



ADOPTED BUDGET  
FISCAL YEAR 2011-2012

# APPENDIX



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# GARDENA, CA CITY OF OPPORTUNITY

*Consistent and Continuous Progress  
Toward a Higher Quality of Life*

## FIVE YEAR ACTION PLAN 2011-2016

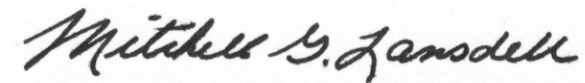
# FIVE -YEAR PLAN UPDATE

## Message from the City Manager

*The City Council adopted the first Five-Year Plan in 2002 to implement a strategy to pull the City out of financial debt and looming bankruptcy. Establishing a Mission and Vision Statement united elected leadership, employees and employee labor groups to cut expenditures to within available revenues, preserve jobs, and maintain service levels. By 2003 the General Fund deficit was eliminated. By 2007, the City had regained both Moody's and Standard & Poor's credit ratings, launched building a new state-of-the art transit facility, held the first Jazz Festival, upgraded the City Council Chambers, initiated District Policing and progressed in many areas of public service and workforce excellence.*

*The 2007-2012 Plan focused more intently on consistent and continuous progress toward the objectives identified for both community and organizational core values. The 2007-2012 Plan is now in its fifth year and the City has achieved much. The integrity and focused leadership of the City has resulted in a high level of public confidence, so much so that the elected incumbents faced no opposition in the last election.*

*City leadership and dedication to public service is clearly evident in the many objectives already achieved and in the work plan outlined for the 2011-2016 Action Plan.*



Mitchell G. Lansdell, City Manager

### ACTION PLAN 2011-2016

<b>ACCOMPLISHMENTS</b>	<i>July 2009 - June 2011</i>	<i>(24 months)</i>
<b>SHORT-RANGE OBJECTIVES</b>	<i>July 2011 - December 2012</i>	<i>(18 months)</i>
<b>MID-RANGE OBJECTIVES</b>	<i>January 2013 - June 2014</i>	<i>(18 months)</i>
<b>LONG-RANGE OBJECTIVES</b>	<i>July 2014 - June 2016</i>	<i>(24 months)</i>



# A Higher Quality of Life

*... through Consistent and Continuous Progress*

- **MISSION STATEMENT**

The City of Gardena is committed to maintaining an efficient, and effective government that ensures the highest quality of life, a safe and attractive environment, and a sound economic future.

- **VISION STATEMENT**

We envision Gardena as one of the most desired communities in which to live, do business, work, and play in the South Bay.



## CORE VALUES

- **Community Values**

- Safe Community Environment
- Sustainable Economic Development
- Attractive and Livable Neighborhoods

- **Organization Values**

- Fiscal Accountability
- Workforce Excellence
- Community Involvement



# A Higher Quality of Life

*... through Consistent and Continuous Progress*

## COMMUNITY VALUES

- **Safe Community Environment**
- **Sustainable Economic Development**
- **Attractive and Livable Neighborhoods**



## **COMMUNITY VALUES ... SAFE COMMUNITY ENVIRONMENT**

### **ACCOMPLISHMENTS (2009-2011)**

- Public Safety Initiative (Video Camera Project) - Completed Phase I
- Implemented District Policing
- Enhanced Crime Mapping & real time information systems
- Employee – Emergency (NIMS/SIMS) Training
- Citizen Emergency Response Training (CERT) – throughout community
- Improved Crime Scene Investigation Protocols
- Disabled Barrier Removal Project
- Traffic Signal Safety Upgrade (pedestrian countdowns)
- Sewer System Upgrades
- Dedicated additional staff resources and completed street, curb, sidewalk & tree hazards repairs
- Secured grant funding for five additional police officers to bring sworn force to total to 95
- Coordinated over 200 community meetings yearly in 2008/2009/2010
- Created an Interactive Web Site and On-Line Crime Reporting
- Applied new technology to crime prevention and resolution to decrease crime rates
- Added two license plate reader (LPR) cameras to the fleet
- Added two full-time employees to Narcotic Task Forces (LA-IMPACT and South West Borders)
- Completed LEED Certified Transportation Facility – 2009
- Transportation and Police Department coordinated efforts to provide site security for new facility
- Upgraded the digital video systems in police vehicles



## **COMMUNITY VALUES ... SAFE COMMUNITY ENVIRONMENT**

### **SHORT - RANGE OBJECTIVES (2011 – 2012)**

- Mitigate Flooding Conditions
- Improve Sidewalks
- Install Traffic Signal Rosecrans Avenue and Purche Avenue
- Upgrade Police Radio Communications System
- Enhance the Transportation Camera Surveillance System by installing additional facility cameras and integrating the system with the GPD surveillance system
- Increase police visibility through District Police Model and involvement in community meetings
- Implement Adopt-a-Block Program to utilize the eyes and ears of people in the community for graffiti and other criminal activity
- Continue with participation in the LA-IMPACT and South West Borders task forces to combat area-wide crime and narcotic trafficking
- Maintain force of 95 police officers
- Purchase a specialized vehicle through grant funds
- Increase the use of DNA collection for identification of criminals
- Expand the Video Policing Initiative project throughout the City
- Improve Property and Evidence Storage Rooms to include more advanced cataloging & storage systems
- Improve evidence collection procedures to include bar coding for all property and evidence held
- Improve security in the police facility through video and doorway improvements



## **COMMUNITY VALUES ... SAFE COMMUNITY ENVIRONMENT**

### **MID - RANGE OBJECTIVES (2013 - 2014)**

- Implement Building Development Safety and Security Standards
- Continue Street and Sidewalk Improvements Citywide
- Implement camera system on all buses to enhance transit security.
- Procure and Install Bus Stop Security Lighting System
- Replace Transportation Department Communications System
- Establish Police video command center and real-time crime center

### **LONG - RANGE OBJECTIVES (2014 - 2016)**

- Implement Program to Abate Seismically Hazardous Buildings
- Develop Plan and obtain funding for new police facility



## COMMUNITY VALUES

### ... SUSTAINABLE ECONOMIC DEVELOPMENT

#### ACCOMPLISHMENTS (2009-2011)

- Expanded partnerships with local business for youth worker training and employment placement
- City departments participated in the Gardena One-Stop Summer Youth Employment Program (SYEP)
- Completed Western Avenue façade improvements
- Developed a *Business to Business Directory* to promote businesses within the City
- Developed and Launched a business oriented website
- Launched **Shop Gardena First** marketing campaign to support local businesses
- Created New Business Information Packet
- Acquired \$800,000 HOME grant to rehabilitate aging housing stock
- Acquired \$400,000 Brownfield Grant for assessment and development of Brownfield sites
- Expanded Gardena One-Stop Employment and Training Center services with new computers, training room and offices for additional staff
- Increased employment placements and training with increased federal funding



## **COMMUNITY VALUES**

### **... SUSTAINABLE ECONOMIC DEVELOPMENT**

#### **SHORT-RANGE OBJECTIVES (2011- 2012)**

- Departments to participate in Summer Youth Employment Program
- Develop incentives for meeting low moderate housing needs
- Develop a marketing plan for commercial façade improvements
- Develop strategic marketing plan to attract and assist development in key locations
- Create Incentives for developing green buildings

#### **MID-RANGE OBJECTIVES (2013 - 2014)**

- Marketing of city owned properties – for sale/development
- Establish expedited developer plan approval processes
- Establish expedited plan check process to reduce time and cost for developers
- Acquire new grants for additional funding of economic development efforts
- Identify and provide tools & incentives that increase business expansion on Rosecrans corridor

#### **LONG-RANGE OBJECTIVES (2014 - 2016)**

- Develop and implement a Specific Plan for Rosecrans corridor
- Create new attractive affordable housing in the City
- Pursue development opportunities that leverage financial resources



## **COMMUNITY VALUES**

### **... ATTRACTIVE, LIVABLE COMMUNITY**

#### **ACCOMPLISHMENTS (2009-2011)**

- Upgraded City Hall offices for ADA compliance, customer service and attractive appearance
- Re-initiated a Skateboard Park Committee, community meetings; designed two skateboard parks.
- Obtained ARRA funding to replace old cooling system at Police Department (summer 2011)
- Obtained ARRA funding to replace facility windows energy savings (summer 2011)
- Aggressively eradicated graffiti, pursued, and convicted major offenders
- Staffed one School Resource Officer position in partnership with LAUSD
- Implemented Business License Enforcement Program through Code Enforcement
- Obtained \$10.4 million in federal discretionary funding to purchase 35 - 40' electric hybrid buses
- Expanded bus services by adding new bus line service on El Segundo Blvd to Green-Line - June 2009
- Obtained TCSP grant for road repairs to Rosecrans corridor
- With federal grant promoted energy savings on internet and developed information DVD
- Replaced all City street name signs with larger print and City logo
- Upgraded signage at Police Department
- Installed prescription drop-off bin in front of police station



## **COMMUNITY VALUES**

### **... ATTRACTIVE, LIVABLE COMMUNITY**

#### **SHORT-RANGE OBJECTIVES (2011-2012)**

- Increase Code Enforcement Efforts Citywide
- Open Two New Skateboard Parks – summer 2011
- Implement Adopt-a-Block Program to Improve Neighborhood Standards & Neighborhood Leadership
- Implement Comprehensive bus service change to better meet customer needs - September 4, 2011
- Complete full fleet installation of bike racks on buses
- Renovate park buildings
- Provide incentives for neighborhood standards and leadership in maintaining standards
- Complete City Hall remodels for greater efficiency, customer service and professional look
- Continue to aggressively eradicate graffiti, trash, and unsightly public right-of-way areas
- Develop strategies to improve relationships and cooperative efforts with local schools
- Implement a graffiti tracking program with LAUSD
- Develop a master plan and search for alternative funding sources for upgrading all city facilities
- Complete the installation of new bus stop amenities at all major stops throughout the GMBL system
- Mail to all residents and businesses - “*Only You Can Save Energy*” information DVD (summer 2011)



## **COMMUNITY VALUES**

### **... ATTRACTIVE, LIVABLE COMMUNITY**

#### **MID-RANGE OBJECTIVES (2012 - 2014)**

- Continue dialogue with Gardena school officials to provide resources to educate students in municipal government process (GMBL)
- Develop incentives for green building standards
- Use Social Media to interact and inform citizens
- Enhance business friendly business licensing processing
- Streamline planning and building permit processing
- Develop a City Infrastructure Assessment Plan and funding strategies to upgrade and repair aging infrastructure, i.e. buildings, pool
- Develop a plan for the use of Park In Lieu funds to improve City park facilities

#### **LONG-RANGE OBJECTIVES (2014 - 2016)**

- Begin Phase I of multi-year GMBL bus replacement program
- Implement Park Facility Improvement Plan using Park In Lieu



# A Higher Quality of Life

*... through Consistent and Continuous Progress*

## ORGANIZATION VALUES

- **FISCAL SUSTAINABILITY**
- **WORKFORCE EXCELLENCE**
- **COMMUNITY INVOLVEMENT**



## **ORGANIZATION VALUES**

### **... FISCAL SUSTAINABILITY**

#### **ACCOMPLISHMENTS (2009-2011)**

- Improved Credit Rating - Dec 2009 S& P rating raised to **A-**
- Increased General Fund Reserve Balance to 20% as of June 30, 2010
- Updated and Implemented Cost-Allocation Plan (CAP)
- Updated Comprehensive Fee Schedule
- Negotiated and implemented cost-saving strategies with City labor groups in response to severe downturn in economy
- Diversified Investments for higher-yield
- Cancelled March 8, 2011, General Municipal Election, resulting in substantial cost savings
- Continued to receive annual Government Finance Officers Association (GFOA) awards for Comprehensive Annual Financial Report (CAFR)
- Successfully implemented bus fare increase in January 2010
- Implemented new Governmental Accounting Board Standards (GASB)
  - Other Post Employment Benefits (OPEB ) GASB 45
  - New Fund Balance Reporting - GASB 54
- Leveraged special revenue funds to maintain service levels during economic downturn



# **ORGANIZATION VALUES**

## **... FISCAL SUSTAINABILITY**

### ■ **SHORT-RANGE OBJECTIVES (2011-2012)**

- Update Fund Balance Policy – GASB 54
- Improve Fiscal Management – Eden Training
- Integrate payroll time entry with payroll certifications
- Update Fiscal Procedures/Train Departments
- Apply for \$1.1 million in COPS hiring grants
- Evaluate community needs and reduction in grant program funding for special needs groups
- Replace windows at City Hall with energy efficient products (ARRA funding)

### ■ **MID-RANGE OBJECTIVES (2013-2014)**

- Revise Chart of Accounts
- Review and update fund classifications, including trust funds
- Implement Cost-Benefit Analysis & Approval Process for New Program Initiatives
- Redefine Use/Dispose of Unused City Properties
- Implement On-Line and Kiosks Receipt of Payments
- Replace aging fleet vehicles

### ■ **LONG-RANGE OBJECTIVES (2014-2016)**

- Reduce Long-Term Debt
- Establish Sustainable Information Technology and Equipment Revolving Funds



## **ORGANIZATION VALUES**

### **... WORKFORCE EXCELLENCE**

#### **■ ACCOMPLISHMENTS (2009-2011)**

- Coordinated Effort with Labor Groups to sustain jobs & service levels during economic downturn
- Fully Implemented Permit and Licensing Services into One-Operation/cross-training
- Held City Employee Recognition Luncheon on City Hall Lawn
- Cross-trained staff on financial reporting
- Re-assigned staff to maintain park and recreational service levels within reduced budget
- Enhanced staffing levels with temporary workers paid through federally funded job programs
- Transportation moved to new expanded state-of-the art facility
- Transition to new Transportation Department management team, replacing long-term employee retirements Established one-stop center for permits, business & entertainment licensing , alarm and other permits
- Relocated Traffic, Parking and Code Enforcement to City Hall for easier customer service access



# **ORGANIZATION VALUES**

## **... WORKFORCE EXCELLENCE**

### ■ **SHORT-RANGE OBJECTIVES (2011-2012)**

- Update City Classification Plan for employee titles and pay rates
- Update Personnel Policies and Procedures
- Update Safety-Manuals & Safety Programs citywide
- Develop career ladders within position types to create promotional opportunities for succession as long-term employees retire
- Increase productivity citywide with upgrade of city financial and human resource software – train users citywide
- Customer Service Training – general and specific to job functions
- Fill unfunded and vacant positions as funding supports
- Implement Phase I of Information Technology Strategic Plan to ensure business continuity with off-premise E-mail services
- Improve Technology Infrastructure and Internet Services Redundancy
- Assess computer user competencies, set standards and provide training for greater productivity
- Standardize desktop computer operating systems and software applications
- Workstation Access Review and Acceptable Use Policy
- Replace aging vehicles in the fleet
- Remodel the jail to improve workplace environment and improve functionality



## **ORGANIZATION VALUES**

## **... WORKFORCE EXCELLENCE**

### ■ **MID-RANGE OBJECTIVES (2013-2014)**

- Re-build staffing levels for greater public service – as funding becomes sustainable
- Evaluate Employee Skill Competencies/Provide Training to Improve Work Productivity
- Management team building within departments and as an Executive Management Team
- Establish 360 degree evaluation program
- Information Technology - Technical Applications Training and Competency Standards
- Implement Information Technology Steering Committee
- Upgrade City Telecommunication Systems
- Smartphone Standardization and Security Policy
- Standardize forms citywide – implement electronic approval and signature process
- Establish Work Productivity Incentives Program

### ■ **LONG-RANGE OBJECTIVES (2014-2016)**

- Evaluate organization structure and consolidate operations based on customer needs
- 100 sworn police officers
- Information technology wireless applications study - remote access applications
- Conduct Technology Security Vulnerability Assessment and develop security policy
- Obtain user-friendly Webpage Content Management for Internet and Intranet Applications



## **ORGANIZATION VALUES**

### **... COMMUNITY INVOLVEMENT**

#### ■ **ACCOMPLISHMENTS (2009-2011)**

- Conducted over 200 Community Meetings/Year
- Launched New City Web Site for Information & Outreach
- Citywide Communications/Outreach/Alert System
- Citywide Events
  - Relay-for-Life, Jazz Festival, Food-Wine & Cigar Festival, Police Community Forums, Annual Gardena Beautiful Day, Heritage Festival, Concerts on the Lawn series, 4<sup>th</sup> of July Fireworks, Sister City Programs, Dr. Martin Luther King and Cinco de Mayo and other Commemorative Events
- Energy Conservation Outreach – DVD Distribution and web site with community input
- Participated in Wyland Foundation Mayor's Conservation Challenge
- Maintain close relationships with many civic & philanthropic organizations, public and private schools, adult school, churches, and other groups in the community
- City Clerk's Voter Advisory Board re-established with volunteers to work on vote by mail campaign, precinct realignment, voter education, candidate education, and student poll worker recruitment program for the 2013 General Municipal Election
- Highly effective volunteer programs providing thousands of annual service hours assisting with seniors meals-on-wheels, youth sports, Special Olympics, special events and more



## **ORGANIZATION VALUES**

### **... COMMUNITY INVOLVEMENT**

#### ■ **SHORT-RANGE OBJECTIVES (2011-2012)**

- Expand Intern and Volunteer Opportunities in All City Departments
- Designate a Press Information Representative for the City
- Adopt-A-Block Program
- Communicate emergency and service information via social media communications
- Produce and maintain the Gardena Directory for programs and services, beginning in 2012
- Continue to coordinate over 200 yearly community meetings

#### ■ **MID-RANGE OBJECTIVES (2013-2014)**

- Purchase a state-of-the-art mobile stage to be used in city-wide special events
- Conduct March 2013 General Municipal Election

#### ■ **LONG-RANGE OBJECTIVES (2014-2016)**

- Continue to expand District Policing by expanding community involvement

# STRATEGIC PLANNING

## ■ Community Values

- Safe Community Environment
- Sustainable Economic Development
- Attractive and Livable Communities

## ■ Organization Values

- Fiscal Accountability
- Workforce Excellence
- Community Involvement

*Consistent, Continuous, Progress*

*Consistent &  
Continuous Progress  
Toward a Higher  
Quality of Life*



2011 - 2012



2013 - 2014



2015 - 2016



**GARDENA, CA  
CITY OF OPPORTUNITY**

# Gardena City Council

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## **FISCAL POLICIES** **Adopted June 2008**



# City of Gardena

## Fiscal Policies, Adopted June 2008

### 1. BUDGET - GENERAL

- a. *City staff will present to the City Council a structurally balanced budget proposal that does not rely on “one-time” revenues; Annual recurring expenditures will be funded with annual recurring revenues.*
- b. *The City Council will by June 30<sup>th</sup> of each year adopt a structurally balanced operating and capital improvement spending plan for ensuing fiscal year.*
- c. *The City will align and amend as appropriate its operating and capital spending plan with its strategic action plan priorities and economic development plan.*
- d. *City staff will complete and present a quarterly Budget and Economic Condition Analysis to the Finance Committee; recommended budget adjustments will be submitted to the City Council for consideration and approval.*
- e. *The City will establish and maintain a General Fund Reserve equal to at least twenty percent (25%) of its annual General Fund operating budget. The amount will be revised annually and such funds will be expended only with the approval of the City Council.*

### 2. BUDGET – REVENUE

- a. *Revenue projections will be based on multiple sources of information including but not limited to historical trends, federal, state and regional economic forecasts, service levels, changes in legislation and mandates and other statistical resources generally available.*
- b. *The City will develop and incorporate into each spending plan revenue and expenditure projections for five (5) additional years into the future and amend the projection annually as part of budget review.*
- c. *When projecting revenues, the City will take into consideration the diversity, volatility and stability of its revenue stream and will as much as possible base its core operating cost on historically stable revenue sources.*
- d. *The City will stabilize its revenue base by forecasting its annual operating expenditures on diverse revenue sources and limiting revenue growth projections in each revenue category.*
- e. *Revenues received in excess of the budgeted projections will be used for one-time expenditures or set aside as reserve.*

### **3. BUDGET - EXPENDITURES**

- a. *The City will establish benchmarks for service delivery, employee salaries and compensation, that are based on best practices in public service and will implement performance based budgeting within the next three years.*
- b. *Expenditure will be budgeted realistically for each expenditure category and can be adjusted internally as may become necessary but will not exceed appropriation limits.*
- c. *Contingency funds will be included in the annual budget to provide funding for unanticipated operating cost increases, one-time purchasing opportunities and one-time emergency expenditures to repair equipment and facilities. Unexpended funds will carry-over to the next fiscal year.*
- d. *In considering reductions in service levels, program cuts, or staffing reductions the City will first assess options to improve operational efficiencies and for developing additional revenues to cover the cost to continue the existing level of public service within existing Budget Policies.*

### **4. BUDGET - EXPENDITURES**

- a. *Limiting Cost with Fees for Service: Certain services are used selectively by a limited number of participants and therefore are not mandated City services. These services are provided based on individual interest and are provided only as funding is available. To fund these programs without limiting basic services necessary for the general public, the City will perform a cost analysis to identify the City's fully burdened cost for providing those services and to the extent reasonable set the fee based on full cost recovery. Such fees shall be updated frequently to ensure that the fees are reflective of actual City costs for the delivery of services.*
- b. *Unexpended funds within in a fiscal year will be held in reserve or appropriated for one-time expenditures.*

### **5. BUDGET – CAPITAL IMPROVEMENT BUDGET**

- a. *Capital improvements will be financed primarily through special revenue funds, user fees, service charges, developer agreements when benefits can be specifically attributed to users of the facilities.*
- b. *The City will analyze the impact of capital improvements to ensure that operational and maintenance costs are balanced with on-going revenue to support facility operations.*

## **GLOSSARY**

### **ACCOUNTING SYSTEM**

The total set of records and procedures that are used to record, classify, and report information on the financial status and operations of an entity.

### **ACCOUNTS PAYABLE**

Amounts owing to private persons, firms, or corporations for goods and services received.

### **ACCOUNTS RECEIVABLE**

Amounts owing from private persons, firms, or corporations for goods and services furnished.

### **ACCRUAL**

Transactions and events are recognized as revenues/gains or expenses/losses when they occur, regardless of the timing of the related cash flows.

### **ADOPTION**

Formal action by the City Council that sets the spending path for the fiscal year.

### **ALLOCATION**

The practice of spreading costs among various cost centers on some predetermined reasonable basis (e.g., percentages) as opposed to distribution of expenses on a unit charge or direct identification basis.

### **ACTIVITY**

A specific unit of work or service performed.

### **APPROPRIATION**

An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

### **APPROPRIATION ORDINANCE**

The official enactment by the City Council establishing the legal authority for the City officials to obligate and expend resources.

### **ASSESSED VALUATION**

The estimated value placed upon real and personal property by the County Assessor as the basis for levying property taxes.

### **ASSETS**

The entries on a balance sheet showing all properties and claims against others that may be used directly or indirectly to cover liabilities.

### **AUDIT**

A systematic examination of resource utilization concluding in a written report. It is a test of management's internal accounting controls and is intended to:

- Ascertain whether financial statements fairly present financial positions and results of operations;
- Test whether transactions have been legally performed;
- Identify areas for possible improvements in accounting practices and procedures;
- Ascertain whether transactions have been recorded accurately and consistently; and
- Ascertain the managerial conduct of officials responsible for governmental resources.

### **BALANCE SHEET**

A statement purporting to present the financial position of an entity by disclosing its assets, liabilities, and fund equities as of a specific date. Under varying circumstances, assets are carried at "lower of cost or market," "cost less allowance for depreciation," etc.

### **BOND (Debt Instrument)**

A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.

### **BUDGET (Operating)**

A plan of financial operation embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceilings under which the City and its departments operate.

## **GLOSSARY**

### ***BUDGET CALENDAR***

The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

### ***BUDGET MESSAGE (City Manager's)***

A general discussion of the proposed budget presented in writing as a part of, or supplement to, the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the City Manager.

### ***CAPITAL ASSETS***

Assets of significant value and having a useful life of more than one year. Capital assets are also called fixed assets.

### ***CAPITAL BUDGET***

A plan of proposed capital expenditures and the means of financing them. The capital budget is enacted as part of the City's consolidated budget which includes both operating and capital outlays, and is based on a capital improvement program (CIP).

### ***CAPITAL IMPROVEMENT PROGRAM (CIP)***

A plan for capital expenditures to be incurred each year over a period of ten future years setting forth each capital project, the amount to be expended in each year, and the method of financing those expenditures.

### ***CAPITAL OUTLAYS***

Expenditures for the acquisitions of capital assets. Includes the cost of land, buildings, permanent improvements, machinery, large tools, rolling, and stationary equipment.

### ***CAPITAL PROJECTS***

Projects which purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

### ***CAPITAL PROJECTS FUND***

Used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

### ***CERTIFICATE OF DEPOSIT***

A negotiable or non-negotiable receipt for monies deposited in a bank or financial institution for a specified period and rate of interest.

### ***COMMODITIES***

Items of expenditure (in the operating budget) which after use, are consumed or show a material change in their physical condition, and which are generally of limited value and are characterized by rapid depreciation, i.e. office supplies and motor fuel.

### ***CONTINGENCY***

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

### ***CONTRACTUAL SERVICES***

Items of expenditure for services the City receives from an internal service fund or an outside company. Utilities, rent and maintenance service agreements are examples of contractual services.

### ***CONSUMER PRICE INDEX (CPI):***

A statistical description of price levels provided by the U.S. Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.

### ***DEBT SERVICE***

Payment of interest and repayment of principal to holders of the City's debt instruments.

### ***DEBT SERVICE FUND***

Used to account for the accumulation of resources for, and payment of, general long-term debt.

### ***DEFICIT***

- The excess of entity's liabilities over its assets (See Fund Balance).
- The excess of expenditures or expenses over revenues during a single accounting period.

### ***DEPARTMENT***

An organizational unit comprised of one or more divisions.

***DEPRECIATION*** Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

## **GLOSSARY**

- That portion of the cost of a capital asset, which is charged as an expense during a particular period.

### ***DEBT RATIO***

A ratio that indicates the proportion of debt compared to assets, calculated by dividing total debt by total assets.

### ***DIVISION***

A program or activity, within a department, that furthers the objectives of the City Council by providing services or products.

### ***ENCUMBRANCES***

Obligations in the form of purchase orders or contract commitments, which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is set up.

### ***ENTERPRISE FUND***

Separate financial accounting used for government operations that are financed and operated in a manner similar to business enterprises, and where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public be financed or recovered primarily through user charges, or where the governing body had decided that periodic determination of net income is appropriate for capital maintenance, public policy, management control, or other purposes (i.e. utilities and transit systems).

### ***EXPENDITURES***

Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

### ***FISCAL YEAR***

The City's fiscal year is based on the twelve-month period beginning July 1st and ending the following June 30th.

### ***FIXED CHARGES***

Items of expenditure for services rendered by internal operations of the City. Examples include: rental equipment, computer services, building rental, indirect operating expenses, and depreciation.

### ***FRINGE BENEFITS***

Included are employee retirement, social security, Medicare, health, dental, life insurance, workers' compensation, uniforms, and deferred compensation plans.

### ***FULL FAITH AND CREDIT***

A pledge of the City's taxing power to repay debt obligations (typically used in reference to General Obligation Bonds or tax-supported debt).

### ***FUND***

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

### ***FUND BALANCE***

The excess of an entity's assets over its liabilities. A negative fund balance is sometimes called a deficit.

### ***GENERAL FUND***

The fund supported by taxes, fees and other revenues that may be used for any lawful purpose. The general fund accounts for all financial resources except those required to be accounted for in another fund.

### ***GENERAL OBLIGATION BONDS***

When the City pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (G.O.) bonds. Sometimes the term is also used to refer to bonds, which are to be repaid from taxes and other general revenues. In California, G.O. bonds must be authorized by public referenda with two-thirds voter approval.

### ***INTERGOVERNMENTAL GRANT***

A contribution of assets (usually cash) by one governmental unit or organization to another. Typically, these contributions are made to local governments from the State and Federal governments. Grants are usually made for specified purposes.

### ***INTERNAL SERVICE FUND***

Funds used to account for the financing of goods or services provided by one department or agency to another department or agency within the same organization.

## **GLOSSARY**

### ***INVESTMENT***

Securities and real estate purchased and held for the production of income in the form of interest, dividends, rental or base payments.

### ***LIABILITY***

Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed or refunded at some future date; financial obligations entered in the balance sheet. NOTE: The term does not include encumbrances.

### ***MATURITIES***

The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

### ***MODIFIED ACCRUAL***

Revenues are recognized when measurable and available to liquidate liabilities of the current period. Expenditures are recognized when an event or transaction is expected to draw on current or available resources.

### ***MUNICIPAL CODE***

A book containing City Council Approved Ordinances currently in effect. The Code defines City Policy in various categories (i.e., building regulations, planning and zoning regulations, sanitation and health standards, and traffic regulations).

### ***OBJECT OF EXPENDITURE***

Expenditure classifications based upon the types of categories of goods and services purchased. Examples include:

- personnel services (salaries and wages)
- contractual services (utilities, maintenance contracts, travel)
- commodities
- fixed charges (rental of City equipment, City building rental)
- capital outlays

### ***OBJECTIVES***

Departmental statements describing significant activities to be accomplished during the fiscal year.

### ***OPERATING FUNDS***

Resources derived from recurring sources used to finance ongoing operating expenditures and pay-as-you-go capital projects.

### ***ORDINANCE***

A formal legislative enactment by the governing board (City Council) of a municipality. If it is not in conflict with any higher form of law, it has the full force and effect of law within the boundaries of the municipality to which it applies.

### ***PERFORMANCE MEASURES***

Specific quantitative measures of work performed within an activity or program (e.g., total miles of streets cleaned). A specific quantitative measure of results obtained through a program or activity (e.g., reduced incidence of vandalism due to new street lighting program).

### ***PERSONNEL SERVICES***

Items of expenditures in the operating budget for salaries and wages paid for services performed by City employees, the incident fringe benefit cost associated with City employment, and amounts paid to outside firms, consultants, or individuals for contract personnel services.

### ***PROGRAM***

An activity, or division, within a department, which furthers the objectives of the City Council, by providing services or a product.

### ***RATING***

The credit worthiness of a City as evaluated by independent agencies.

### ***REIMBURSEMENTS***

Payments remitted by another agency, department, or fund to help defray the costs of a particular service or activity for which some benefit was obtained by the reimbursing party. These amounts are recorded as expenditures, or expenses in the reimbursing fund and as a reduction of expenditures, or expenses, in the fund that is reimbursed.

### ***RESERVE***

An account used to indicate that a portion of fund equity is legally restricted for a specific purpose, or set aside for emergencies or unforeseen expenditures not otherwise budgeted for. Reserve accounts can also be used to earmark a portion of fund balance to indicate that it is not appropriate for expenditures.

### ***RESOLUTION***

A special order of the City Council which requires less legal formality than an Ordinance in terms of public notice and the number of public

## **GLOSSARY**

readings prior to approval. A Resolution has lower legal standing than an Ordinance. The adopted operating budget is approved by Resolution and requires a majority vote of the Council members present at the time of adoption.

### **RESOURCES**

Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

### **REVENUE**

The term designates an increase to a fund's assets which:

- does not increase a liability (e.g., proceeds from a loan);
- does not represent a repayment of an expenditure already made;
- does not represent a cancellation of certain liabilities; and
- does not represent an increase in contributed capital.

### **REVENUE BONDS**

When a government issues bonds, which do not pledge the full faith and credit of the jurisdiction, it issues limited liability revenue bonds. Typically, pledges are made to dedicate one specific revenue source to repay these bonds. In addition to a pledge of revenues, such bonds sometimes may be secured by a lien against property.

### **REVENUE ESTIMATES**

A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year.

### **REVOLVING ACCOUNT**

A reserve account that is funded by the amortization of a capital asset value charged annually to the user department with the accumulated funds used to replace the asset when it has reached the end of its normal life cycle.

### **SALARIES AND BENEFITS**

An operating budget category which generally accounts for full-time and part-time salaries, overtime costs, and fringe benefits.

### **SOURCE OF REVENUE**

Revenues are classified according to their source or point of origin.

### **SPECIAL REVENUE FUND**

Used to account for the proceeds of special revenue sources that are

restricted by law (or administrative action) to expenditures for specific purposes.

### **SUPPLIES AND SERVICES**

This budget category accounts for all nonpersonnel, and noncapital outlay expenses (i.e., building/structure maintenance, contractual services, equipment maintenance, office supplies, small tool purchases, and utility costs).

### **TAXES**

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments. Neither does this term include charges for services rendered only to those paying such charges.

### **TRIPLE-FLIP**

The revenue formula the State of California imposed on local government. The formula modifies (flips) the rate of distribution of three (triple) revenue sources that are passed through and distributed by the State: property tax, sales tax and motor vehicle-in-lieu fees.

### **TRANSFERS IN/OUT**

Payments from one fund to another fund, primarily for work or services provided.

### **TRUST AND AGENCY FUND**

A type of fund that temporarily holds monies for other agencies or legal entities.

### **UNIT COST**

The cost required to produce a specific product or unit of service (e.g., the cost to purify one thousand gallons of water).

### **USER CHARGES (also known as USER FEES)**

The payment of a fee for direct receipt of a public service by the party benefiting from the service.

### **YIELD**

The rate earned on an investment based on the price paid.

## ABBREVIATIONS AND ACRONYMS

<b>AB</b>	Assembly Bill	<b>CLETEP</b>	California Law Enforcement Technology Equipment Program
<b>ABC</b>	Alcoholic Beverage Control	<b>CO</b>	Company
<b>ADA</b>	American Disabilities Act	<b>CO-ED</b>	Co-educational
<b>ADCRC</b>	Alzheimers Day Care Resource Center	<b>C of O</b>	Certificate of Occupancy
<b>AMBAC</b>	American Municipal Bond Assurance Corporation	<b>COLA</b>	Cost of Living Adjustment
<b>AQMD</b>	Air Quality Management District	<b>COPS</b>	Citizen Option for Public Safety
<b>ARRA</b>	American Recovery and Reinvestment Act	<b>CORP</b>	Corporation
<b>ASST</b>	Assistant	<b>CPI</b>	Consumer Price Index
<b>ATF</b>	Alcohol Tobacco and Firearms, US Bureau of	<b>CSBG</b>	Community Services Block Grant
<b>ATM</b>	Automated Teller Machine	<b>CSMFO</b>	California Society of Municipal Finance Officers
<b>AVE</b>	Avenue	<b>DEMO</b>	Demolition
<b>BHS</b>	Behavioral Health Services	<b>DEV</b>	Development
<b>BIT</b>	Biannual Inspection of Terminals	<b>DHS</b>	Department of Homeland Security
<b>BJA</b>	Bureau of Justice Assistance	<b>DIST</b>	District
<b>BLDG</b>	Building	<b>DMH</b>	Department of Mental Health
<b>BLVD</b>	Boulevard	<b>DOC</b>	Document
<b>CA</b>	California	<b>DUI</b>	Driving Under the Influence
<b>CAL OSHA</b>	California Occupational Safety and Health Act	<b>EAP</b>	Employee Assistance Program
<b>CALWORKS</b>	California Work Opportunity and Responsibility to Kids	<b>EDWAA</b>	Economically Dislocated Worker Adjustment Act
<b>CAPE</b>	Community Action Project for the Elderly	<b>E.G.</b>	For Example (Exempli Gratia)
<b>CDBG</b>	Community Development Block Grant	<b>ENF</b>	Enforcement
<b>CDE</b>	California Department of Education	<b>EPA</b>	Environmental Protection Agency
<b>CDPP</b>	County Delinquency Prevention Program	<b>ERAF</b>	Educational Relief Augmentation Fund
<b>CEO</b>	Chief Executive Officer	<b>ESA</b>	Environmental Site Assessment
<b>CEQA</b>	California Environmental Quality Act	<b>E &amp; T</b>	Education and Training
<b>CHGS</b>	Charges	<b>ETC</b>	Etcetera
<b>CINDEX</b>	Clerk's Index	<b>EXP</b>	Expense
<b>CIP</b>	Capital Improvement Projects	<b>FAU</b>	Federal Aid to Urban Areas
<b>CIS</b>	Continuous Improvement System	<b>FEMA</b>	Federal Emergency Management Agency
<b>CJSSP</b>	County Justice System Subvention Program	<b>FPPC</b>	Fair Public Practices Commission
<b>CLEEP</b>	California Law Enforcement Equipment Program		

## ABBREVIATIONS AND ACRONYMS

<b>G-CAN</b>	Gardena Community Action Network	<b>LLEBG</b>	Bureau of Justice Assistance Local Law Enforcement Block Grant Program
<b>GAAFR</b>	Governmental Accounting, Auditing and Financial Reporting	<b>LP</b>	Limited Partnership
<b>GAAP</b>	Generally Accepted Accounting Practices	<b>LAIF</b>	Local Agency Investment Fund
<b>GAAS</b>	Generally Accepted Auditing Standards	<b>LTD.</b>	Limited
<b>GASP</b>	Governmental Accounting Standards Board	<b>MAINT</b>	Maintenance
<b>GBAC</b>	Gardena Business Advisory Council	<b>MDC</b>	Mobile Data Computers
<b>GED</b>	General Education Development	<b>MDT</b>	Mobile Data Terminals
<b>GEPCO</b>	Gardena Employee Personal Computer Opportunity	<b>MGMT</b>	Management
<b>GFCC</b>	Gardena Family Child Care	<b>MGR.</b>	Manager
<b>GFOA</b>	Government Finance Officers Association	<b>MIC</b>	Management Information Center
<b>GIS</b>	Geographic Information System	<b>MISC.</b>	Miscellaneous
<b>GMBL</b>	Gardena Municipal Bus Line	<b>MMIC</b>	Municipal Mutual Insurance Company
<b>GMC</b>	Gardena Municipal Code	<b>MTA</b>	Metropolitan Transportation Authority
<b>GRADE</b>	Gardena Regional Anti-Drug Education	<b>N.A.</b>	National Association
<b>GRAGA</b>	Gardena Royal and Ancient Golf Association	<b>NPDES</b>	National Pollutant Discharge Elimination System
<b>GREAT</b>	Gang Resistance Education and Training	<b>NRC</b>	National Revenue Corp.
<b>HS</b>	Human Services	<b>OAA</b>	Older Americans Act
<b>HUD</b>	The U.S. Department of Housing and Urban Development	<b>OCJP</b>	Office of Criminal Justice Planning
<b>ICMA</b>	International City/County Management Association	<b>OJP</b>	Office of Justice Programs
<b>i.e.</b>	(Latin: id est) that is	<b>OSHA</b>	Occupational, Safety and Health Administration
<b>IMPR</b>	Improvement	<b>OTS</b>	Office of Traffic Safety
<b>INC.</b>	Incorporated	<b>PARS</b>	Public Agency Retirement System
<b>IND</b>	Industrial	<b>PERS</b>	Public Employee's Retirement System
<b>ISTEA</b>	Intermodal Surface Transportation Efficiency Act	<b>PK.</b>	Park
<b>JAG</b>	Justice Assistance Grant Program	<b>PL</b>	Place
<b>JR.</b>	Junior	<b>POP</b>	Problem Oriented Policing
<b>JT POWERS</b>	Joint Powers	<b>POST</b>	Police Officers Standards and Training
<b>L.A.</b>	Los Angeles	<b>PRIM</b>	Primary
<b>LACDACC</b>	Los Angeles County Department of Animal Care and Control	<b>PROG</b>	Program
<b>LACoFD</b>	Los Angeles County Fire District	<b>PROP 127</b>	Proposition 127: 1/2 cents of sales for public safety services (Public Safety Augmentation Fund)

## ABBREVIATIONS AND ACRONYMS

<b>PROP 40</b>	Proposition 40: California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002	<b>ST</b>	Street
<b>PSI</b>	Progressive Solutions, Inc.	<b>STEP</b>	Strategic Traffic Enforcement Program
<b>PT</b>	Part-time	<b>STEP</b>	Subsidized Transitional Employment Program
<b>RCC</b>	Regional Communication Center	<b>STIP</b>	State Transportation Improvement Program
<b>REC.</b>	Recreation	<b>STPLHG</b>	Surface Transportation Program Local Hazard Grant
<b>RFP</b>	Request for Proposal	<b>SUBVN</b>	Subvention
<b>SB</b>	Senate Bill	<b>SYETP</b>	Summer Youth Employment and Training Program
<b>S.B.R.P.C.A.</b>	South Bay Regional Public Communications Authority	<b>TDA</b>	Transportation Development Act
<b>SBWIB</b>	South Bay Workforce Investment Board	<b>TEA 21</b>	Transportation Equity Act for the 21st Century
<b>SCAG</b>	Southern California Association of Governments	<b>TECH</b>	Technical
<b>SCAMP</b>	Senior Community Action Meals Program	<b>TRANS</b>	Tax and Revenue Anticipation Notes
<b>SCAMP HD</b>	Senior Community Action Meals Program-Home Delivered	<b>TRAP</b>	Taskforce For Regional Auto Theft Prevention
<b>SCIBA</b>	Southern California International Business Academy	<b>TRG</b>	Training
<b>SDA</b>	Service Delivery Area	<b>TV</b>	Television
<b>SDCC</b>	Senior Day Care Center	<b>UHP</b>	Universal Hiring Program
<b>SLESF</b>	Supplemental Law Enforcement Services Fund	<b>US</b>	United States
<b>SPORTS</b>	Service Providing Opportunities through Recreational Training & Support	<b>USDOJ</b>	U.S. Department of Justice
<b>SR.</b>	Senior	<b>WIA</b>	Workforce Investment Act
		<b>WRG</b>	Waste Resources of Gardena
		<b>WOTC</b>	Work Opportunity Tax Credits
		<b>YMCA</b>	Young Men's Christian Association