

CITY OF MALIBU

FISCAL YEAR 2022-2023

PROPOSED BUDGET

APRIL 27, 2022

OVERVIEW

- City Council Work Plan
- Budget Development Process and Calendar
 - Administrative and Finance Subcommittee
 - Organizational Chart
- Budget Summary – Revenues and Expenditures
- General Fund Revenues and Trends
- General Fund Expenditures by Fund and Department
 - Environmental Sustainability
 - Planning
 - Capital Improvement Program
- Status of Reserves
- Summary and Next Steps

CITY COUNCIL WORK PLAN



Public Safety



Woolsey Fire Recovery



School District Separation



Malibu's Rural Character



Environmental Efforts



Community Engagement



Fiscal Sustainability



City's Public Infrastructure

BUDGET DEVELOPMENT PROCESS

Review goals
and tasks of each
department

Budget based on the Work
Plan established by Council

Align most
restrictive
funding sources
in highest priority
goals and tasks

Use Special Revenue funds when
possible
Federal and State Infrastructure Funding

Add services
and positions
as needed to
accomplish the
Council workplan

Eliminate
non-priority
functions and
positions as needed

Recommendations presented to the City Council in the Proposed Budget

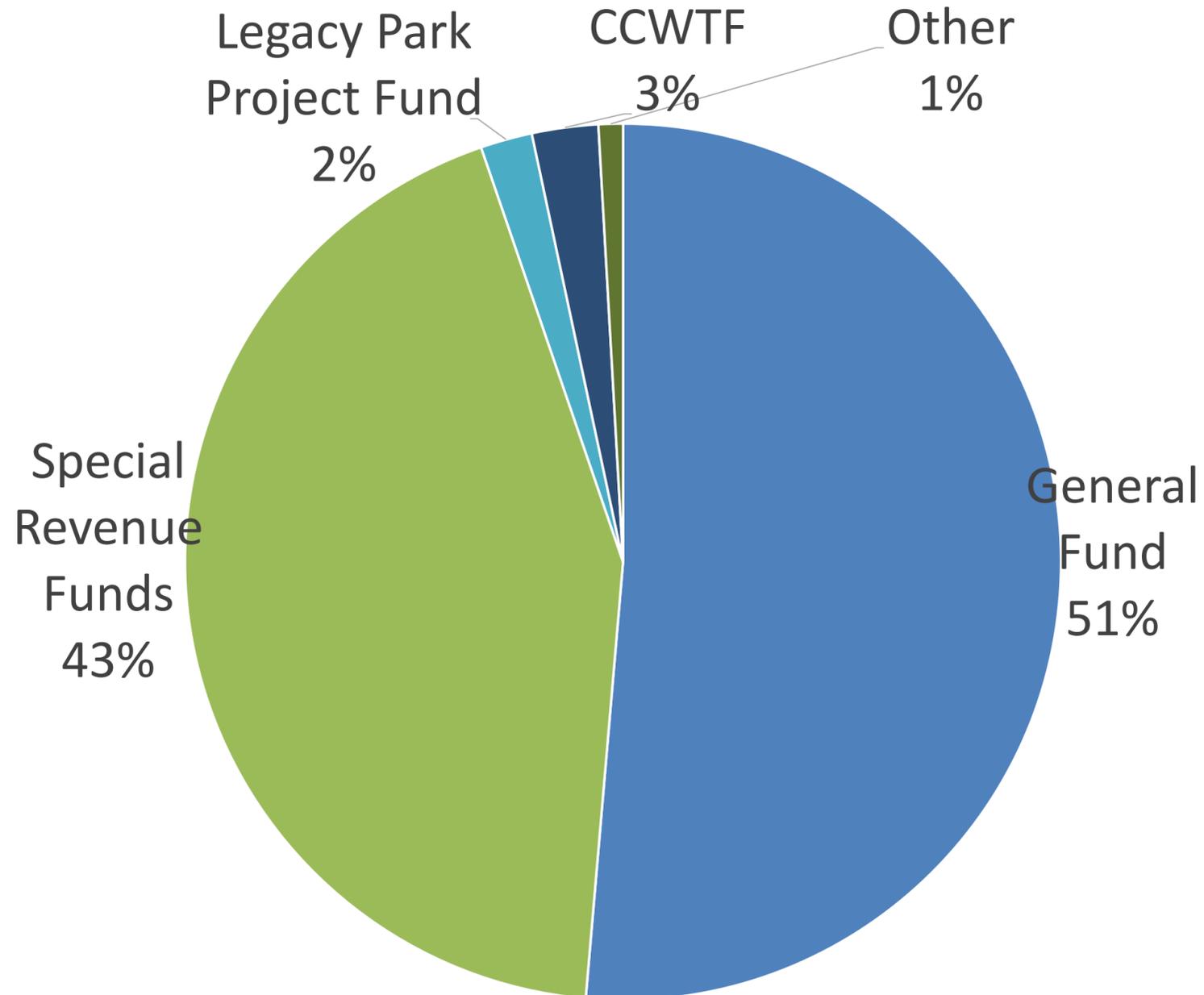
City Council determines priorities based on resource availability

BUDGET DEVELOPMENT CALENDAR

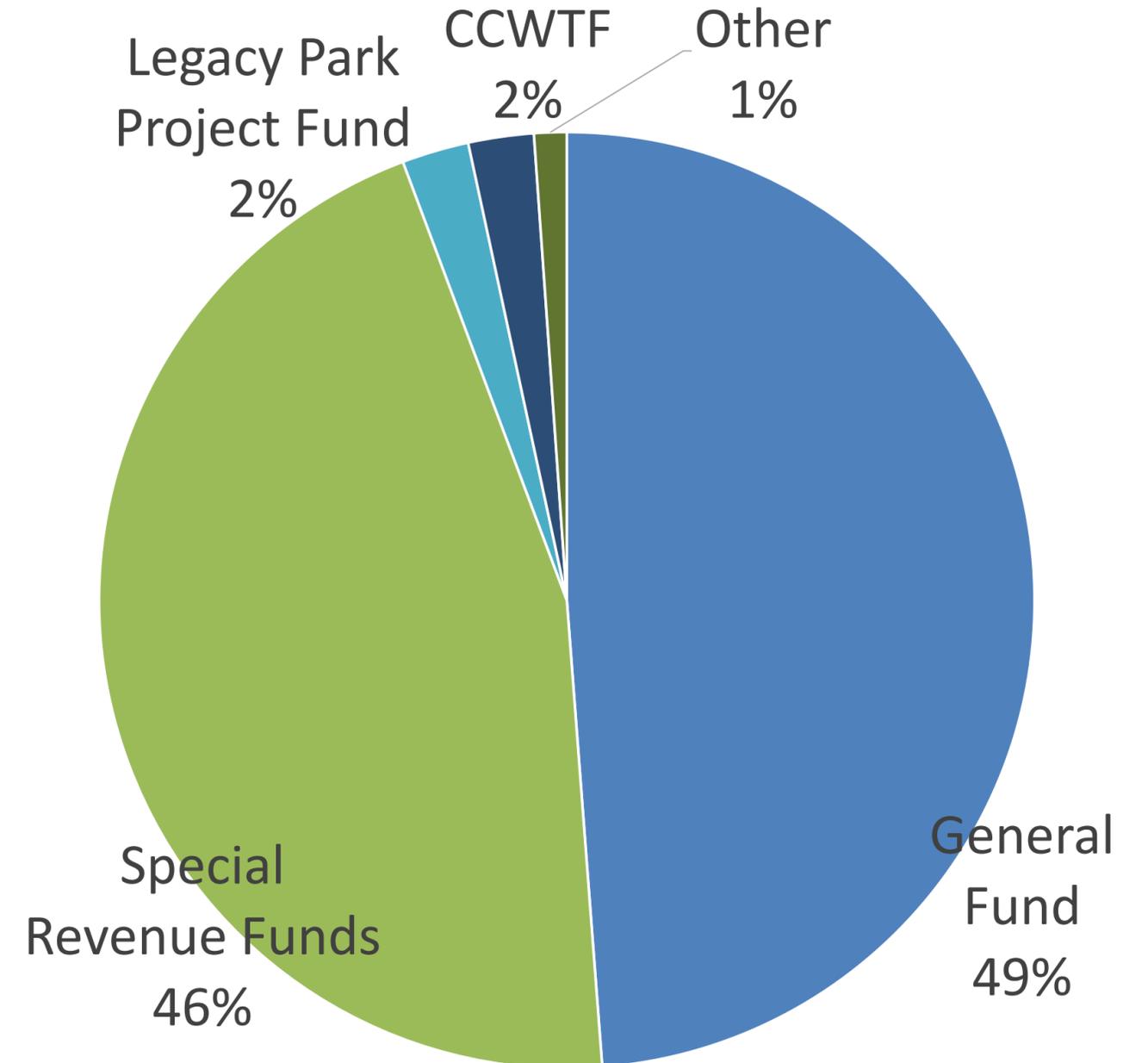
- JANUARY – FEBRUARY Departments determine budget year priorities and develop respective budgets
- MARCH – APRIL Budget analysis and development:
 - City Manager/Assistant City Manager/Department Heads
- MARCH 31 General Fund Grants applications due
- APRIL 27 Council Budget Workshop – Proposed Budget
- MAY 2-3 Administration and Finance Subcommittee
 - General Fund Grants
 - Proposed Budget
- MAY 23 Public Hearing – Proposed Budget
- JUNE 13 Council Action – Adopted Budget for 2022-23

TOTAL BUDGET BY FUND

Total Revenues
\$89.9 million

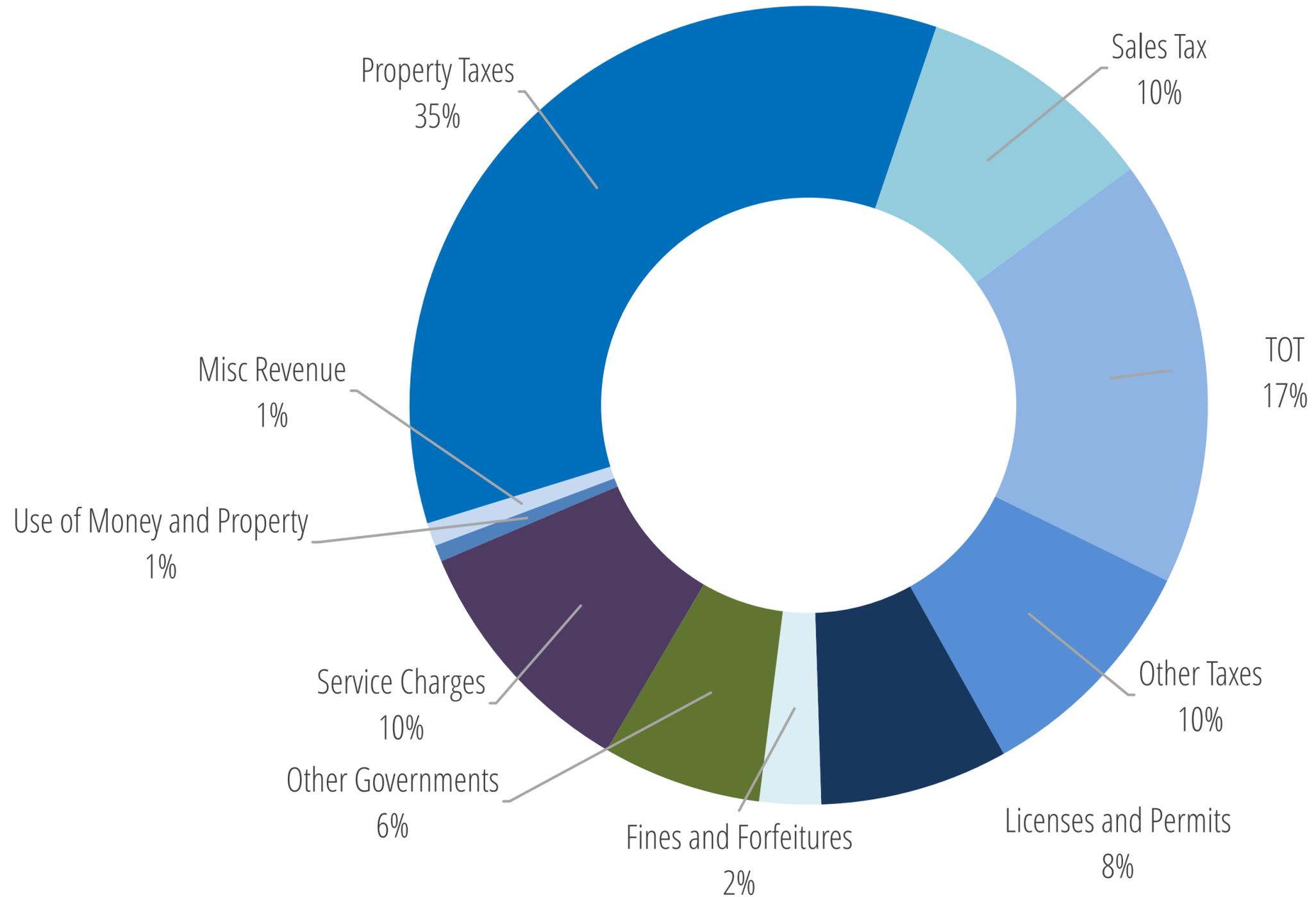


Total Expenditures
\$89.4 million

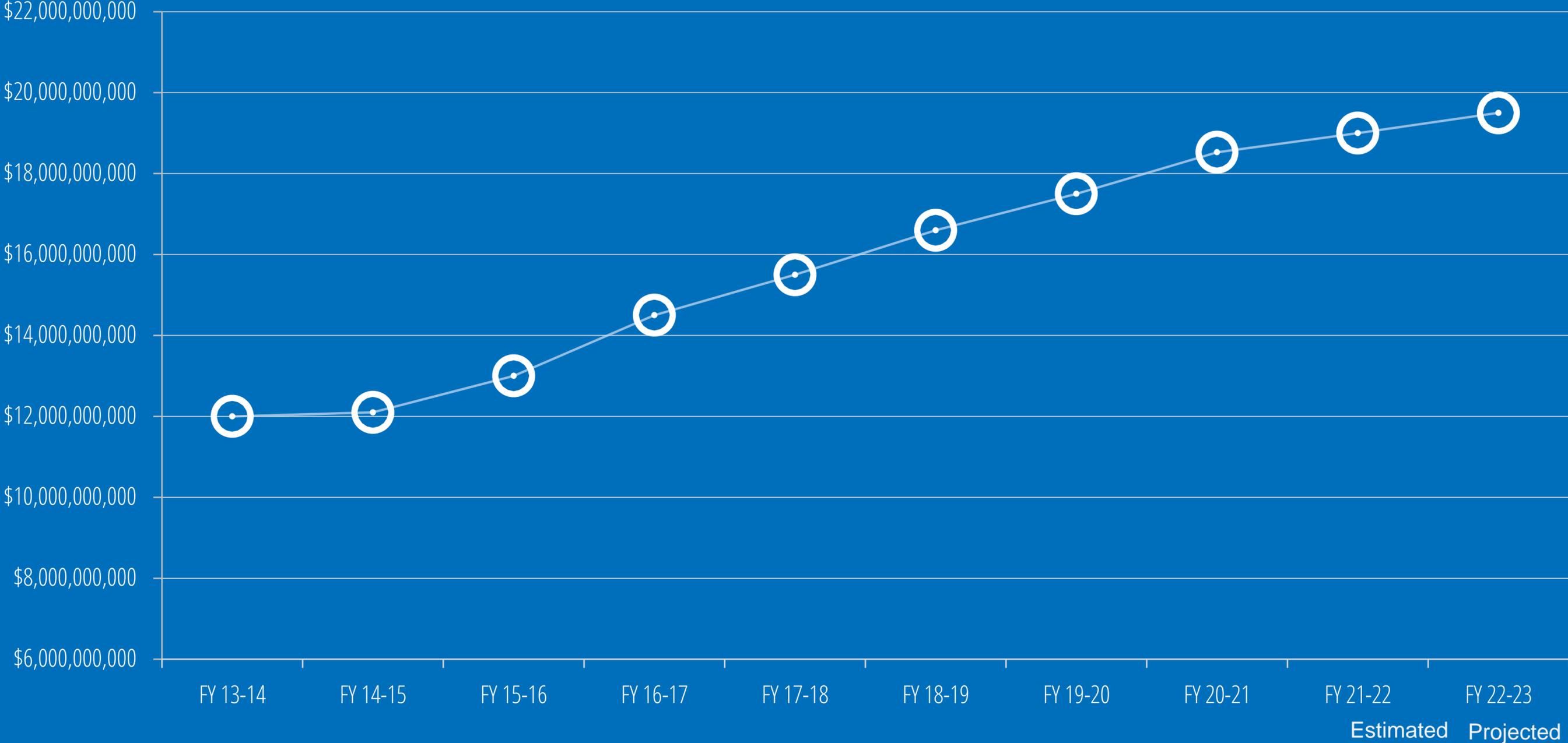


GENERAL FUND REVENUES

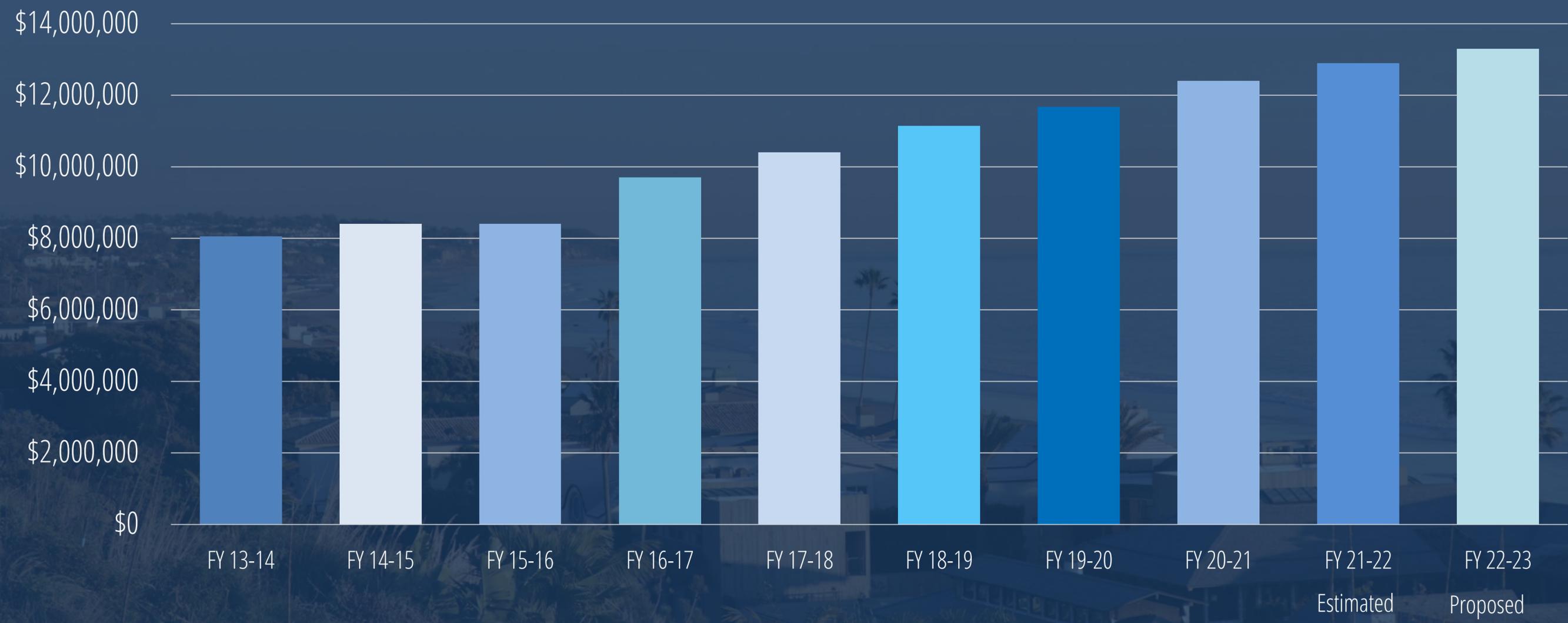
Total \$46.19 million



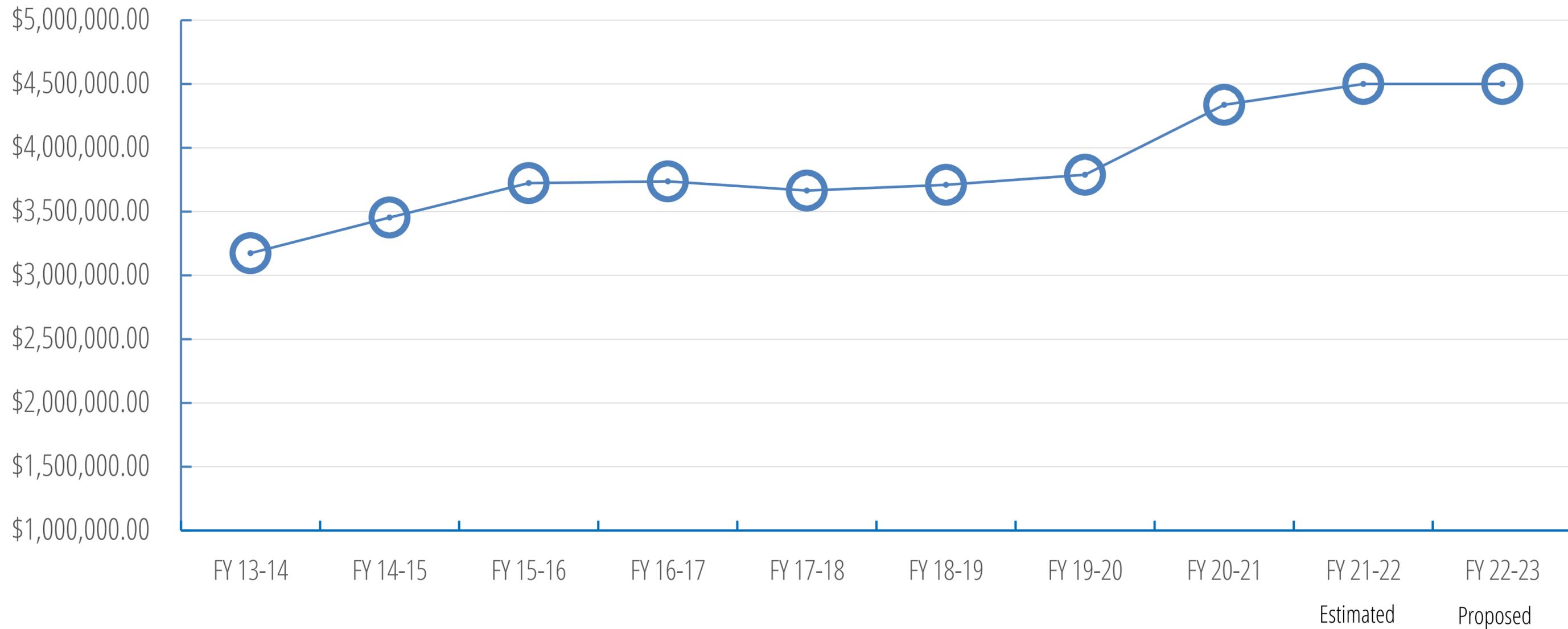
10-YEAR TREND ASSESSED PROPERTY VALUE



10-YEAR TREND SECURED PROPERTY TAX REVENUES

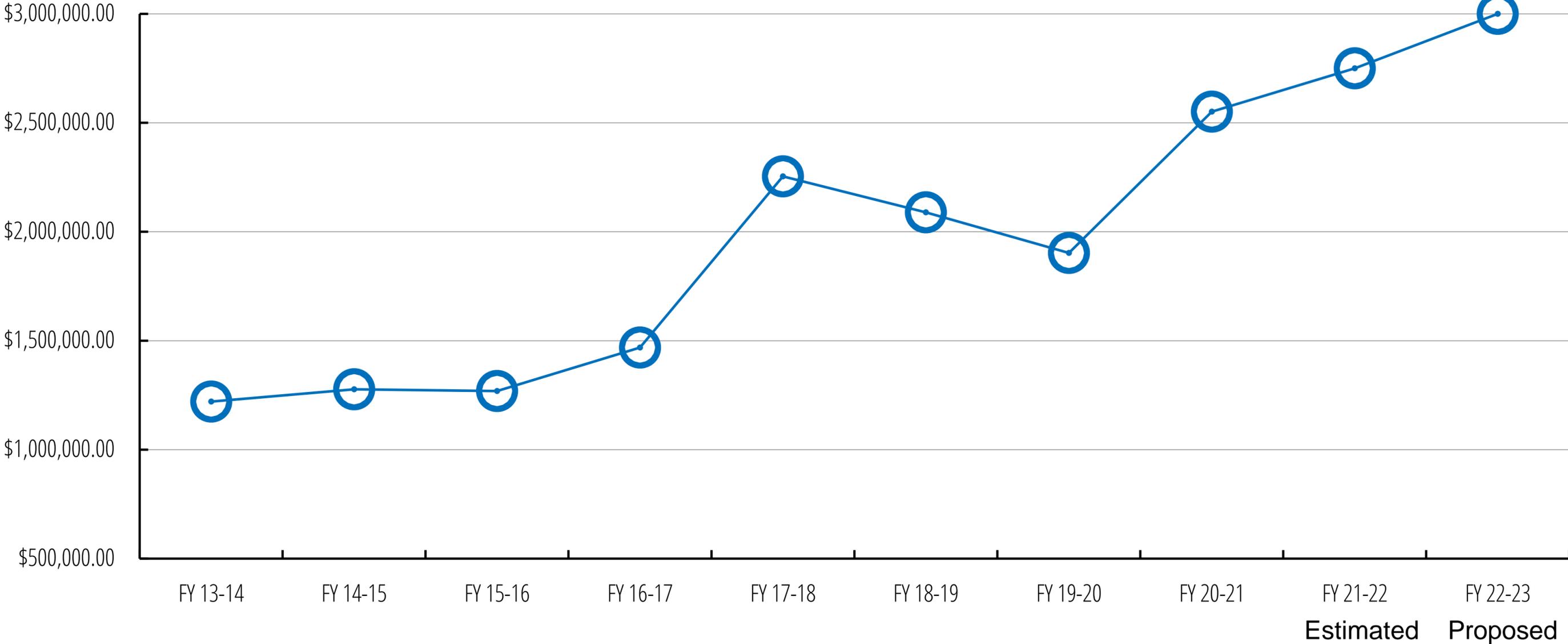


10-YEAR TREND SALES TAX REVENUES



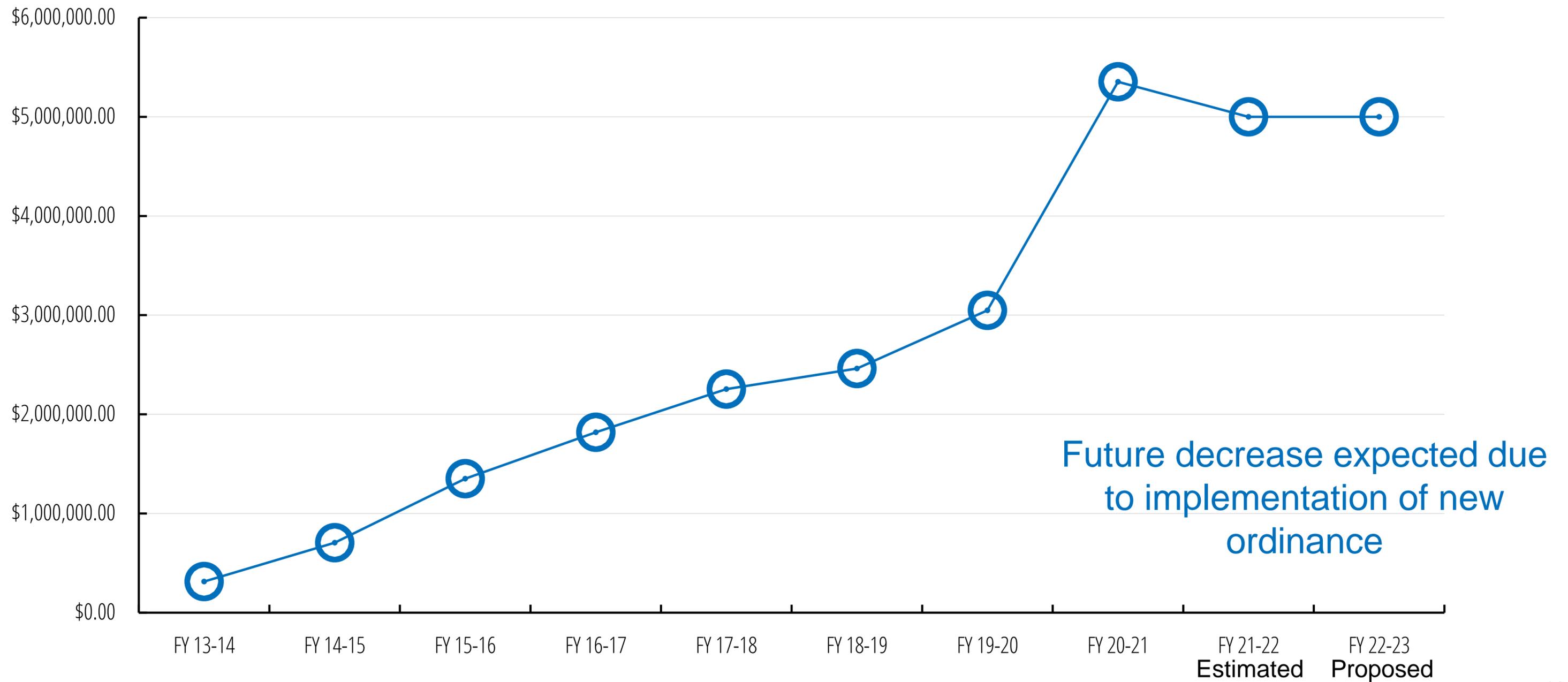
TRANSIENT OCCUPANCY

Hotels and Motels



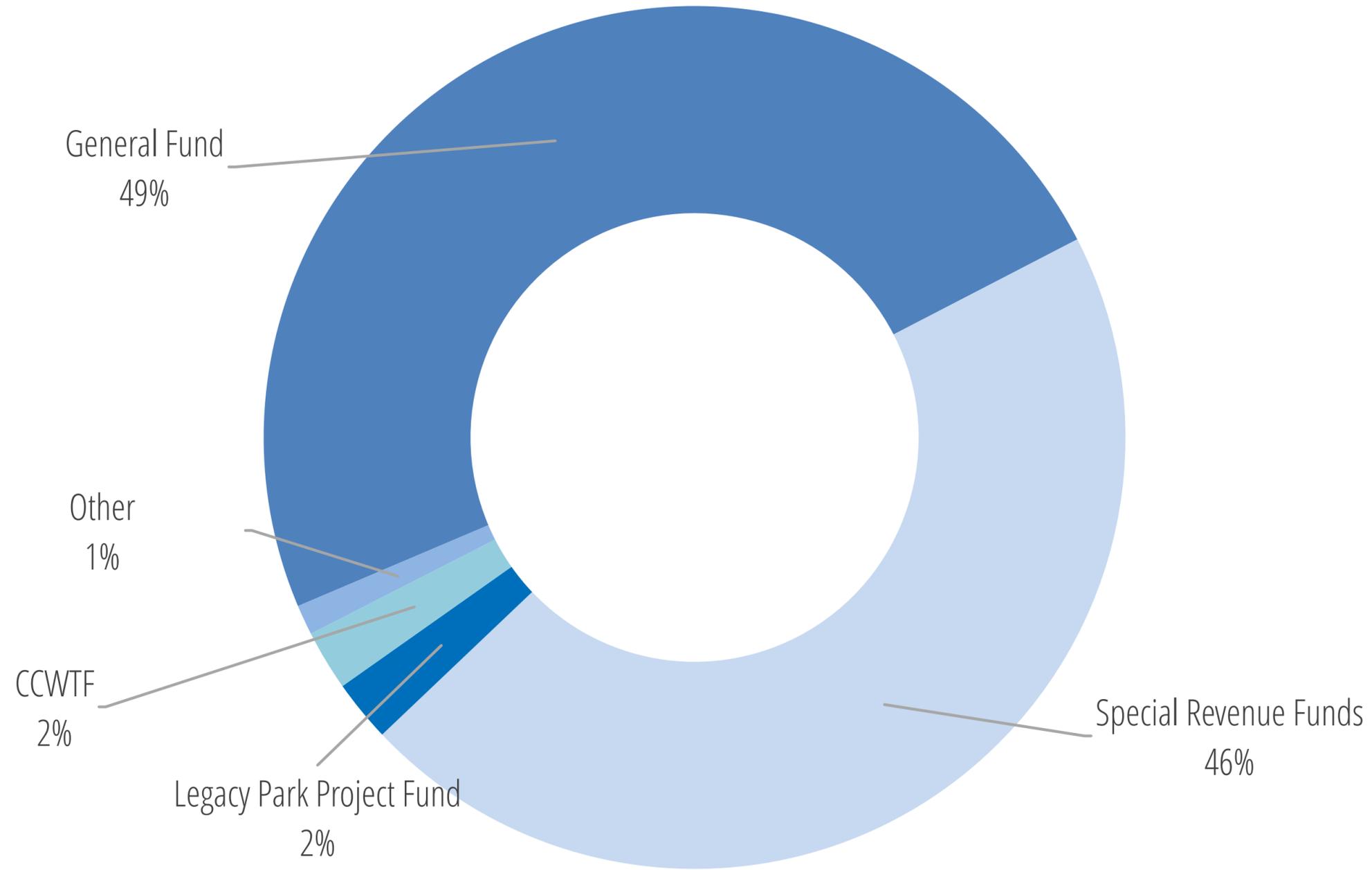
TRANSIENT OCCUPANCY TAX

Private Rentals

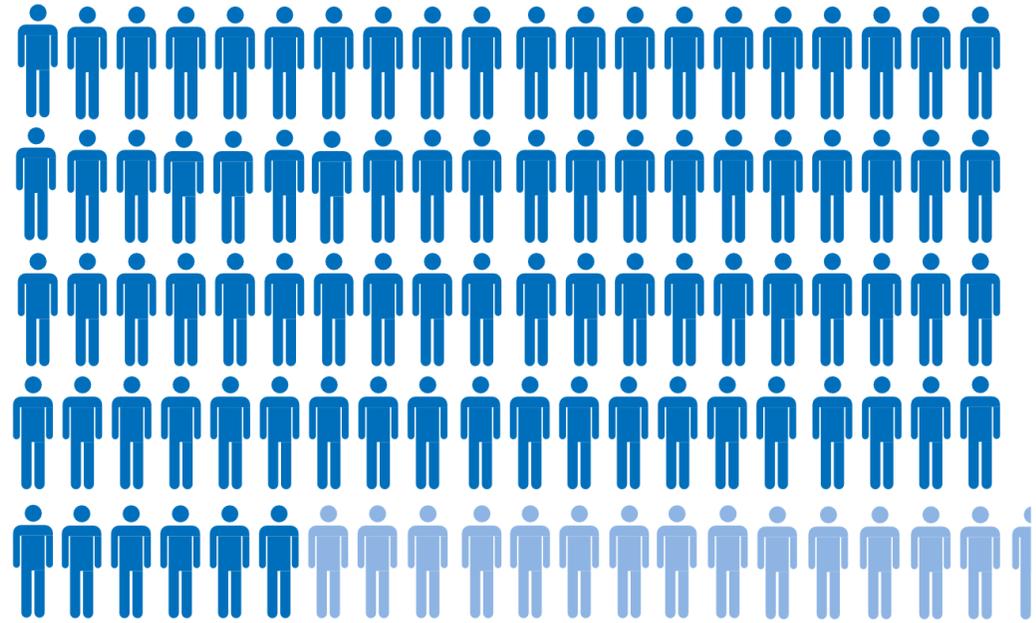


EXPENDITURES BY FUND

Total \$89.4 million



PERSONNEL INFORMATION



97 FULL TIME EMPLOYEES

13.27 (FTE) PART TIME EMPLOYEES

6 ADDITIONAL POSITIONS

Information Systems Analyst | Human Resource Technician Associate Planner | Assistant Planner | Planning Intern Assistant Civil Engineer



\$800,000 cost of 7.4% COLA

FISCAL YEAR	12-MONTH COLA	SALARY INCREASE
2022-23	7.4%	7.4%
2021-22	1.0%	2.2%
2020-21	3.4%	0.0%

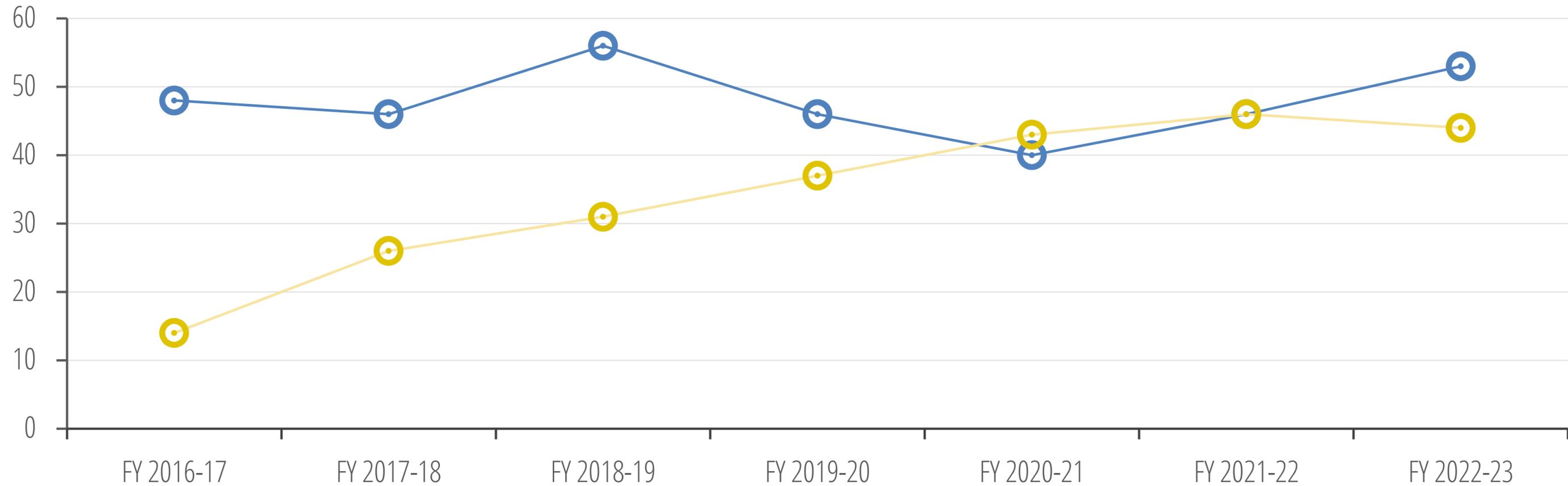


CalPERS rate changes

FISCAL YEAR	PERS Classic	PERS PEPRRA
2022-23	18.61%	7.76%
2021-22	18.60%	7.73%
2020-21	18.75%	7.87%

CALPERS CLASSIC VERSUS PEPRA

Classic: Employees hired before 2013
PEPRA: Employees hired after 2013



In 2013, the Public Employees Retirement Pension Reform Act (PEPRA) went into effect to curtail retiree costs

GENERAL FUND EXPENDITURES BY DEPARTMENT

All departments include projected COLA increase in salaries and benefits, and other changes as noted

- Management and Administration – increase **\$1.4 million**
 - Add 2.0 FTE: Information Systems Network Analyst and Human Resources Technician
 - Convert one Manager to Director (Public Safety)
 - Insurance premiums & CalPERS liabilities
 - **Equipment replacement in the council chambers**
 - **Upcoming general election**
 - **Update to cost allocation plan and fee study**
 - **Comprehensive classification and compensation study**
- Community Services – increase **\$420,000**
 - Driven by the increase in recreation activity with the return pre-pandemic levels
 - Associated revenues will increase as a result of the associated fees
- Public Works – increase **\$700,000**
 - Operations budget relatively flat
 - Add 1.0 FTE Assistant Civil Engineer
 - Decrease \$300,000 Street Maintenance for Storm Response
 - General Fund Capital Projects increase of \$700,000

PUBLIC SAFETY

CONTRACT WITH THE LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

- \$9.3 million operations
- \$900,000 beach team
- 1.45 % increase of \$84,000 over prior year
- 21.5% of City's annual operating budget

New Sheriff Substation scheduled to open July 1, 2023 – could add \$4 million to the City's Sheriff Contract



April 27, 2022

City of Malibu

Environmental Sustainability Department Overview
Proposed Budget 2022-23

Developing A Balanced Workload

Review

Review upcoming goals and tasks, include current workload and operations

Identify

Identify issues and needs in order to fulfill Department goals and projects within Citywide Work Plan

Adjust

Add services and/or positions with as little fiscal impact as necessary to accomplish Work Plan while maintaining a strong, cohesive team

GOALS AND TASKS

ESD GOALS:

- Completion of Work Plan Items and Council Priorities (Building Safety, Environmental Programs, Environmental Health)
- Maintain consistency with the fire rebuild effort while improving normal operations
- Provide high levels of Customer Service

WORKLOAD:

- Combination of Work Plan and maintaining continuity of current department functions

Operations - Overview

ESD Activity Report	FY 20-21	FY 21-22 (YTD)	FY 21-22 Projection ^(A)	Projected Total (Two years)
Plan Review	3,368	2,675	3,567	6,935
Permits Issued	2,444	1,759	2,345	4,789
Construction Inspections	9,610	8,636	11,515	21,125
Clean Water Inspections	468	441	588	1,056
OWTS Compliance	4	226	301	305
OWTS Operating Permits Issued	73	417	556	629
Hauler Permits Issued	21	23	19	40

^(A) Based on actual experience through 03/31/2022

Operations – Overview, continued

ESD Activity Report	FY 20/21	FY 21/22 (YTD)	FY 21/22 Projection ^(A)	Projected Total (Two years)
Public Inquiries	5,545	3,609	4,812	10,357
Documents Uploaded	12,937	7,432	9,909	22,846
Staff Reports	19	12	16	35
Commissions/Committees	3	3	3	6
Requests for Proposals	5	1	1	6
Grant Management	6	3	3	9
Contracts Managed	14	16	17	31
Agency Reports Submitted	21	28	28	49
Webpages Monitored	33	33	33	66
Legal Notices	8	4	4	12
Outreach	665	469	625	1,290

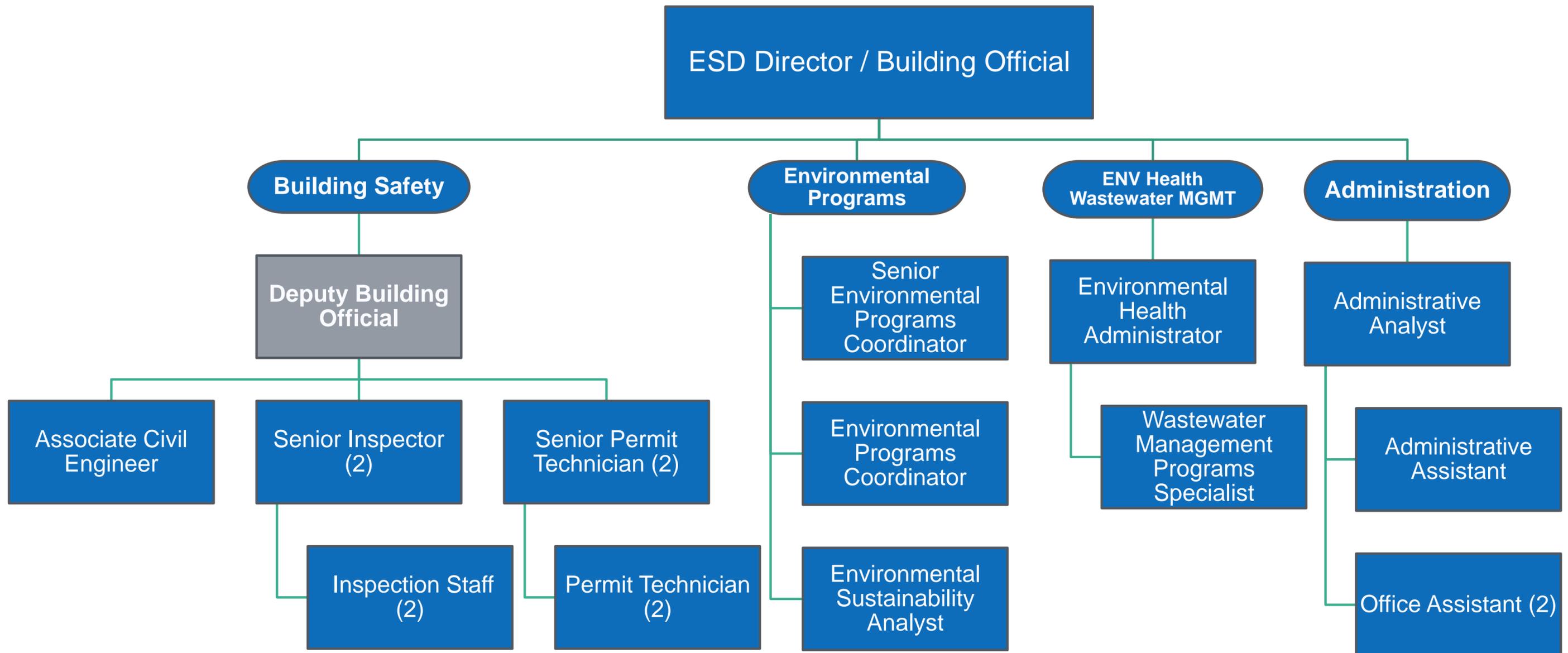
^(A) Based on actual experience through 03/31/2022

Fiscal Year Operations

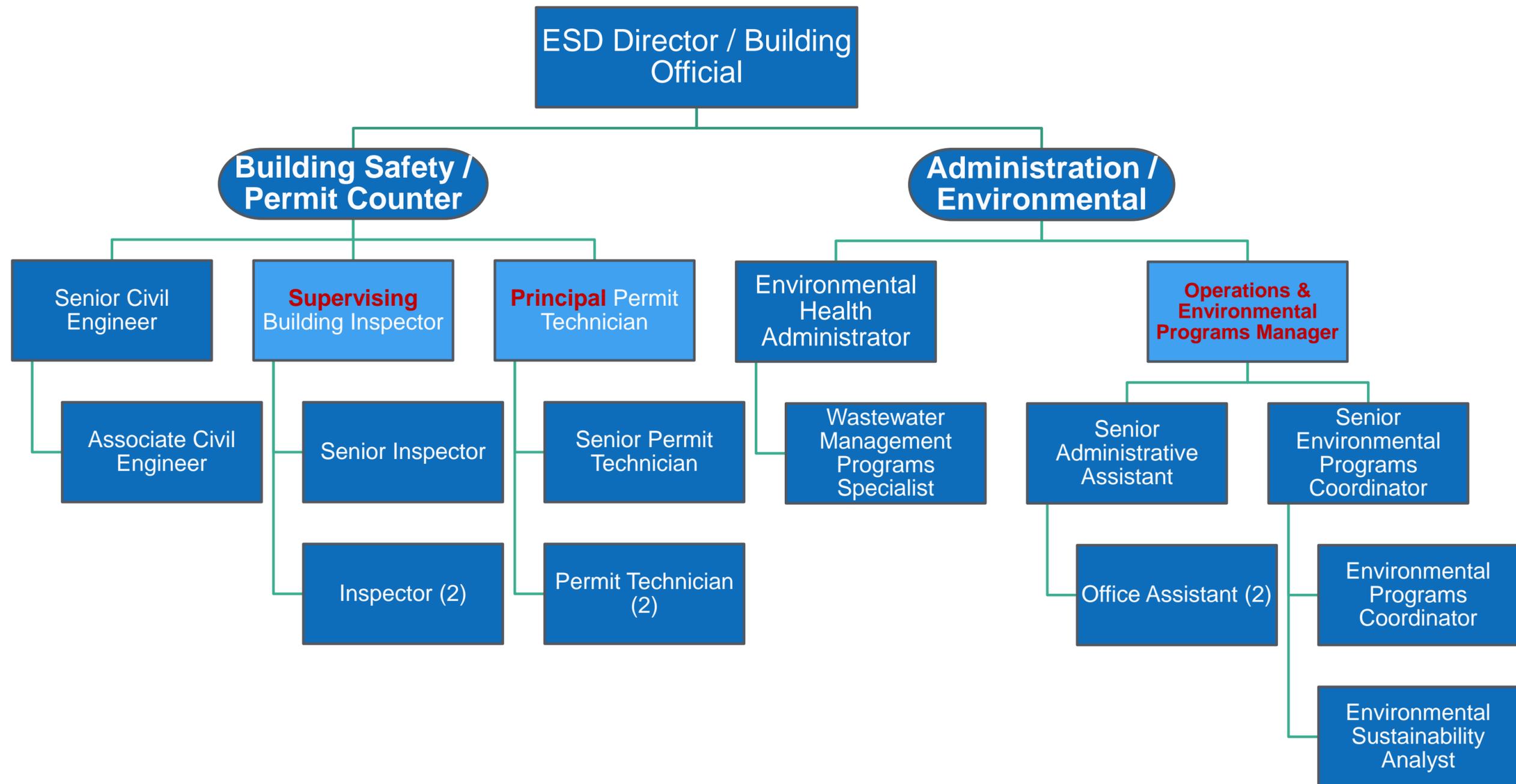
10-Year History



Current Organizational Chart



Proposed Organizational Chart



Program Realignment

General Administration

- Grant Management
 - Budget Analysis
- Webpages/Social Media
 - Public Inquiries
 - Code Adoptions, Ordinances and Resolutions
- Contract Management
 - Legal Deadlines and Review
- Compliance and Reporting
- Outreach and Education
 - Records Requests

OWTS

- Pumpers
- Designers
- Inspectors
- Installers
- Operation and Maintenance Providers
- Enforcement

Environmental

- Energy
 - Water Conservation
- Pollution Prevention
- Waste Reduction
 - Coastal
- Outreach and Events

Needs and Adjustments

• Workflow

- ● Focused oversight – internal and in-field
- ● Improve project turnaround – fluid workflow
- ● Cohesive team – clear communication

• Workload

- ● Boost employee morale – growth and mentoring
- ● Balance workloads and functionality
- ● Retain staff – morale, commitment, and longevity

• Recommended Reorganization

• Improve quality and customer service – Building Safety Division:

- ● Convert Deputy Building Official to Senior Civil Engineer
- ● Retitle Senior Building Inspector to Supervisor
- ● Create Principal Permit Technician (internal recruitment)
 - ● Create Program Manager – (internal converted position)
 - ▫ Provides administrative oversight
- ● No additional FTE

ESD Budget Summary

Minimal Fiscal Impact, No Increase in Staff

With Reorganization		
Program	Adopted FY 2021-22	Proposed FY 2022-23
Building Safety	2,634,484	\$2,646,606
Building Safety – Dark Sky Implementation	135,000	500,000
Wastewater Management	767,477	632,056
Clean Water	1,182,438	1,307,508
Solid Waste Management	260,059	552,078
Total	\$ 4,844,458	\$ 5,638,249

With Reorganization		
Program	FTE Adopted FY 2021-22	FTE Proposed FY 2022-23
Building Safety	13.75	11
Building Safety – Dark Sky Implementation		2
Wastewater Management	3.75	3
Clean Water	2.05	3
Solid Waste Management	.45	1
Total	20	20

ESD Summary Outcomes

- The Director will be able to further focus on council priorities, the development of new programs, ordinances, and innovative solutions for City improvements while keeping consistency within the Department.
- These positions will be better able to work together for a more fluid, efficient, defined workflow, and with the combined efforts of the new positions and the re-titled staff there will be more oversight in the field, quicker turnaround times, quality control at the public counter, and most importantly enhanced customer service.
- Allow for more upward mobility, and employee growth while increasing morale and keeping long-term employees with historical knowledge.



April 27, 2022

City of Malibu

Planning Department Overview
Proposed Budget 2022-23

Proposed Reorganization

Review

Reviewed over 15 years of Department practices including residents and applicants concerns, and reviewed City Council Work Plan Items

Identify

Identified issues and needs in order to fulfill Department goals and projects within Citywide Work Plan

Adjust

Restructure Department to accomplish Work Plan items and overhaul the Department's operations

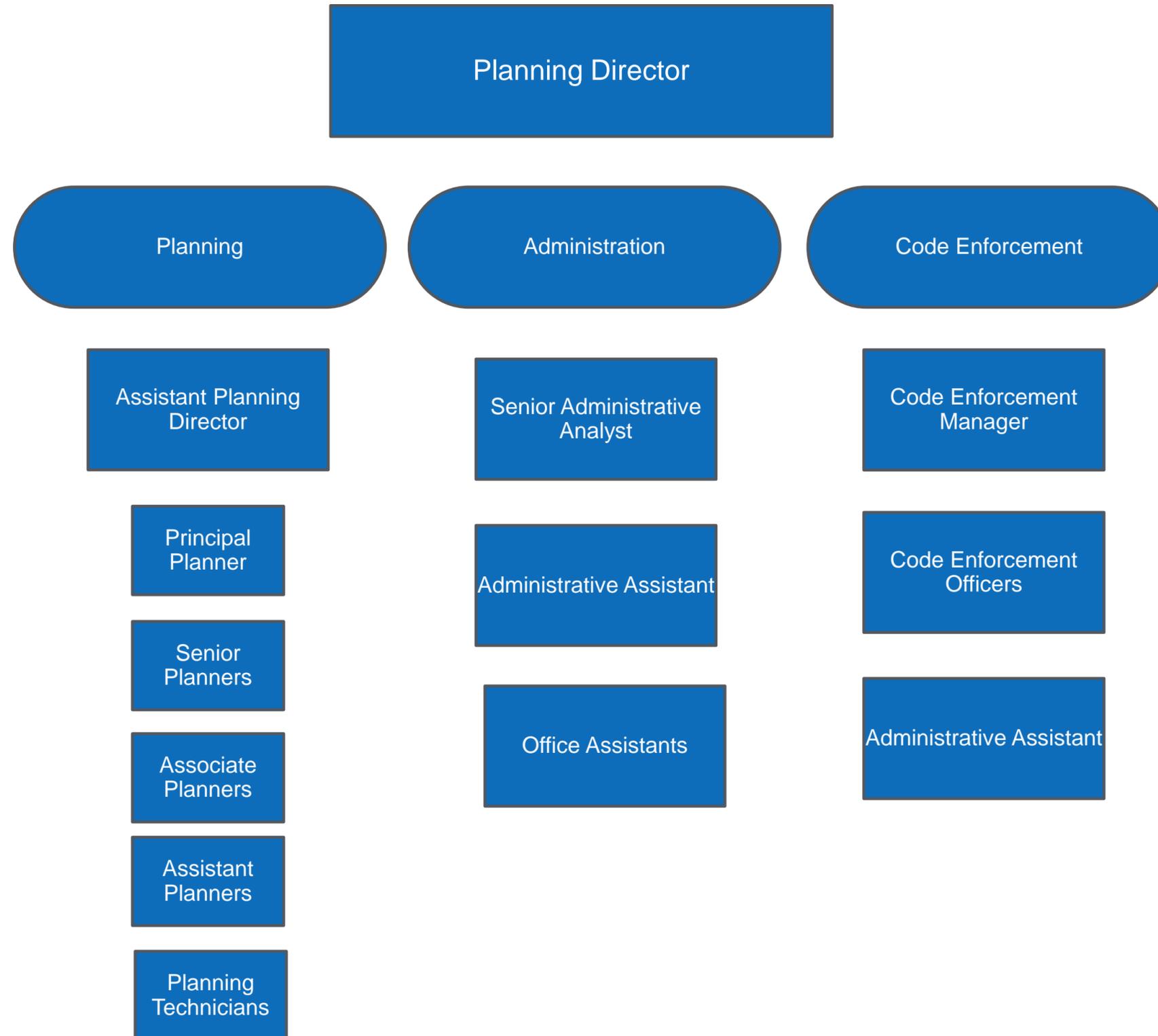
GOALS

- Achieve Council's Work Plan items
- Address residents' and applicants' regarding the planning process
- Maintain a balance between current and advanced planning needs
- Provide high levels of customer service
- Provide live data to City Council and members of the public to improve transparency
- Improve productivity and efficiency
- Improve Code Compliance
- Improve staff retention
- Reduce reliance on consultants

TASKS

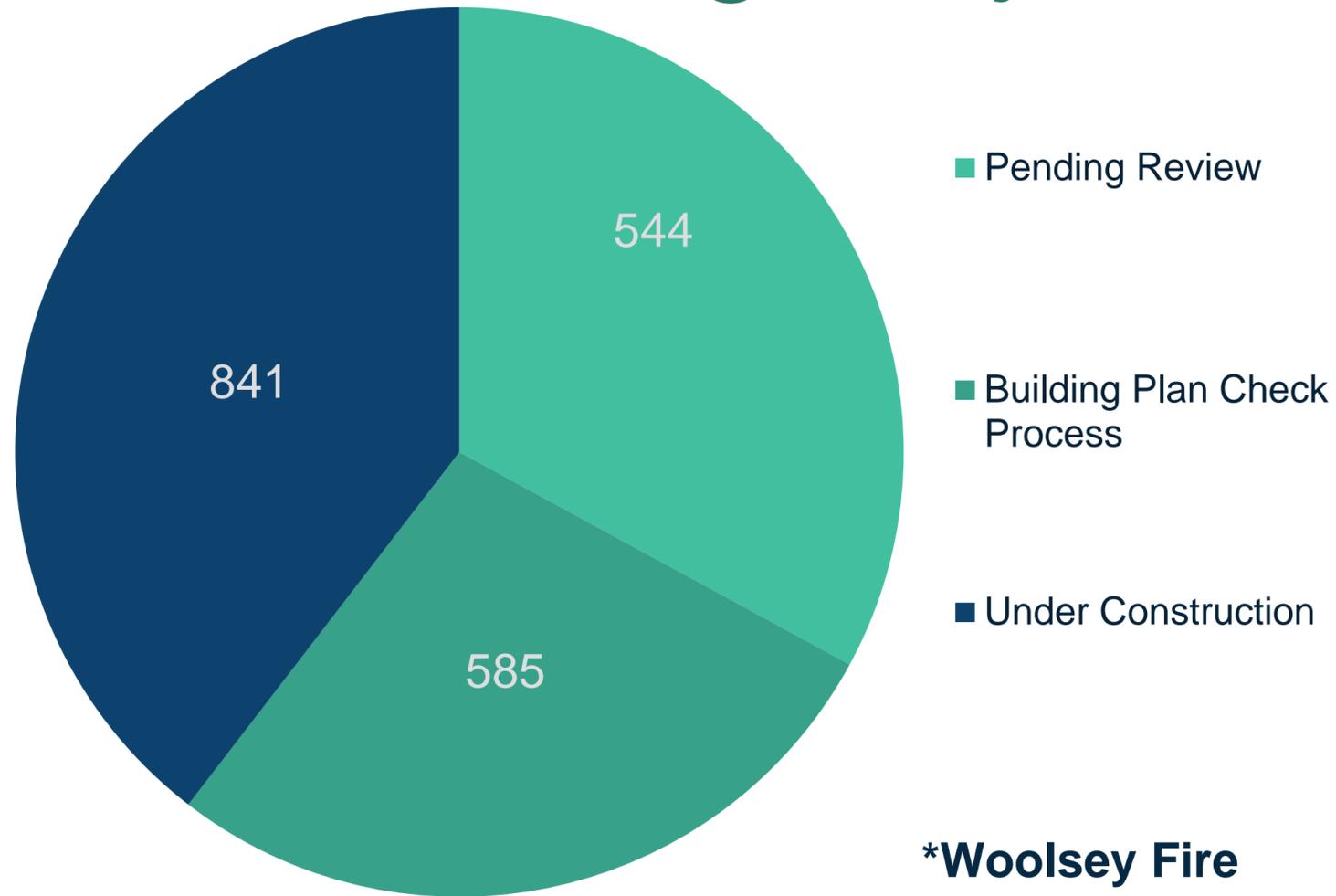
- Restructure Department
 - Create a Special Projects/ Advance Planning Team
 - Create two Current Planning Teams
 - Create Development Services Manger position to address residents'/applicants' concerns
- Implement staffing plan to allocate adequate resources (reduce caseload)
- Evaluate technology to improve planning process and increase transparency
- Create, maintain, and provide data-driven metrics to drive decisions
- Improve staff retention through reorganization, training, and development

Current Organizational Chart



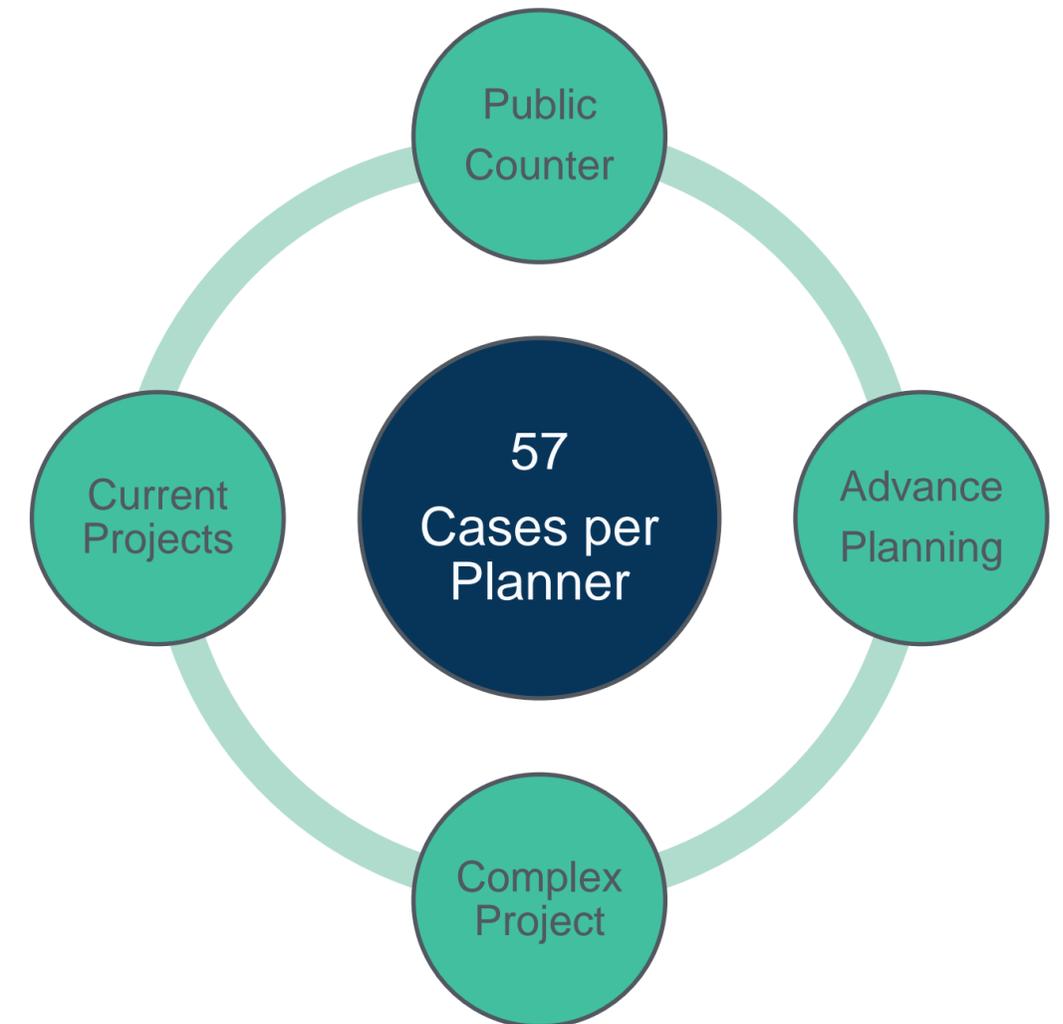
Department Statistics

1,970 Planning Projects



***Woolsey Fire Projects**

544 Active Projects



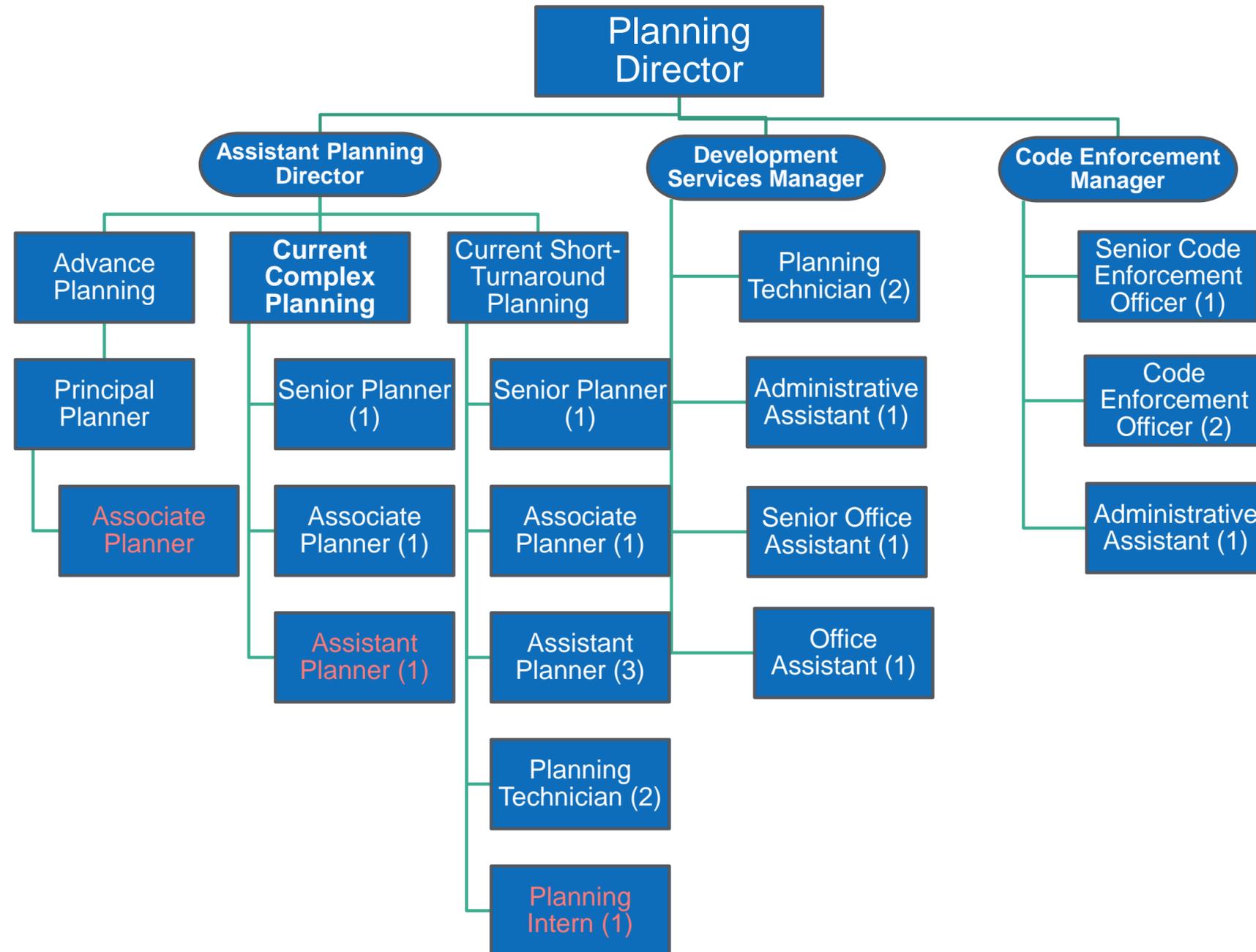
Operations - Overview

Planning Activity Report	FY 20-21	FY 21-22 (YTD)	FY 21-22 Projection
Fire Rebuild Applications Received	297	161	214
Fire Rebuild Decisions Issued	208	115	229
Applications Received	632	557	743
Decisions Issued	498	445	593
Planning Commission Resolutions	68	43	51
City Council Resolutions / Ordinances	26	21	24
Conformance Letters Issued	250	124	165
Processed Applications through Building Process	1389	1137	1516

Operations – Overview Cont'd

Activity Report	FY 20/21	FY 21/22 (YTD)	FY 21/22 Projection
Public Records Request	515	376	501
Documents Digitized	9,246	6,196	8,261
Commission/Board Meetings	42	32	41
Commissions/Boards Documents	868	505	647
Legal Notices	199	73	100
Cases Opened	351	157	209
Cases Closed	103	92	122

Proposed Organizational Chart



Proposed Planning Specializations

Current Planning

- In-Person Counter Services
- Planning Hotline
 - Event Permits
- Commercial Use Clearances
- Minor Code Violations
 - Over-the-Counter Applications
 - Solar Permits
- Minor Plan Review Applications

Complex Current Planning

- Coastal Development Permits Applications
 - New Homes
- Major Remodels
 - Commercial Development
- Capital Improvement Projects
- Complex Code Violations

Advanced Planning

- City Council Work Plan
- Zoning Text Amendments
- Local Coastal Program Amendments
- Environmental Review
- General Plan Updates
 - Inter-Agency Coordination

Proposed Administrative Specializations

NEW Development Services

- ***NEW Improvement Measures**
- E-Submittal Services
- Online Project Tracking
 - Online Statistics & Reports
- Development Database
 - Public Outreach
 - Website
- Woolsey Fire Rebuild Program
 - Project Tracking

Commissions/Board

- Planning Commission
- Environmental Review Board
 - Legal Notices
 - CEQA Filings
- Notices of Final Local Actions
 - Appeals

General Operations

- Public Records Request
- Records Management
- Online Records Portal
 - Budget / Contract Administration
 - Council Reports
- Records Management
 - Public Inquires

Achieve FY 2022-23 Department Goals

• Restructure Department over a 3-Year Period

- • Advance Planning Team
- • Two Current Planning Teams
- • Create Specializations

• FY 2022-23 Staffing

- Add one Associate Planner to Advance Planning Team
- Add one Assistant Planner to Complex Current Planning Team
- Add one Planning Intern to Current Planning Team

- Total 3 FTE Positions

• Goals and Implementation Measures

• Customer Service

- Development Services Manager
- Specialized E-Submittal Team
- Applicant / Community Outreach
- Application Process Handouts & Flowcharts
- Online Application Submittals

• Transparency

- Planning Metrics & Online Data
- Online Project Tracking
- Open All-Applicant Training Sessions

• Staff Development and Retention

- Reduce Cases Per Planner
- Staff trainings

• Code Compliance

- Post-Decision Compliance Monitoring
- Zoning Code Updates to Reduce Planning Director Interpretations

Planning Department Budget Summary

Budget		
Program	Adopted FY 2021-22	Proposed FY 2022-23
Planning	3,025,499	3,353,181
Code Enforcement	623,926	636,126
Total	\$3,649,425	\$3,989,307

Staffing		
Program	FTE Adopted FY 2021-22	FTE Proposed FY 2022-23
Planning	18	21
Code Enforcement	5	5
Total	23	26

Planning Department Summary Outcomes

- The Director will be able to further focus on Council priorities, the development of new programs, ordinances, and innovative solutions to improve the Department to achieve the City Council goals.
- Balance competing needs: 1) advance planning / City Council Workplan and 2) processing of current planning applications including counter service, the review of applications, public hearings, and condition compliance.
- Reallocate resources to improve the planning process, data sharing, and overall customer service.
- Make investment to retain knowledgeable staff .



April 27, 2022

City of Malibu

Capital Improvement Projects Overview
Proposed Budget 2022-23

CAPITAL IMPROVEMENT PROJECTS CONSTRUCTION

- 2022 Annual Street Maintenance
- PCH Median Improvements – Webb Way to Puerco Canyon Road
- PCH Signal Synchronization System Improvements
- Marie Canyon Green Streets
- CCWTF Phase Two
- Westward Beach Road Repairs
- Permanent Skate Park
- Bluffs Park Shade Structure
- Vehicle Protection Devices
- Latigo Canyon Road Retaining Wall Repairs
- Trancas Canyon Park Repairs
- Broad Beach Road Water Quality Repairs
- Encinal Canyon Road Repairs
- Malibu Road Slope Repairs
- Westward Beach Road Shoulder Repairs
- Coast View Storm Drain Improvements

16 Projects
Total = \$33.3 million

CAPITAL IMPROVEMENT PROJECTS CURRENTLY BEING DESIGN

PCH Intersection
Improvements –
Trancas Canyon
Right Turn Lane
(CIP)

Clover Heights
Storm Drain
Improvements
(Disaster CIP)

Outdoor Warning
Sirens
(Disaster CIP)

Storm Drain Master
Plan
(Disaster CIP)

4 Projects
Total = \$1.0 million

CAPITAL IMPROVEMENT PROJECTS NEW PROJECTS

- Malibu Bluffs Park South Walkway Repairs
- Trancas Canyon Park Playground Resurfacing
- PCH Cross Walk Improvements at Big Rock Drive and 20326 PCH
- PCH Median Improvements at Paradise Cove and Zuma Beach
- Kanan Dume Biofilter
- Storm Drain Trash Screens Phase Two
- City Traffic Signals Backup Power
- Malibu Canyon Road Traffic Study

8 Projects
Total = \$740,000

PENDING CAPITAL IMPROVEMENT PROJECTS

FY 2022-2023 Work Plan includes seeking grants and other funding sources for the following projects:

- PCH Utility Undergrounding
- PCH at Las Flores and Rambla Pacifico Intersection Improvements
- PCH Improvements from City Limits to Cross Creek Road
- Pedestrian Signal at 22523 PCH
- City Hall Solar Project

The City will also continue to pursue state and federal infrastructure funding for the Civic Center Water Treatment Facility Phase 2

GENERAL FUND GRANT PROGRAM



FY 2019 - 2020



FY 2020 - 2021



FY 2021 - 2022



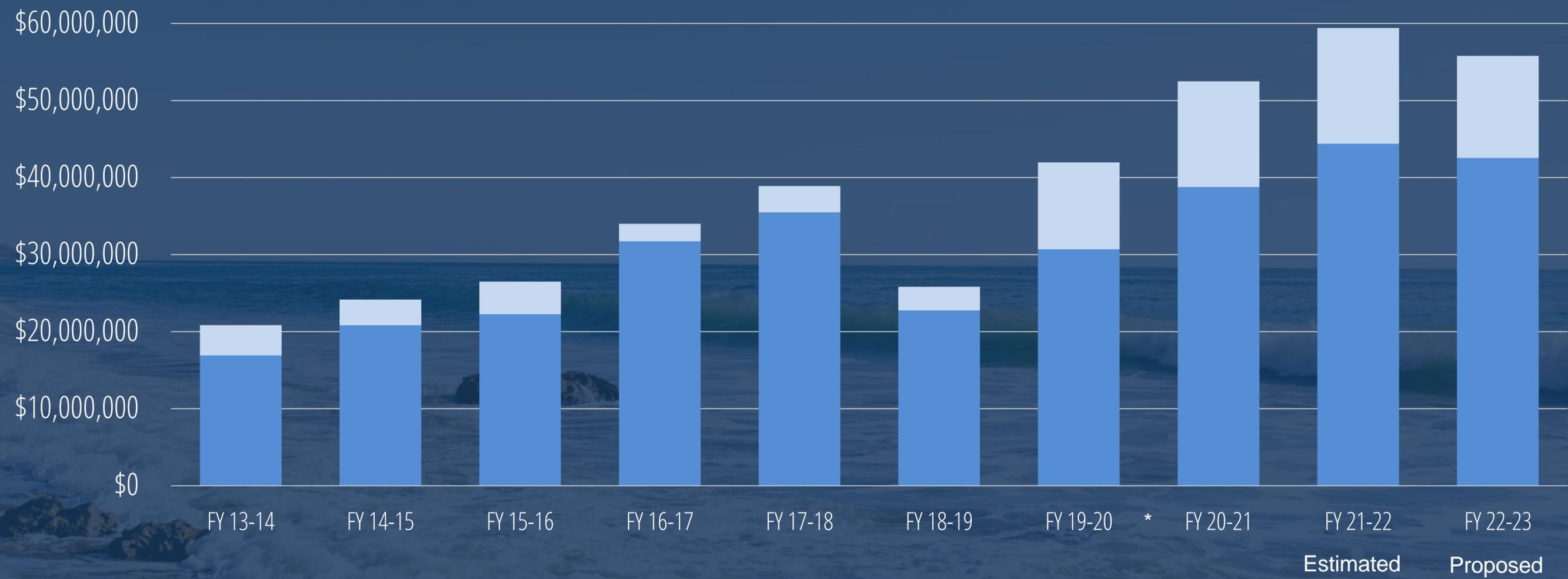
FY 2022 - 2023

Proposed Budget for 2022-23 includes \$150,000 for the General Fund Grant Program

GENERAL FUND RESERVES

● Undesignated Reserve

● Designated Reserve



* Designated Reserves increased in FY 19-20 with the one-time SCE Woolsey Fire Settlement

GENERAL FUND BALANCE INFORMATION

Reserve Type	June 30, 2021 (audited)	June 30, 2022 (estimated)	June 30, 2023 (projected)
Undesignated	\$38,767,400	\$28,868,257	\$42,551,500
Designated	\$8,569,600	\$9,540,100	\$9,648,900
SCE Woolsey Fire Settlement	\$6,559,500	\$5,948,200	\$5,234,171
FEMA Liability	(\$1,400,800)	(\$ 388,200)	(\$1,635,637)
Total General Fund	\$52,495,800	\$59,428,800	\$55,798,942

SUMMARY and NEXT STEPS

- Proposed Budget Invests in Council's Top Priorities with an emphasis on:
 - Staffing, Technology, Protection of Natural Resources
 - Strong reserves support fiscal stability and sustainability
 - Focus on key departmental reorganizations and employee investments
 - Comprehensive Capital Program
- Administrative and Finance Subcommittee May 2-3
 - General Fund Grant Applications
 - Proposed Budget Discussions
- Public Hearing – May 23
- Budget Adoption – June 13