			Wide Area Expansion completion will reduce the need for staff use of broadband mobile devices while in the field.
23 Public Works	Eliminate hotspot access	504	504			There is no impact to operations. Staff can use cell phones and Wi-Fi in lieu of iPad or computer access when needed.
24 Public Works	Remove fence at 2613 Crest	380	380			History of fence is unclear; no impact to operations to remove it.
Contract Services		\$155,947	\$38,648	\$105,299	\$12,000	
Internal Efficiencies/Savings						
25 Information Technology	Changed Internet Access Provider	22,801	22,801			Changing Internet Service Provider via RFP process reduces annual service cost and increased bandwidth. This cost was scheduled to be eliminated in next biennial budget cycle.
26 Information Technology	TW Fiber Maintenance Services for select City locations (increase to support redundant network)	18,400	18,400			The increase in internet bandwidth and adding internet connectivity at the city yard, city hall, and fire station 2 will also be used for failover/redundancy if the fiber to these facilities is cut. This cost was scheduled to be eliminated in next biennial budget cycle.

Department	Description	Amount	Anticipated Impact*			Comments/Impacts
			Tier 1	Tier 2	Tier 3	
27 Public Works	Eliminate Storage for Ceramics	8,600	8,600			No further need and no impact on the department. This cost was scheduled to be eliminated in next biennial budget cycle.
28 Finance	OPEB Actuarial Study	7,000	7,000			Staff has identified a less expensive actuary to use for this requirement, thereby reducing the budgeted funds by \$7,000 to \$5,000.
29 Information Technology	Overtime to oversee broadcast contractors	3,512	3,512			IT recently selected broadcast vendor to provide broadcast services for council and commission meeting. Hence, reducing overtime required by city staff to broadcast the meetings.
30 Fire	Department Supplies	8,000	8,000			Trimming a portion of supplies budget for unanticipated equipment and supplies.
31 Management Services	Overtime	6,612	6,612			Management Services staff regularly work extra hours to ensure that City Council meetings are properly noticed and packets are prepared. When these offices were understaffed, it fell on other staff members to fulfill the duties of vacant positions. Now that both offices are fully staffed, these allocations can be cut back. They should not be eliminated because it allows more flexibility when preparing for unforeseen meetings and preparing extra documents.
32 Finance	Block & Associates Actuaries	1,200	1,200			Biennial actuarial services are performed on dormant City pension plans to ensure adequate funding. This reduction reflects the recent cost trends for those studies
33 Parks and Recreation	Holiday Decorations	1,000	1,000			No new holiday decorations will be purchased.
34 Fire	Uniforms/Safety Equipment	1,000	1,000			Funds budgeted annually for replacement of personal protective equipment. All personal protective equipment is currently up to date.
35 Information Technology	Wireless Access Point	920	920			By reducing the quantity of scheduled access point refresh deployments to city facilities, annual maintenance costs will be further reduced.

Department	Description	Amount	Anticipated Impact*			Comments/Impacts
			Tier 1	Tier 2	Tier 3	
36 Information Technology	Overtime	500	500			Overtime due to broadcast assistance (GIS Tech average 3 hrs/month).
37 Finance	Overtime	400	400			Reduction for minimal overtime based on trends.
Internal Efficiencies/Savings		\$79,945	\$79,945	-	-	
Programs - Aquatics						
38 Parks and Recreation	Aquatics departmental supplies	4,000	4,000			General reduction in supplies budget. Reduces ability to fund unforeseen purchases needed to operate the pool.
Programs - Aquatics		\$4,000	\$4,000	-	-	
Programs - Arts						
39 Parks and Recreation	Reduction in MB Arts Center P/T Hours	6,000			6,000	Further reduction in staffing hours at the Arts Center in all areas that do not directly affect our educational programs. As revenue generating programs increase, staffing hours may be reinstated.
40 Parks and Recreation	Metlox Arts Programs (Jazz Series)	5,000		5,000		The Jazz series is a collaboration with Metlox. Reduction may impact the number of Sunday Summer Jazz concerts.
41 Parks and Recreation	Expansion of art exhibition programs at the Mall and Downtown	4,500		4,500		Eliminating this would not affect programming since this line item is for newly proposed programs. Public Arts Trust Fund could possibly fund this in the future.
Programs - Arts		\$15,500	-	\$9,500	\$6,000	
Programs - Economic Development						
42 Management Services	Economic Development Partnerships	26,000		26,000		Previously, this money was the City's sponsorship to the Manhattan Beach Chamber of Commerce. However, in FY16-17, the City opted to review their sponsorship and explore other ways this fund could be used in creating economic partnerships. Cutting this fund decreases the capacity of Management Services to access new tools and resources that could improve the economic position of the City.

Department	Description	Amount	Anticipated Impact*			Comments/Impacts
			Tier 1	Tier 2	Tier 3	
43 Management Services	Gold Level MB Chamber Sponsorship	6,000		6,000		The Chamber provides a great service to our business community, connecting them to networking opportunities and valuable resources. Many City employees have benefitted over the years from having access to workshops, trainings or forums that help them increase their skill set and engage with others in the business community.
44 Management Services	LAEDC Membership	2,500	2,500			The LA Economic Development Corporation offers the opportunity to foster economic growth throughout all of LA County, helping to develop and implement initiatives that support its members and the regional economy. It also allows the chance for MB to grow and engage within the broader economic environment.
45 Finance	Local business longevity awards program	300	300			Annual awards program to be absorbed by Economic Vitality program budget. This pays for plaques and certificates.
Programs - Economic Development		\$34,800	\$2,800	\$32,000	-	

Department	Description	Amount	Anticipated Impact*			Comments/Impacts	
			Tier 1	Tier 2	Tier 3		
Programs - Employee Development							
46	Human Resources	Employee Survey planned for 17/18	20,000			20,000	In 2015, Council directed an employee survey, out of which several initiatives around training and employee engagement evolved. The employee focus groups and all the work they have undertaken, and the city-wide performance mgmt. and customer service training were also initiatives resulting from the employee survey. The intent was to refresh the survey every two years to determine whether we are accomplishing goals, improving employee engagement, and developing the workforce required to serve this community. To eliminate the survey will impact employee morale and limit our opportunities to review progress to date and where we need to focus our resources going forward.
47	Human Resources	Flu Shots	2,940		2,940		This cut represents the elimination of a service provided to employees as a convenience and to facilitate prevention of the flu in the workplace during the flu season. Employees will still be able to receive flu shots through their health benefits, but the intent is that the convenience of having them provided at work means less lost time for doctor appointments and the assurance of greater participation. Reduction in the spread of the flu in the long term is not only for the protection of our employees, but reduces lost work hours and protects the public.
48	Human Resources	City-Wide Training Courses	5,000		5,000		This cut represents a 12.5% reduction to the City-wide training budget, which will mean a corresponding reduction in trainings such as performance management, customer service, supervisory skills and/or business analysis.

Department	Description	Amount	Anticipated Impact*			Comments/Impacts
			Tier 1	Tier 2	Tier 3	
49 Finance	Training, Conferences & Meetings	7,800	7,800			Reduction of conferences and meetings across all divisions. This will impact department staff by limiting the opportunity to learn about new technologies, processes and materials which have the opportunity to save money and time or reduce risks to the City.
50 Information Technology	Training, Conferences & Meetings	6,900	1,380	5,520		The IT Manager and IT Director attend annual industry related conferences which would be eliminated. This will impact the department by limiting the opportunity to learn about new technologies, processes and materials which have the opportunity to save money and time or reduce risks to the City.
51 Management Services	Training, Conferences & Meetings	3,000	3,000			Management Services attends trainings, conferences and meetings in order to stay on top of relevant legal changes, new technologies and other trends in surrounding municipalities. Decreasing this budget will diminish the department's ability to provide the most up-to-date services to the City and the City Council, as well as staying legally compliant with county, state and federal regulations.
52 Public Works	Training, Conferences & Meetings	2,500		2,500		This will impact department staff by limiting the opportunity learn about new technologies, processes and materials which have the opportunity to save money and time or reduce risks to the City. However, required and mandatory training will continue.
53 Parks and Recreation	Training, Conferences & Meetings	5,000	5,000			Aquatics training in-house with the incorporation of a Full Time Recreation Coordinator.
54 Finance	Quarterly staff meeting supplies/food	600	600			Elimination of refreshments for quarterly department-wide staff meetings held during the lunch hour.
Programs - Employee Development		\$53,740	\$17,780	\$15,960	\$20,000	

Department	Description	Amount	Anticipated Impact*			Comments/Impacts	
			Tier 1	Tier 2	Tier 3		
Programs - Historic Preservation							
55	Community Development	Historic Preservation Program as currently budgeted includes annual Consultant fee, context statement and inventory performed every five years, as well as costs for new Commission (Recording Secretary, Memberships, Advertising, Printing, Conference for Commissioners, etc.)	261,250	75,000	186,250		Reassessment of HP program directed by Council. Eliminates costs for a new commission and conducting a historic resources survey. Remaining program requirements can be conducted by existing staff.
Programs - Historic Preservation		\$261,250	\$75,000	\$186,250	-		
Programs - Public Safety (Community Police Academy)							
56	Police	Community Police Academy	12,500			12,500	The Community Police Academy provides members of the community an in-depth look at Police Department operations, promoting transparency. The Community Police Academy also builds morale within the Police Department. It is also a good source for recruiting Police volunteers; many graduates go on to become active Police volunteers and become involved in the Neighborhood Watch program.
Programs - Community Police Academy		\$12,500	-	-	\$12,500		
Programs - Seniors							
57	Parks and Recreation	BCHD Care Management for seniors	37,000			37,000	If funds are cut, Manhattan Beach would no longer have a dedicated care manager for senior and disabled residents. We currently rely on the presence of a dedicated care manager on a weekly basis at Joslyn Center to discuss concerns with and to refer seniors to as a designated point of contact. Additionally weekly office hours at the Police and Fire Departments may not continue.
Programs - Seniors		\$37,000	-	-	\$37,000		

Department	Description	Amount	Anticipated Impact*			Comments/Impacts
			Tier 1	Tier 2	Tier 3	
Programs - Youth						
58 Management Services	Mayors Youth Council	2,000	2,000			The City requires any volunteers for MYC to be fingerprinted. Historically, this charge has come from the HR budget, but because it is a City Council program, it will be charged to the City Council. Future charges for fingerprinting will be less than in prior years because volunteers will not have to be scanned every year. MYC has trust account with \$14,260.77 at beginning of FY16-17 and \$3500 was used for expenditures during the year. The City contributes in-kind donations, such as staff time and use of City resources, like rooms or nametags. The fingerprinting services are also considered in-kind services. Eliminating this allocation will not impact the MYC or the services they receive from the City.
Programs - Youth		\$2,000	\$2,000	-	-	
Public Safety						
59 Fire	Overtime Training/Special Detail	142,400	50,800	50,800	40,800	Scalable reduction - Tier 1: \$50,800; Tier 2: \$101,600; Tier 3: \$142,400. These funds pay overtime and backfilling vacancy caused by meetings and conferences. There are many times development or training opportunities allow the fire department to participate in local, regional, and state discussions to influence policy and legislation.

Department	Description	Amount	Anticipated Impact*			Comments/Impacts
			Tier 1	Tier 2	Tier 3	
60 Fire	Overtime Sworn Employees	27,000	27,000			Reductions are related to decreases in training in non-Operational Divisions budgets. This reduction is in contractual overtime obligation that no longer exists in the current contract. This will affect overtime and backfill for training related to managing hazardous materials incidents and fire investigations. Individuals holding certifications for these specialties are not required to attend additional training. The Department funded this training to allow individuals to maintain their skill level and stay current with industry practices.
61 Fire	Training, Conferences & Meetings	5,050	5,050			Same as above. Instead of Public Education training for two people, training would be limited to one.
62 Fire	Overtime for MOU Training	8,000	8,000			General reduction based on past spending trends.
63 Police	High Visibility Patrol Details	122,500			122,500	This line item provides funding for overtime for foot patrol details and bicycle patrol details. Total budget for high visibility patrol details is \$150,000. Cuts to this line item are scalable. Deployment of personnel on high visibility patrols is dependent upon volume of calls for service; this line item was added so that dedicated resources would be available to put officers out on high visibility patrols on an overtime basis, therefore not impacting normal patrol operations. Impact of reducing this line item is that there will be fewer patrols conducted on foot or bicycle, which will result in reduced community outreach and engagement opportunities.

Department	Description	Amount	Anticipated Impact*			Comments/Impacts
			Tier 1	Tier 2	Tier 3	
64 Police	Crossing Guard (eliminate 11 of the 23 locations with the lowest traffic)	134,392			134,392	FY 2017/18 Budget includes funding for 23 Crossing Guard locations (includes 2 new); approx. \$12,000 per location per year. Cuts to this program are scalable. Locations to be eliminated would be determined by traffic flow and average number of students crossing at the respective locations, with the objective of maintaining Crossing Guards at the busiest intersections with the most children being crossed. Impact would be that, at certain intersections, students would no longer have the assistance of a crossing guard to cross the street.
Public Safety		\$439,342	\$90,850	\$50,800	\$297,692	
Subtotal		\$1,241,194	\$336,523	\$499,479	\$405,192	

Department	Description	Amount	Anticipated Impact*			Comments/Impacts	
			Tier 1	Tier 2	Tier 3		
Reductions with staffing impact:							
Environmental Programs Manager, Events, and ancillary costs							
65	Public Works	Eliminate Environmental Programs Manager	152,613			152,613	Elimination of the position and associated program dollars will have a significant impact on the City's environmental programs as there are no staff resources available to absorb the breadth of policies and initiatives that this person carries out. It would effectively eliminate sustainability and community environmental programs and opportunities.
66	Public Works	Eliminate Supplies for Environmental Programs	52,200			52,200	Supplies, consultants and memberships associated with Environmental Programs Manager.
67	Parks and Recreation	Earth Day supplies and rentals	5,000		5,000		May be cut if the environmental programs manager position is eliminated.
68	Public Works	Overtime for Earthday	1,840		1,840		Earth Day was not formerly a city program. However, overtime is necessary if we are going to take ownership of or sponsor the event in any way, unless funds can be passed on to a future organizer.
Programs - Environmental			\$211,653	-	\$6,840	\$204,813	
General Fund Expenditures Total			\$1,452,847	\$336,523	\$506,319	\$610,005	

Department	Description	Amount	Anticipated Impact*			Comments/Impacts	
			Tier 1	Tier 2	Tier 3		
OTHER FUNDS							
1	Parks and Recreation (Prop A Fund)	Ocean Express	20,000	20,000			Reduces Prop A Expenditures and required transfer from Measure R, thereby freeing up Measure R funds for capital improvements.
2	Public Works (Street Lighting & Landscape Fund)	Reduce Streetscape Maintenance Services	30,000		30,000		Reduce expenses by 25%, including landscape maintenance, power washing and shrubbery replacement. Reduction in Street lighting Fund will reduce General Fund subsidy, not General Fund expenditures.
3	Public Works (Stormwater Fund)	Reduce frequency of streetsweeping	60,000		60,000		Reduction of street sweeping in non-essential areas to biweekly or monthly (16% reduction in contract). Reduction in Stormwater Fund will reduce General Fund subsidy, not General Fund expenditures.
		Other Funds	\$110,000	\$20,000	\$90,000	-	
		All Funds Total	\$1,562,847	\$356,523	\$596,319	\$610,005	
<p>Tier 1 = Moderate impact to community/organization (Also includes internal efficiencies and savings) Tier 2 = Moderate to significant impact to City operations and community service levels Tier 3 = Significant and sustained impacts (over time will deteriorate services, programs or facilities)</p>							