

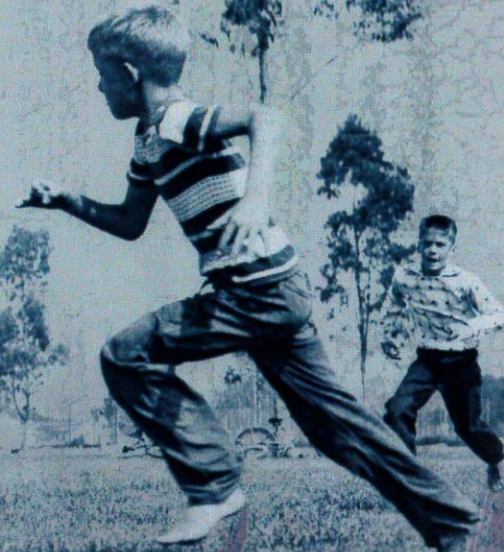
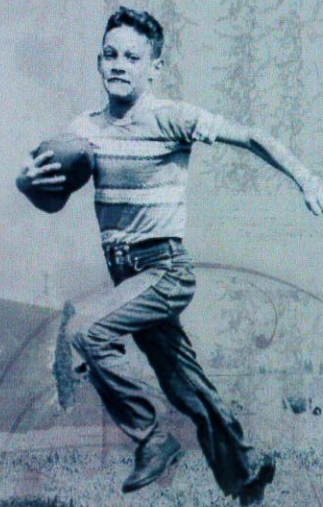
Adopted Budget 2019-2020

*Lakewood celebrates
65th Anniversary in 2019*

City of Lakewood, California



The first Lakewood City Council



ORGANIZATION CHART

CITY OF LAKEWOOD

Jeff Wood
VICE MAYOR

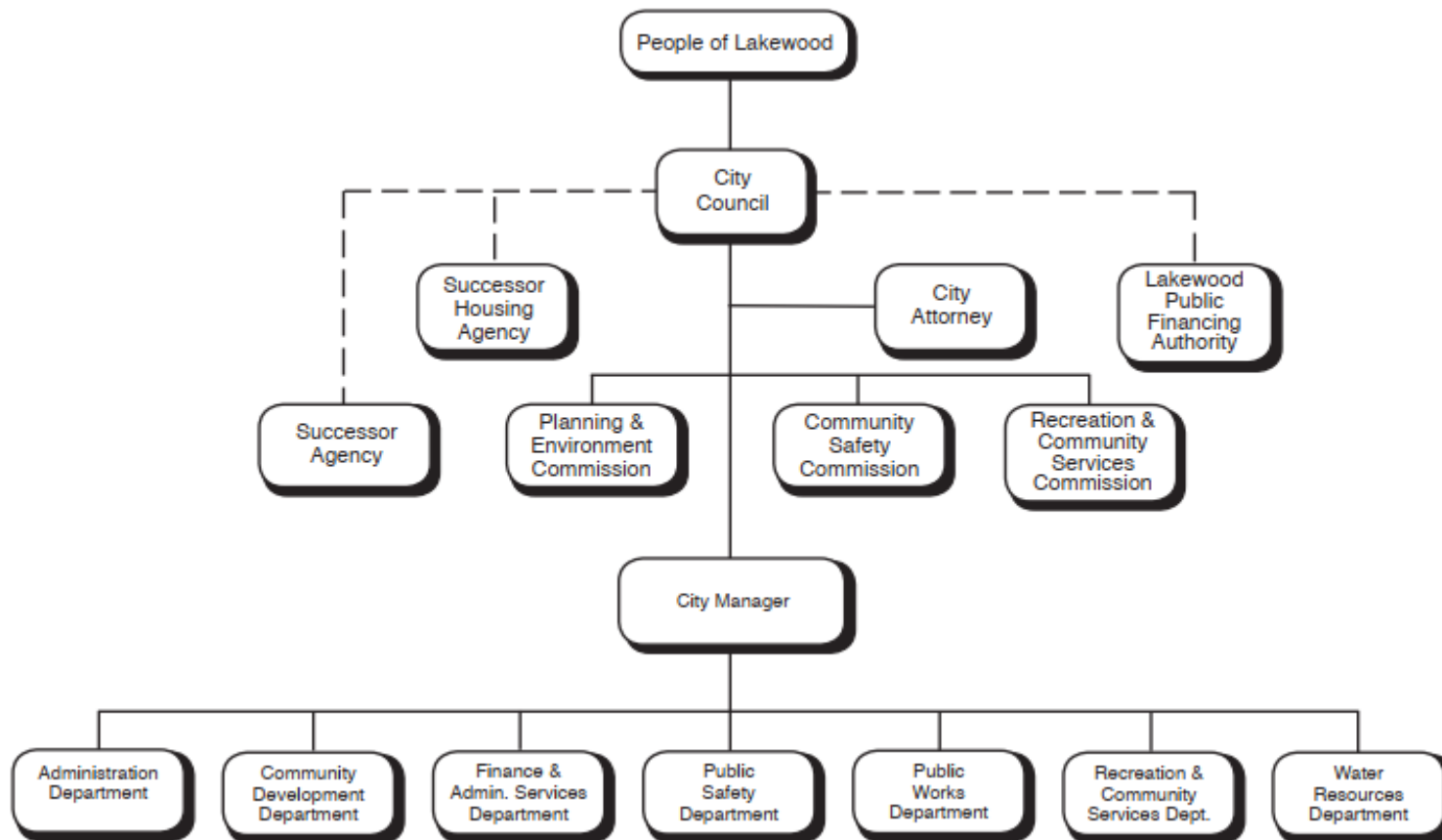


Ron Piazza
COUNCIL MEMBER

Steve Croft
COUNCIL MEMBER

Diane DuBois
COUNCIL MEMBER

Todd Rogers
MAYOR





City of Lakewood Budget Narrative

June 11, 2019

**City of Lakewood
Lakewood, California**

Honorable Mayor and Councilmembers:

It is my pleasure to present for your consideration the revised budget for Fiscal Year (FY) 2019-20, the second year of the City's adopted two-year budget.

The City of Lakewood has a long tradition of strong fiscal oversight and prudent budget management, and we take to heart that maintaining our local quality of life and keeping our local property values high requires Lakewood to have the funding to keep our streets well-maintained and maintain our quality parks, recreation programs, and the safe and clean public spaces and neighborhoods that keep our community a desirable place to live, do business and raise a family.

Historically, the City has been able to preserve structural surpluses in our operations budget that have allowed the City to maintain its infrastructure such as streets, sidewalks, trees and facilities. In years past, the City Manager's budget message focused on the consistent growth of our revenue base, our outstanding service levels and programs designed to enhance the lives of our residents. Suffice to say, we have been fortunate in Lakewood (due to our prudent management) and even fared well during difficult periods. In recent years, this has been increasingly difficult to achieve as revenues have flattened, state takeaways have increased and operational costs have risen.

Unfortunately, like so many other municipalities, the City of Lakewood has entered an era of constrained resources, increasing costs to do business and ever growing threats to our local control of fiscal resources due to mandates and takings from the State and County governments. Despite making great strides in containing and reducing expenditures that are under the City's control, our overall growth in expenses has outpaced the sluggish growth in our revenues. As a result, the City is facing a difficult budget outlook. We are projecting a "break even" Revised FY 2019-20 Budget (meaning revenues are anticipated to match expenditures), however we were only able to do so after significant cuts to operations and maintenance.

The conditions that make up the structural deficit began to manifest a few years ago. In the last eight years alone, the state government in Sacramento and the federal government in Washington, D.C. have taken over \$30 million in funding and local tax revenue away from Lakewood, and the State continues to take at least another \$2 million each year. Additionally, the City's Comprehensive Annual Financial Report (CAFR) has shown deficits in the last three years, largely due to stagnant sales tax growth (our largest General Fund revenue source) being outpaced by the need to address the City's infrastructure improvements and the ever-increasing costs in areas that are not in the City's control, including in the realm of increasing contract public safety costs. It is not easy to deliver the message that our ability to maintain the level of service that we have historically provided the community is not sustainable; however, our responsibility as stewards of public resources requires that we clearly state the problem and identify what we can do about it.

Given the above-referenced structural issues, staff began last year's two-year budget development process with direction to preserve programs and services. Despite those endeavors, due to the increased cost of doing business, initial budget projections would have resulted in a General Fund deficit in excess of \$2 million. As a result, the City Manager provided direction for all City departments to seek budget reductions with the following goals in mind:

- Maintain core services and programs for Lakewood residents;
- Avoid lay-offs / Maintain a hiring freeze where feasible;
- Defer replacement of capital equipment where safe and appropriate;
- Postpone General Fund capital projects to future years when possible; and,
- Search for alternate funding sources wherever possible in the form of grants and outside agencies, to offset expenditures in the General Fund.

With significant effort exercised, staff identified over \$2 million in savings, project deferrals and expenditure shifts, thus eliminating the projected General Fund deficit for FY 2018-19 and FY 2019-20. This year, again, despite last year's balancing efforts the initial revision to the FY 2019-20 Budget revealed a new shortfall in the General Fund totaling more than \$1.3 million.

Using the same methodology employed last year, we recommend \$1.3 million in savings and expenditure shifts needed to bridge the shortfall and eliminate the projected General Fund deficit for FY 2019-20. They are as follows:

• Shift Stormwater Projects Consulting and Maintenance to new County funding (Measure W)	\$ 389,000
• Removal of General Plan Update	200,000
• Utilize Housing Funds to reimburse City staff	200,000
• Shift SCE Energy Efficiency loan debt service to CIP Fund	171,000
• Shift ADA infrastructure loan debt service to CIP Fund	163,000
• Reduce Law Enforcement Contingency Fund	100,000
• Reduce Recreation and Community Services part-time Staff	99,974
• Reduce Recreation and Community Services utilities	40,000
• Reduce Meetings and Supplies	14,500

City staff recognize that any further reductions will require cuts in essential programs and services. This means that the conditions driving the structural deficit are still existent and will need to be addressed in the near future. This will allow the City Council and staff the time to develop more strategic long-term, sustainable solutions to resolving the structural deficit.

The longer-term solutions should be multi-pronged, including alternative business practices or service delivery models, internal service fund evaluations, strategic revenue growth and development, and the need to continue to recruit and retain a skilled local workforce. There are no simple solutions. Rather, a combination of actions during the next few years will enable the City to eliminate the structural budget gap in a manner with the least impact to our residents and businesses. This will require, however, the support and involvement of all community stakeholders. That work began last year with the creation of a Budget Advisory Group comprising members of key stakeholder groups, representing city residents, businesses, non-profit groups and employees. The group met four times between November of 2018 and February of 2019 and formed a consensus around the magnitude of our fiscal challenge and the definition of core programs and services that define and distinguish Lakewood – broadly construed as “The Lakewood Way.” A City Council study session was held in February that summarized the work of the Budget Advisory Group. At that time, the City Council directed staff to broaden its outreach to the community at large and to further study possible strategies for rectifying the structural deficit.

The budget modifications presented in this revised budget were developed as part of that outreach, but do not represent a solution to the structural deficit. The structural deficit still exists and its underlying causes remain. It is staff's intention to continue its outreach to the community into the next fiscal year.

As stated above, through judicious cuts and short-term prioritizing, General Fund operating revenues and expenditures (total appropriations without capital improvement construction costs) are in a "break even" position in the FY 2019-20 Revised Budget.

The City would like to continue efforts to save and improve infrastructure such as streets, sidewalks, trees and community facilities. Many of our Lakewood facilities, such as community centers and park buildings, are over 60 years old and in desperate need of repairs, with leaking roofs, aging electrical systems, and deteriorating park bathrooms, and are not accessible to the disabled. If we do not do something to repair these facilities now, they will just get worse, pose a greater safety hazard, and cost more to fix in the future. Historically, the City has practiced a "save-then-spend" capital financing strategy rather than issuing debt, however the continued growth in operational expenditures without a commensurate growth in revenues has greatly eroded savings previously realized at the end of each fiscal year and subsequently allocated toward the funding of future capital improvement projects. In the past, the General Fund unassigned fund balance on hand for capital improvements has had the capacity to fund new projects. This has been in addition to committed reserve funds allocated to specific projects to be constructed. Not surprisingly, the funding capacity going forward is greatly limited. While the City Council Capital Improvement Projects (CIP) Committee has begun work on developing a comprehensive plan that will identify future high-priority projects, much of the activity in the near future is likely to be limited to less-discretionary grant-funded projects.

The General Fund, over which the City Council has discretionary authority, is extremely important in the provision of essential City services. A rainy-day reserve of 20 percent for economic uncertainty is set by policy and allows us to weather crises that the City might face in the coming years, though it too may be threatened if the underlying structural deficit issues facing the city are not addressed in the future.

Following is a more detailed review of the budget specifics:

FY 2019-20 Revised Budget:

As previously mentioned, we anticipate that FY 2019-20 General Fund expenditures/uses will equal revenues/sources.

While the City's overall expenditure budget is in the \$70 million range, the General Fund is the largest and most discretionary component of the budget. Therefore, it is helpful to examine it in greater detail.

Following is a summary of the FY 2019-20 General Fund Revised Budget activity:

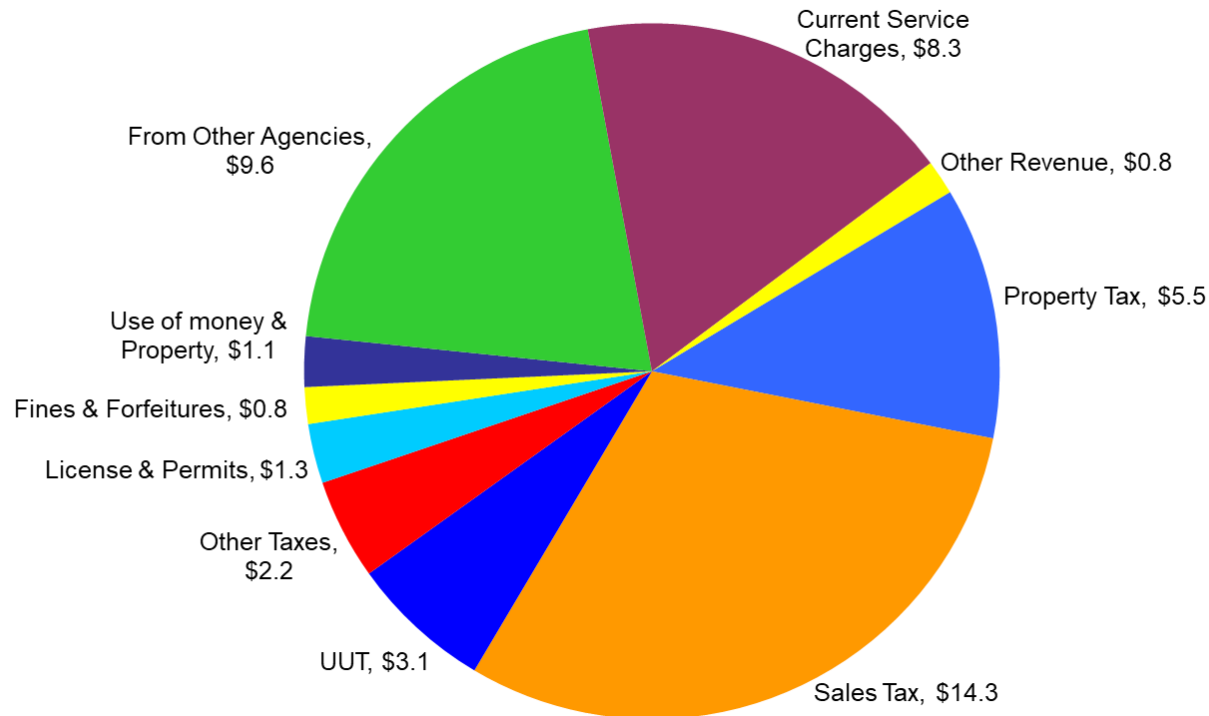
	<u>Revised FY 2019-20</u>
Sources:	
General Revenues	\$47,111,804
Sub-Fund Revenues	914,000
Transfers In:	
Gas Tax / Water/ Housing	<u>4,299,445</u>
Total Sources	52,325,249
Uses:	
Departmental Expenditures	\$49,483,707
Transfer Out:	
Centre / Cable / Retiree Benefits	<u>2,841,542</u>
Total Uses	52,325,249
Projected Surplus / Deficit	<u><u>\$ 0</u></u>

Revenues / Sources

During FY 2019-20 we are expecting City General Fund revenues to total \$47.1 million. This is largely staying flat, only about \$43,000 more than the prior year estimate and almost \$569,000 less than anticipated in the adopted budget. Despite modest increases in some revenues, other revenue sources slipped to prior year levels.

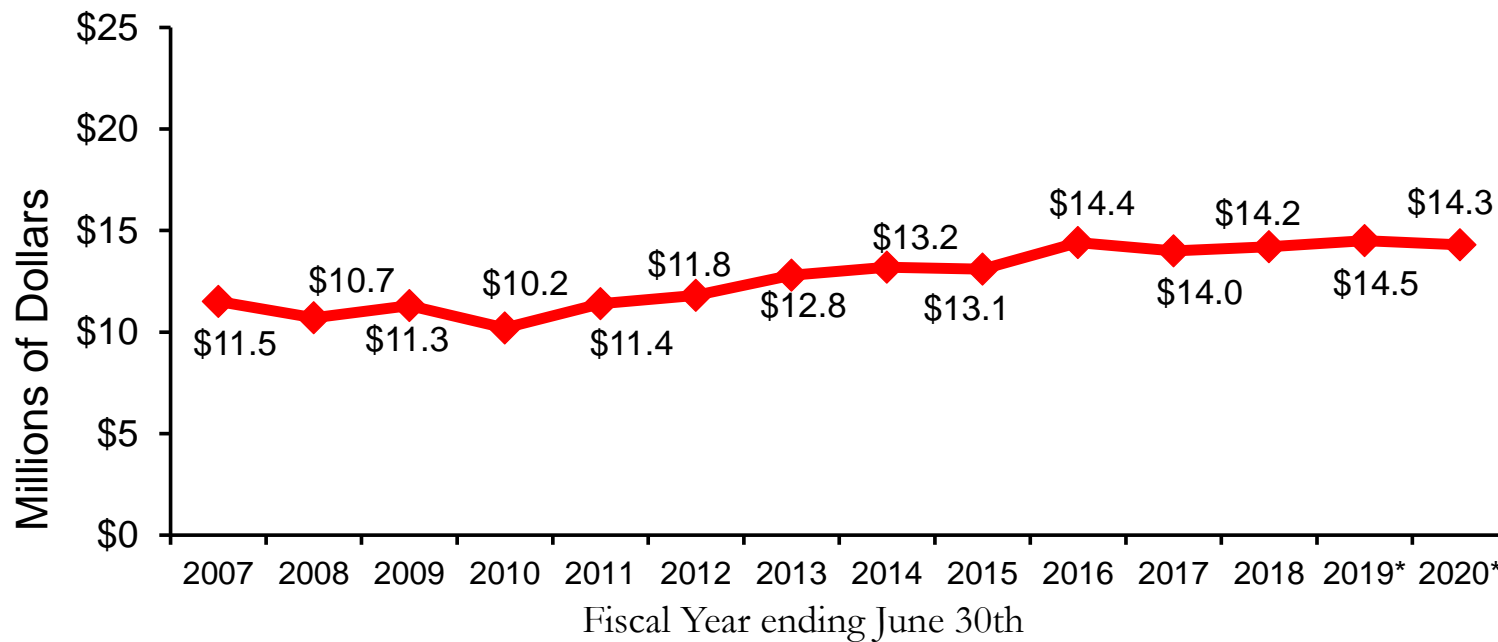
Following is a revenue chart graphically showing the anticipated revenues relative to other General Fund Revenues:

FY 2019-20 General Fund Revenues: \$47.1 Million



Sales Tax Revenue – Like many municipalities throughout the State, Sales Tax Revenue is the largest General Fund revenue source for the City of Lakewood. While modest gains were anticipated, they were not realized. In the FY 2019-20 Sales Tax revenues are expected to be \$665,400 less than originally estimated. Below is a chart with historical information going back to FY 2006-07:

***Sales Tax Revenue History
FY 2006-07 through FY 2019-20***



*Estimate

Note: Amounts through June 30, 2016 include the State-enacted Sales Tax “Triple Flip” Revenue Backfill

Property Tax in Lieu of Vehicle License Fees - The City's share of this State-administered swap for motor vehicle license fees continues to be one of the few revenue sources rising at a modest pace of about 4% per year. We anticipate receiving \$9.5 million during FY 2019-20.

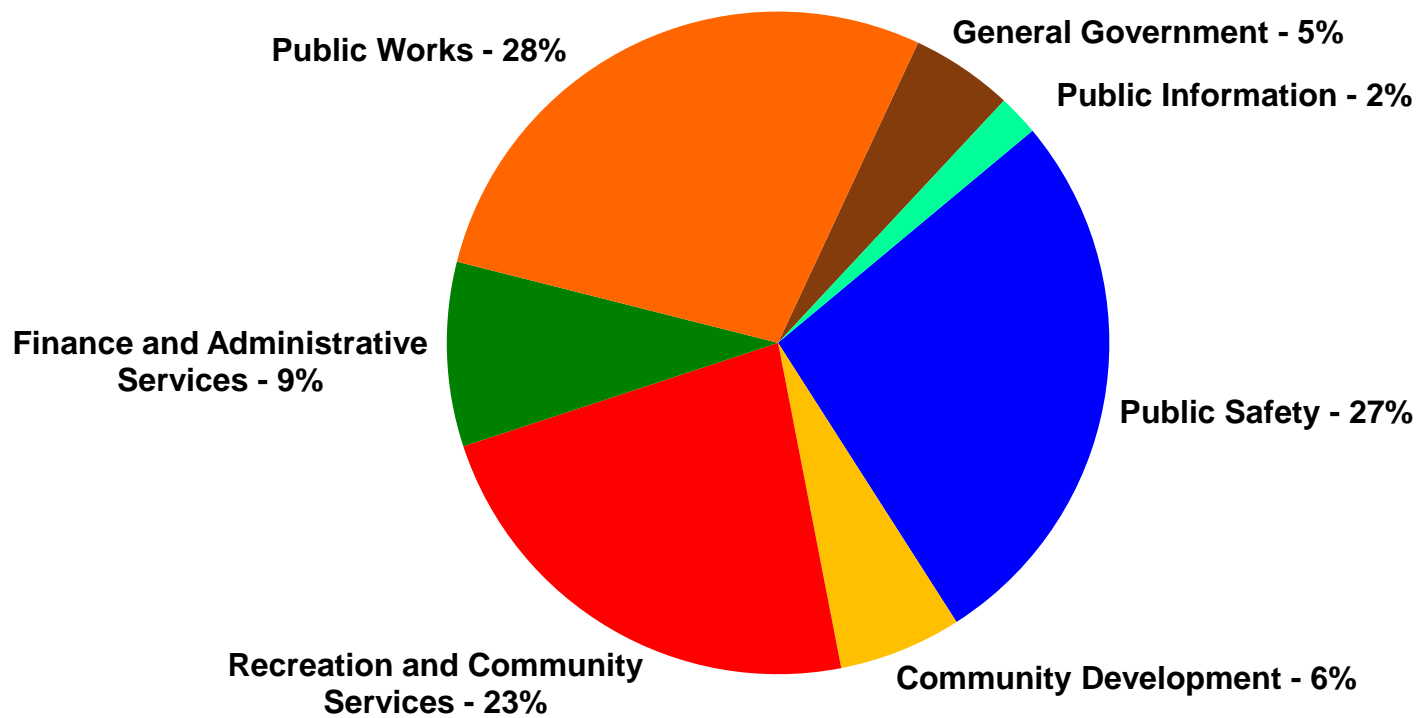
Property Tax – The Proposed Budget includes approximately \$5.5 million in Property Tax Revenues for FY 2019-20. They represent increases of about \$180,000 or 3.8% from the prior year. While the City of Lakewood receives a relatively small amount of revenue as a “low property tax” municipality, it is still one of the largest revenue sources available to the city.

Expenditures / Uses

General Fund expenditures and fund transfers are expected to total approximately \$52.3 million in FY 2019-20, or about \$1.2 million more than the current year. This is due to a number of increases, higher CalPERS pension contribution rates (\$216K), Los Angeles County Sheriff's Department policing contract (\$678K), an increase in the refuse disposal contract (\$414K), and holding a municipal election (\$152K).

Departmental expenditures are estimated at \$49.5 million in FY 2019-20. The three largest department expenditure components (based on gross expenditures) are Public Works, Public Safety, and Recreation & Community Services. Following is a department expenditure chart for the upcoming fiscal year graphically showing the relative expenditure component for each department:

FY 2019-20 Departmental Expenditures - \$49.5 Million



WATER UTILITY FUND

For the FY 2018-19 Revised Budget, it is anticipated that there will be a \$506,234 surplus at year's end. While we anticipate revenues to remain strong, projected expenditures also are keeping pace.

	Revised <u>FY 2019-20</u>
Sources:	
<u>Revenues</u>	<u>\$ 14,392,575</u>
Total Sources	14,392,575
Uses:	
Departmental Expenditures	\$ 12,090,637
Transfers Out –	
General Fund	<u>1,795,704</u>
Total Uses	13,886,341
Projected Surplus	<u>\$ 506,234</u>

Revenues

During FY 2019-20 we are expecting Water Utility revenues to total approximately \$14.4 million, or about 1.3% lower than the original estimate. This is largely due to a change in the structure of water sales to the City of Long Beach.

Expenditures / Uses

Water Utility expenditures and fund transfers are expected to total almost \$13.9 million in FY 2019-20. This is due to a number of increases, including the management of the regional watershed/stormwater capture project, increases in the replenishment assessment charged by the Water Replenishment District, and higher CalPERS pension contribution rates. We anticipate performing a broad review of the long-term budget outlook in the near future.

BUDGET CONCLUSION

Producing the FY 2018-19 & 2019-20 Two-Year Budget was the most difficult in recent history. These proposed additional revisions are done in an environment of continued fiscal challenge and rather bleak fiscal outlook, in no small part due to State and National funding takeaways, in increasing costs at the County level, all of which are out of our ability to control. Department directors and, indeed, all staff in our organization are proud of the services they provide to the public. It is especially difficult and painful to make cuts to programs in which they have invested portions of their professional careers to developing and perfecting. I am proud of the professionalism in which the organization dealt with these difficult decisions and the strong emphasis on maintaining an enduring commitment to serving the public at the highest quality that our resources allow. Our primary challenge moving forward will be our ability to maintain those services.

I especially want to thank the City Council for its hard work and invaluable input to the process, as well as the members of the City's budget development team, comprising the Department directors, their senior support staff, and, of course, the indefatigable efforts of the Administrative Services staff who acted as liaisons to the various departments. Their advice and input was critical in the development of this financial plan and they did the heavy lifting in the preparation of the actual document.

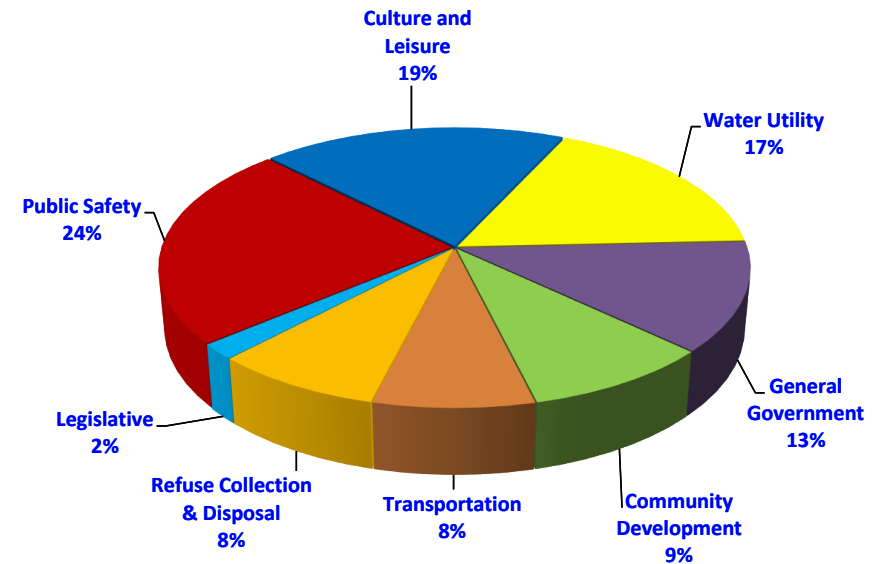
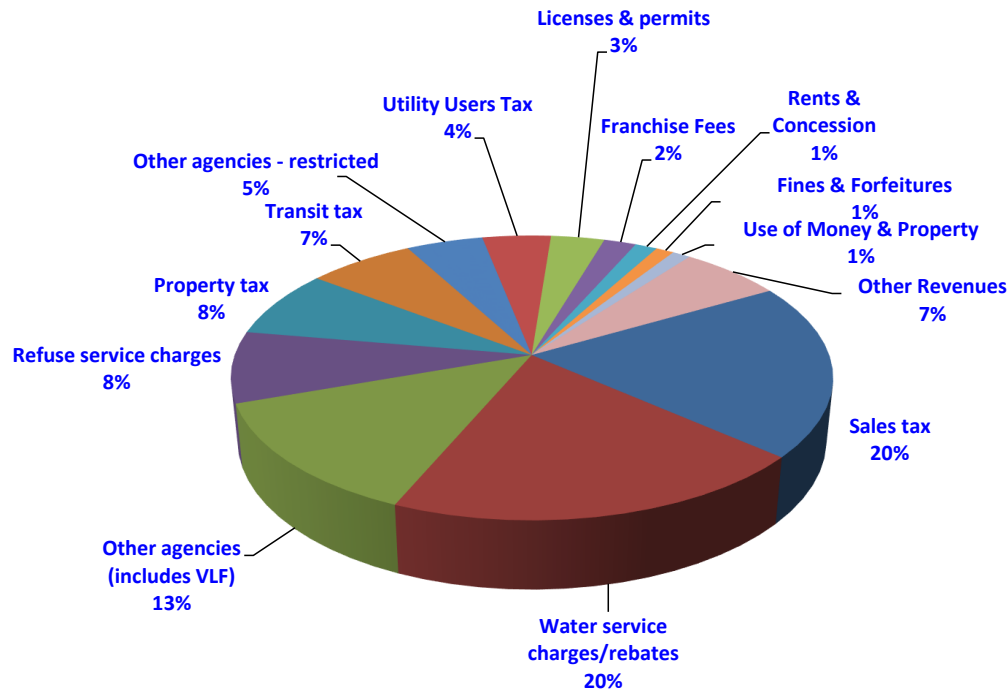
In closing, this budget is fiscally prudent, but still leaves much work ahead to deal with the ongoing structural deficit. Achieving a structurally balanced budget in the years to come will require tough decisions so that the City lives within its means in a sustainable way. These choices will require us to identify and focus on essential services and strategies for keeping the cost of doing the City's business down through cost controls, improved service delivery methods and strategic investments in technology and employee training and development. That being said, with the City Council's continued leadership and sound fiscal stewardship, as well as the continued support of the community, I am confident that we will enter this new budget cycle ready to meet the challenges that lie ahead.



Thaddeus McCormack
City Manager

SUMMARY OF FUNDS

FY 2019-2020 Sources and Uses of Funds



Fiscal Year 2019-2020

Sources of Funds

Sales tax	14,288,000
Water service charges/rebates	14,392,575
Other agencies (includes VLF)	9,524,000
Refuse service charges	5,839,500
Property tax	5,532,200
Transit tax	4,845,716
Other agencies - restricted	3,479,482
Utility Users Tax	3,103,000
Licenses & permits	2,425,000
Franchise Fees	1,457,000
Rents & Concession	1,004,704
Fines & Forfeitures	816,200
Use of Money & Property	818,900
Other Revenues	4,631,219
\$	72,157,496

Uses of Funds

Public Safety	16,211,640
Culture and Leisure	12,741,053
Water Utility	12,090,637
General Government	9,065,887
Community Development	5,893,982
Transportation	5,274,619
Refuse Collection & Disposal	5,652,470
Legislative	1,324,865
\$	68,255,153

FUND SUMMARY**CITY OF LAKEWOOD****FISCAL YEAR 2019-2020**

FUND	Estimated Fund Balance June 30, 2019	Estimated Revenues	Reserves & Transfers In/(Out)	Appropriations	Estimated Fund Balance June 30, 2020
GENERAL FUND	\$ 1,721,244	\$ 47,111,804	\$ 4,299,445	\$ 49,478,707	\$ 1,721,244
Special Olympics Fund		7,000	-	5,000	
Cable TV Fund		605,000	-	655,069	
Community Facility Fund		302,000	-	1,108,948	
Retiree Benefit Fund		-	-	1,077,525	
Housing Successor Agency Fund	472,390	209,000	(200,000)	201,000	280,390
<u>Special Revenue Funds</u>					
CDBG Funds	(110,969)	510,700	-	272,970	126,761
State COPS Grant	300,536	249,500	-	312,822	237,214
Litter Reduction Grant	-	-	-	22,300	(22,300)
TDA Article-3-Capital	-	58,637	-	58,637	-
Measure R	2,523,482	1,025,261	-	12,755	3,535,988
Measure M	828,576	1,103,939	-	200,000	1,732,515
Used Oil Grant	21,399	21,457	-	23,000	19,856
Beverage Container Recycle Grant	104,204	3,000	-	-	107,204
PROP A Recreation	(30,029)	50,700	-	44,843	(24,172)
Air Quality Management (AQMD)	335,058	107,500	-	10,000	432,558
Capital Project Funds	-	-	-	-	-
Road Maintenance & Rehab	70,112	1,432,282	-	200,000	1,302,394
State Gas Tax	-	2,017,357	(2,017,357)	-	-
Prop A Transit Fund	728,212	1,564,571	-	1,418,222	874,561
Prop C Transit Fund	3,382,179	1,311,988	-	751,305	3,942,862
Sewer Reconstruction Fund	158,777	-	-	-	158,777
Business Development Loan Fund	-	-	-	-	-
CDBG Program Income Fund	142,381	35,000	-	39,289	138,092
Other Funds	93,919	22,101	-	256,000	(139,980)
TOTAL GOVERNMENTAL FUNDS	\$ 10,741,471	\$ 57,764,921	\$ 2,082,088	\$ 56,164,516	\$ 14,423,964

FUND SUMMARY**CITY OF LAKEWOOD****FISCAL YEAR 2019-2020**

FUND	Estimated Fund Balance June 30, 2019	Estimated Revenues	Reserves & Transfers In/Out	Appropriations	Estimated Fund Balance June 30, 2020
Water Utility Operations ⁽¹⁾	\$ 13,945,953	\$ 14,392,575	\$ (1,795,704)	\$ 12,090,637	\$ 14,452,187
Water Utility Capital	-	-	-	-	-
TOTAL ENTERPRISE FUNDS	\$ 14,452,187	\$ 14,392,575	\$ (1,795,704)	\$ 12,090,637	\$ 14,452,187
⁽¹⁾ Less depreciation					
 GRAND TOTAL	 \$ 24,687,424	 \$ 72,157,496	 \$ 286,384	 \$ 68,255,153	 \$ 28,876,151
 Graphics and Copy Center	-	356,647	-	356,647	-
Fleet Maintenance Fund	-	1,096,863	-	1,096,863	-
Geographic Info. System Fund	-	100,650	-	100,650	-
TOTAL INTERNAL SERVICE FUNDS	\$ -	\$ 1,554,160	\$ -	\$ 1,554,160	\$ -

APPROPRIATION SUMMARY

APPROPRIATION SUMMARY

CITY OF LAKEWOOD

CONTRACT SERVICES

Rank	Description	2019-2020 Adopted Budget	% of Total	2019-2020 Revised Budget	% of Total	Amount of Change	% of Change
1	Law Enforcement	\$ 11,223,443	40.2%	\$ 11,671,185	40.3%	\$ 447,742	4.0%
2	Refuse Collection/Disposal Service	5,094,403	18.3%	5,094,403	18.3%	0	0.0%
3	Tree Maintenance	712,138	2.6%	712,138	2.6%	0	0.0%
4	Street Sweeping	686,000	2.5%	686,000	2.5%	0	0.0%
5	Animal Control	467,374	1.7%	467,374	1.7%	0	0.0%
6	Building Inspection	425,000	1.5%	461,000	1.7%	36,000	8.5%
7	Computer Services	508,192	1.8%	453,000	1.6%	(55,192)	-10.9%
8	Sky Knight	436,470	1.6%	341,128	1.2%	(95,342)	-21.8%
9	Street Lighting	397,000	1.4%	397,000	1.4%	0	0.0%
10	Engineering Services	292,000	1.0%	292,000	1.0%	0	0.0%
	Sub-total	20,242,020	72.53%	20,575,228	72.17%	333,208	1.6%
11	Long Beach Transit	246,384	0.9%	246,859	0.9%	475	0.2%
12	Legal Services	205,363	0.7%	205,363	0.7%	0	0.0%
13	Fire & Security Alarm	138,932	0.5%	138,932	0.5%	0	0.0%
14	Traffic Control	138,000	0.5%	138,000	0.5%	0	0.0%
15	Code Enforcement	80,000	0.3%	80,000	0.3%	0	0.0%
16	Industrial Waste Inspection	76,000	0.3%	80,000	0.3%	4,000	5.3%
17	Live Scan	75,000	0.3%	60,000	0.2%	(15,000)	-20.0%
18	Street & Sidewalk Maintenance	102,000	0.4%	60,000	0.2%	(42,000)	-41.2%
19	Catalog	53,100	0.2%	53,100	0.2%	0	0.0%
20	Mail Processing	1,200	0.0%	1,200	0.0%	0	0.0%
	Sub-total	1,115,979	4.00%	1,063,454	3.81%	(52,525)	-4.7%
	All other	6,550,451	23.47%	6,262,368	24.02%	(288,083)	-4.4%
	Grand total	\$ 27,908,450	100.00%	\$ 27,901,050	100.00%	\$ (7,400)	0.0%

APPROPRIATION SUMMARY

(by Program and Activity)

CITY OF LAKEWOOD**FISCAL YEAR 2019-2020**

Program Activity	Employee Services	Contract Services	Supplies and Expenses	Interdepartmental Charges	Equipment	Capital/ Construction	Total
LEGISLATIVE							
1000 Legislative	\$ 183,910	\$ 0	\$ 37,000	\$ 0	\$ 0	\$ 0	220,910
1100 Legislative Advocacy	0	0	8,000	0	0	0	8,000
1220/40/60 Advisory Commissions	11,465	0	10,890	0	0	0	22,355
1300 Administration	333,272	0	13,070	0	0	0	346,342
3000 City Clerk	174,481	152,000	11,714	2,995	0	0	341,190
3100 Records Management	164,569	10,250	5,886	0	0	0	180,705
3220 City Legal Services	0	205,363	0	0	0	0	205,363
Total Legislative	867,697	367,613	86,560	2,995	0	0	1,324,865
GENERAL GOVERNMENT							
2000 Information Technology	236,221	630,906	54,210	741	44,350	0	966,428
2400 Public Information	232,689	56,500	16,238	61,838	0	0	367,265
2500 Customer Service	341,917	7,250	31,490	5,318	0	0	385,975
2550 Intergovernmental Relations	335,816	82,586	46,602	0	0	0	465,004
3240 Legal Services	0	0	58,000	0	0	0	58,000
3300 Internal Administration	154,589	1,200	137,897	20,316	0	0	314,002
3400 Human Resources	412,322	97,802	66,940	5,836	1,000	0	583,900
5000 Finance	1,131,882	160,200	513,219	15,341	1,000	0	1,821,642
5200 Insurance	0	20,303	1,992,402	0	0	0	2,012,705
5400 Purchasing & Stores	305,958	0	8,785	2,781	500	0	318,024
6300 Building Maintenance	583,111	134,902	244,998	75,908	0	0	1,038,919
7500 Facilities Maintenance	616,317	10,500	101,008	6,198	0	0	734,023
Total General Government	\$ 4,350,822	\$ 1,202,149	\$ 3,271,789	\$ 194,277	\$ 46,850	\$ 0	\$ 9,065,887

APPROPRIATION SUMMARY

(by Program and Activity)

CITY OF LAKEWOOD

FISCAL YEAR 2019-2020

Program Activity	Employee Services	Contract Services	Supplies and Expenses	Interdepartmental Charges	Equipment	Capital/ Construction	Total
PUBLIC SAFETY							
3600 Law Enforcement	\$ 810,927	\$ 11,671,185	\$ 31,110	\$ 35,040	\$ 0	\$ 0	12,548,262
3700 Sky Knight Program	185,987	341,128	81,167	0	0	0	608,282
3800 Safety Services - Other	222,815	0	2,000	2,417	0	0	227,232
5300 Parking Control	612,575	24,750	10,585	24,393	0	0	672,303
6200 Animal Control	19,414	467,374	0	0	0	0	486,788
6500 Graffiti Removal	106,111	0	10,233	11,765	0	0	128,109
6820 Street Lighting	46,088	1,318,825	2,753	0	0	0	1,367,666
7250 Emergency Preparedness	129,401	7,847	22,350	3,785	9,615	0	172,998
Total Public Safety	2,133,318	13,831,109	160,198	77,400	9,615	0	16,211,640
						0	
TRANSPORTATION							
4300 Transportation	23,368	1,256,859	2,612	53,828	0	0	1,336,667
6600 Hardscape Maintenance	186,486	260,000	503	0	58,637	0	505,626
6700 Tree Maintenance	432,910	777,138	10,578	88,956	43,200	0	1,352,782
6800 Street Maintenance	141,313	965,980	353	0	0	0	1,107,646
6810 Traffic Control	12,704	188,300	34,517	0	0	0	235,521
7200 DASH Program	539,144	7,400	39,605	150,228	0	0	736,377
Total Transportation	\$ 1,335,925	\$ 3,455,677	\$ 88,168	\$ 293,012	\$ 101,837	\$ 0	\$ 5,274,619

APPROPRIATION SUMMARY

(by Program and Activity)

CITY OF LAKEWOOD

FISCAL YEAR 2019-2020

Program Activity	Employee Services	Contract Services	Supplies and Expenses	Interdepartmental Charges	Equipment	Capital/ Construction	Total
COMMUNITY DEVELOPMENT							
2120 Media Services	\$ 874,879	\$ 12,000	\$ 31,446	\$ 14,945	\$ 0	\$ 0	933,270
2140 Media Production Center	0	29,500	9,000	0	10,000	0	48,500
2160 Transit CATV Program	73,120	700	1,246	0	0	0	75,066
2300 Economic Development	57,524	29,000	0	0	0	0	86,524
2600 Community Relations	247,307	2,300	95,186	20,665	0	0	365,458
4000 Planning	813,717	52,400	26,768	12,854	0	0	905,739
4100 Building & Safety	481,759	953,500	5,346	304	0	0	1,440,909
4600 Housing Program	220,810	218,695	31,766	0	0	0	471,271
4700 Code Enforcement	380,128	1,500	5,528	0	0	0	387,156
5100 Licensing	92,595	2,800	2,000	0	0	0	97,395
6000 Engineering	810,055	141,900	105,645	25,094	0	0	1,082,694
Total Community Development	4,051,894	1,444,295	313,931	73,862	10,000	0	5,893,982
HEALTH							
6100 Solid Waste Collection	253,608	5,350,893	47,969	0	0	0	5,652,470
Total Health	253,608	5,350,893	47,969	0	0	0	5,652,470
CULTURE AND LEISURE							
6400 Park Maintenance	1,024,309	163,692	110,391	32,166	122,241	0	1,452,799
7000 RCS Administration	1,190,364	53,090	56,600	43,494	0	0	1,343,548
7050/7055 Aquatics Programs	306,048	5,000	16,755	6,023	0	0	333,826
7150 Centre Concessions	510,102	72,542	198,046	1,557	0	0	782,247
7300 Human Services Program	535,470	48,700	124,663	13,984	0	0	722,817
7350 Parks/Playground Programs	1,471,641	0	108,002	18,557	13,500	0	1,611,700
7400 Social/Cultural Programs	377,538	333,875	193,564	46,159	6,000	0	957,136
7450 Sports Programs	197,225	0	76,505	31,062	0	0	304,792
7550 Turf Maintenance	392,937	42,142	17,420	0	0	0	452,499
7600 RCS Park Maintenance	1,540,992	0	822,584	102,524	0	0	2,466,100
7720/7740 Landscape/Turf Maintenance	1,358,209	57,783	472,682	384,769	40,146	0	2,313,589
Total Culture and Leisure	\$ 8,904,835	\$ 776,824	\$ 2,197,212	\$ 680,295	\$ 181,887	\$ 0	\$ 12,741,053

APPROPRIATION SUMMARY

(by Program and Activity)

CITY OF LAKEWOOD**FISCAL YEAR 2019-2020**

Program Activity	Employee Services	Contract Services	Supplies and Expenses	Interdepartmental Charges	Equipment	Capital/ Construction	Total
WATER UTILITY							
8000 Administration	\$ 973,304	\$ 1,239,457	\$ 2,877,703	\$ 64,261	\$ 110,000	\$ 0	\$ 5,264,725
8100-8400 Water Utility Production	542,125	179,137	4,513,116	26,089	160,000	0	5,420,467
8500-8800 Water Utility Distribution	820,452	70,000	150,353	117,625	15,000	0	1,173,430
8900 Customer Services	193,715	0	38,300	0	0	0	232,015
Total Water Utility	2,529,596	1,488,594	7,579,472	207,975	285,000	0	12,090,637
GRAND TOTAL	\$ 24,427,695	\$ 27,917,154	\$ 13,745,299	\$ 1,529,816	\$ 635,189	\$ 0	\$ 68,255,153
INTERNAL SERVICE FUNDS							
2450 Graphics and Copy Center	256,647	27,000	72,000	0	1,000	0	356,647
6020 Geographic Information System	65,000	26,500	9,150	0	0	0	100,650
6900 Fleet Maintenance	525,176	51,000	495,736	13,951	11,000	0	1,096,863
Total Internal Service Funds	\$ 846,823	\$ 104,500	\$ 576,886	\$ 13,951	\$ 12,000	\$ 0	\$ 1,554,160

REVENUE SUMMARY

REVENUE ANALYSIS

CITY OF LAKEWOOD

REVENUE COMPOSITION

Rank	Description	2019-2020 Adopted Budget	% of Total	2019-2020 Revised Budget	% of Total	Amount of Change	% of Change
1	Sales tax	\$ 14,953,400	20.5%	\$ 14,288,000	19.9%	\$ (665,400)	-4.4%
2	Water utility service charges	14,328,289	19.7%	14,037,529	19.6%	(290,760)	-2.0%
3	Motor vehicle in lieu / ERAF	9,142,000	12.5%	9,524,000	13.3%	382,000	4.2%
4	Refuse service charges	5,786,000	7.9%	5,839,500	8.1%	53,500	0.9%
5	Property tax	5,345,000	7.3%	5,532,200	7.7%	187,200	3.5%
6	Utility users tax	3,245,000	4.5%	3,103,000	4.3%	(142,000)	-4.4%
7	Gas tax	2,003,000	2.7%	2,017,358	2.8%	14,358	0.7%
8	Building Permits & Fees	1,879,759	2.6%	1,810,000	2.5%	(69,759)	-3.7%
9	Prop A Transit	1,552,000	2.1%	1,551,571	2.2%	(429)	0.0%
10	Franchise fees	1,520,000	2.1%	1,457,000	2.0%	(63,000)	-4.1%
	Sub-total	59,754,448	82.0%	59,160,158	82.5%	(594,290)	-1.0%
11	Prop C Transit	1,290,000	1.8%	1,286,988	1.8%	(3,012)	-0.2%
12	Rents & Concession	1,265,887	1.7%	1,004,704	1.4%	(261,183)	-20.6%
13	Measure R	970,000	1.3%	965,261	1.3%	(4,739)	-0.5%
14	Recreation fees	884,778	1.2%	840,500	1.2%	(44,278)	-5.0%
15	Fines & forfeitures	817,700	1.1%	816,200	1.1%	(1,500)	-0.2%
16	Use of money and property	736,700	1.0%	818,900	1.1%	82,200	11.2%
17	Business licenses	615,000	0.8%	615,000	0.9%	0	0.0%
18	Other Public Safety Fees	552,500	0.8%	552,500	0.8%	0	0.0%
19	CDBG (Block Grant)	529,085	0.7%	510,700	0.7%	(18,385)	-3.5%
20	Sky Knight	250,000	0.3%	390,000	0.5%	140,000	56.0%
	Sub-Total	7,911,650	10.9%	7,800,753	10.9%	(110,897)	-1.4%
	All other	5,189,327	7.1%	4,741,066	6.6%	(448,261)	-8.6%
	Grand total	\$ 72,855,425	100%	\$ 71,701,977	100%	\$ (1,153,448)	-1.6%

REVENUE SUMMARY

CITY OF LAKEWOOD

Description	2016-2017 Actual	2017-2018 Actual	2018-2019 Final Estimate	2019-2020 Adopted Budget	2019-2020 Revised Budget
GENERAL FUND:					
Property taxes	\$ 4,768,265	\$ 5,084,983	\$ 5,329,700	\$ 5,345,000	\$ 5,532,200
Sales tax	14,012,359	14,176,904	14,380,000	14,953,400	14,288,000
Utility users tax	2,926,246	3,163,738	3,139,000	3,245,000	3,103,000
Other taxes	2,594,314	2,183,850	2,216,300	2,167,929	2,169,000
Licenses & permits	1,237,634	1,209,167	1,314,750	1,428,071	1,372,946
Fines & forfeitures	726,158	803,671	866,200	817,700	816,200
Use of money & property	1,170,295	1,065,948	1,245,518	1,297,841	1,143,658
From other agencies	8,594,733	9,022,306	9,427,300	9,456,300	9,602,300
Current service charges	7,762,467	7,772,271	8,272,786	8,168,763	8,334,500
Other revenue	871,269	750,000	831,500	755,000	750,000
Total General Fund	44,663,740	45,232,839	47,023,054	47,635,004	47,111,804
SPECIAL OLYMPICS FUND					
Current service charges	6,544	11,601	10,580	7,000	7,000
Total Special Olympics Fund	\$ 6,544	\$ 11,601	\$ 10,580	\$ 7,000	\$ 7,000
COMMUNITY FACILITY FUND:					
Use of money & property	291,397	268,697	262,000	369,000	262,000
Current service charges	47,359	43,057	45,800	40,000	40,000
Total Community Facility	338,756	311,754	307,800	409,000	302,000
CABLE TV FUND:					
Other taxes	378,498	547,379	407,000	420,000	440,500
Other revenue	173,775	167,082	164,500	185,000	164,500
Total Cable TV Fund	552,273	714,461	571,500	605,000	605,000
PARK DEDICATION FUND:					
Other taxes	22,699	7,590	0	0	0
Total Park Dedication Fund	\$ 22,699	\$ 7,590	\$ 0	\$ 0	\$ 0

REVENUE SUMMARY

CITY OF LAKEWOOD

Description	2016-2017 Actual	2017-2018 Actual	2018-2019 Final Estimate	2019-2020 Adopted Budget	2019-2020 Revised Budget
AQMD FUND:					
Use of money & property	1,814	4,067	7,500	3,000	7,500
From other agencies	100,207	99,393	100,000	100,000	100,000
Total AQMD Fund	102,021	103,460	107,500	103,000	107,500
CDBG GRANT FUND:					
Current year allocation	346,374	1,384,641	529,085	529,085	510,700
Program income	75,509	40,010	39,970	38,000	35,000
Total CDBG Fund	421,883	1,424,651	569,055	567,085	545,700
ROAD MAINTENANCE & REHAB					
Use of money & property	0	1,022	12,000	500	12,000
From other agencies	0	469,046	1,420,282	1,421,001	1,420,282
Total Road Main & Rehab Funds	0	470,067	1,432,282	1,421,501	1,432,282
STATE GAS TAX/TRAFFIC CONGESTION RELIEF FUND:					
Use of money & property	8,825	13,461	10,200	5,000	10,200
Other revenue	1,508,312	1,675,640	2,017,258	2,003,000	2,007,157
Total State Gas Tax Fund	1,517,137	1,689,101	2,027,458	2,008,000	2,017,357
HOUSING SUCCESSOR AGENCY FUND					
Current year allocation	95,823	86,386	10,000	10,000	10,000
Program income	162,000	180,000	199,000	199,000	199,000
Total Housing Successor Agency Fund	257,823	266,386	209,000	209,000	209,000
BUSINESS DEVELOPMENT LOAN FUND:					
Use of money & property	4,820	5,489	4,000	4,000	0
Other revenue	14,757	15,512	8,000	0	0
Total Business Dev Loan Fund	\$ 19,577	\$ 21,001	\$ 12,000	\$ 4,000	\$ 0

REVENUE SUMMARY

CITY OF LAKEWOOD

Description	2016-2017 Actual	2017-2018 Actual	2018-2019 Final Estimate	2019-2020 Adopted Budget	2019-2020 Revised Budget
PROP A TRANSIT FUND:					
Other taxes	\$ 1,489,004	\$ 1,463,740	\$ 1,551,571	\$ 1,552,000	\$ 1,551,571
Use of money & property	10,383	18,450	13,000	10,000	13,000
Total Prop A Fund	1,499,387	1,482,191	1,564,571	1,562,000	1,564,571
PROP C TRANSIT FUND:					
Other taxes	1,236,997	1,212,158	1,286,988	1,290,000	1,286,988
Use of money & property	66,173	48,756	80,000	25,000	25,000
Total Prop C Fund	1,303,170	1,260,914	1,366,988	1,315,000	1,311,988
MEASURE R FUND					
Other taxes	926,540	909,373	965,261	970,000	965,261
Use of money & property	15,301	33,656	60,000	15,000	60,000
Total Measure R Fund	941,841	943,029	1,025,261	985,000	1,025,261
MEASURE M FUND					
Use of money & property	0	4,476	10,000	10,000	10,000
Other taxes	0	824,100	1,093,939	1,100,000	1,093,939
Total Measure M Fund	0	828,576	1,103,939	1,110,000	1,103,939
SPECIAL GRANT FUNDS:					
State COPS Grant	164,027	174,570	251,000	174,500	249,500
Litter Reduction	1,356	23,225	41,973	22,300	0
TDA Article 3 - SB821	54,068	51,105	51,105	54,000	58,637
Used Oil Grant	24,073	22,642	21,457	23,000	21,457
Prop A Recreation Funds	209,260	47,560	50,000	50,700	50,700
Sewer Reconstruction Fund	34,076	6,418	0	0	0
Beverage Container Rec Grant	0	0	3,000	0	3,000
Other Funds	1,511,357	(76,730)	11,500	12,000	22,101
Total Special Grant Funds	\$ 2,121,406	\$ 248,790	\$ 430,035	\$ 336,500	\$ 421,519

REVENUE SUMMARY

CITY OF LAKEWOOD

Description	2016-2017 Actual	2017-2018 Actual	2018-2019 Final Estimate	2019-2020 Adopted Budget	2019-2020 Revised Budget
CAPITAL IMPROVEMENT PROJECT FUND	\$ 4,755,073	\$ 6,835,212	\$ 6,247,248	\$ 0	\$ 0
	<u>4,755,073</u>	<u>6,835,212</u>	<u>6,247,248</u>	<u>0</u>	<u>0</u>
TOTAL GOVERNMENTAL FUNDS:	<u>58,523,330</u>	<u>61,851,623</u>	<u>64,008,271</u>	<u>58,277,090</u>	<u>57,764,921</u>
WATER OPERATIONS FUND:					
Use of money & property	181,940	236,636	264,900	240,046	255,046
Other revenue	1,023,129	142,115	70,000	10,000	100,000
Operating revenues	<u>10,834,304</u>	<u>12,877,258</u>	<u>13,439,314</u>	<u>14,328,289</u>	<u>14,037,529</u>
TOTAL WATER FUND:	<u>12,039,373</u>	<u>13,256,009</u>	<u>13,774,214</u>	<u>14,578,335</u>	<u>14,392,575</u>
TOTAL GOVERNMENTAL AND WATER FUND:	<u>70,562,703</u>	<u>75,107,632</u>	<u>77,782,485</u>	<u>72,855,425</u>	<u>72,157,496</u>
INTERNAL SERVICE FUNDS:					
Graphics and Copy Center	414,362	400,092	395,064	308,376	356,647
Fleet maintenance	860,953	900,358	999,198	1,077,269	1,096,863
Geographic Info Systems	<u>71,313</u>	<u>90,017</u>	<u>61,327</u>	<u>111,470</u>	<u>100,650</u>
TOTAL INTERNAL SERVICE FUNDS:	\$ <u>1,346,628</u>	\$ <u>1,390,467</u>	\$ <u>1,455,589</u>	\$ <u>1,497,115</u>	\$ <u>1,554,160</u>