BUDGET IN BRIEF
FOR FISCAL YEAR 2026-27

A Message from the City Manager

It is my distinct pleasure and privilege to share this Budget in Brief, which offers a transparent summary of our adopted Fiscal Year 2026-27 budget. This year's budget reflects our shared commitment to fiscal responsibility and sustainability. It is a balanced budget that protects our daily City operations while investing in vital capital projects, community resilience, and emergency stabilization efforts in the Greater Portuguese Bend Landslide Complex. We invite you to review this summary to see how your tax dollars are being put to work for our community.

— Ara Michael Mihranian, AICP

CITYWIDE BUDGET OVERVIEW



GENERAL FUND REVENUES

The General Fund, the City's primary operating fund, receives 61% of its operating revenue through property taxes and transient occupancy taxes.



45%	Property Taxes	$19 million
16%	Transient Occupancy Taxes	$6.9 million
11%	Permits & Fees	$4.6 million
8%	Other Taxes & Miscellaneous	$3.6 million
7%	Sales Taxes	$3 million
7%	Utility Users Taxes	$2.9 million
6%	Franchise Tax	$2.5 million

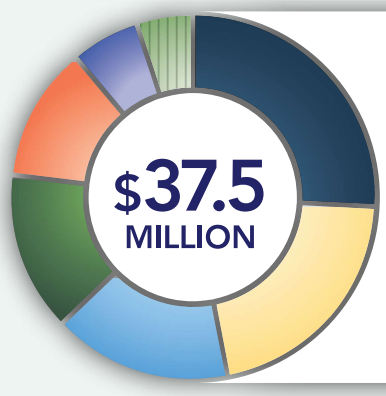


For every $1 of property taxes paid by Rancho Palos Verdes property owners, the City receives 6%, or 6 cents.

6%	City of Rancho Palos Verdes	(6¢)
24%	Los Angeles County	(24¢)
22%	Educational Augmentation	(22¢)
20%	Palos Verdes Peninsula Unified School District	(20¢)
17%	Consolidated Fire Protection District	(17¢)
5%	Other Districts	(5¢)
3%	Palos Verdes Library District	(3¢)
3%	LA Community College District	(3¢)

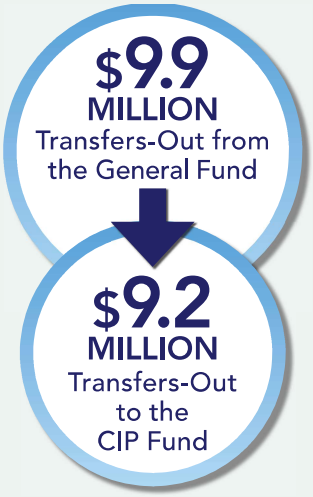
GENERAL FUND EXPENDITURES

The General Fund is for general operations and services. Public Safety and Public Works are the largest operating expenditures at 48% of the City's main fund.



27%	Public Safety	$9.9 million
21%	Public Works	$8 million
16%	City Administration	$6 million
14%	Recreation and Parks	$5.1 million
11%	Community Development	$4.4 million
6%	Non-Departmental	$2.4 million
5%	Finance	$1.7 million

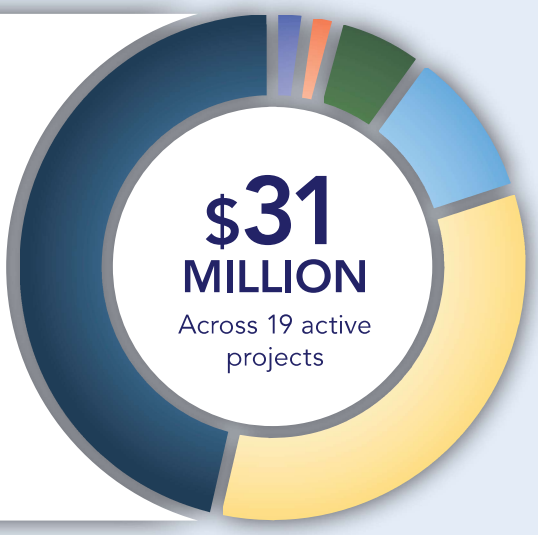
GENERAL FUND TRANSFERS



CAPITAL IMPROVEMENT PROGRAM

The City primarily funds capital maintenance and capital projects on a pay-as-you-go approach using Special Revenue Funds, Grant Funds, and General Fund transfers to the Capital Infrastructure Projects Fund, minimizing the need for debt financing. For Fiscal Year 2026-27, the City's Capital Improvement Program totals $31 million across 19 active projects. This work is funded by a combination of the local Capital Infrastructure Projects Fund ($11 million), and Special Revenue sources such as Gas Tax, Measures R and M, and Federal Grants ($20 million).

%	Project Category	# of Projects	Amount
47%	Roadway Improvement Projects	7	$14.4 million
34%	Landslide Improvement Projects	4	$10.6 million
10%	Sewer & Storm Drain Improvements	4	$3 million
6%	Abalone Cove Sanitary Sewer Projects	1	$1.8 million
2%	Building Improvements	2	$0.7 million
1%	Parks, Open Space & Recreation Facilities	1	$0.5 million



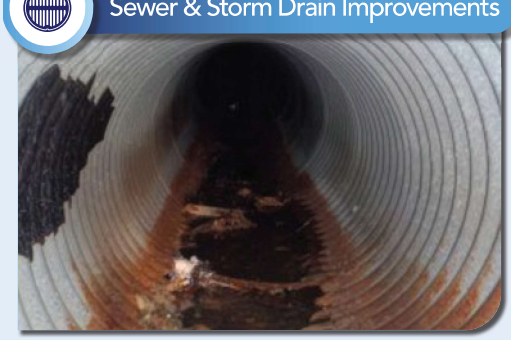
Roadway Improvements



Landslide Improvements



Sewer & Storm Drain Improvements



EMERGENCY LANDSLIDE RESPONSE

The Greater Portuguese Bend Landslide Complex represents one of the most dynamic local geological challenges in the United States. From October 2022 through June 2027, the City's total response costs related to landslide mitigation are projected at approximately **$72.1 million.** These investments have supported deep dewatering well operations, emergency winterization efforts, and roadway maintenance to reduce risks to neighborhoods and public utilities.

FISCAL SUSTAINABILITY

The City continues to restore its financial position following significant investments in emergency response and critical infrastructure. As part of the City Council's Fiscal Sustainability Goal, the City has improved available fund balances by $11.3 million (FY 2025-27) through increased revenues, reduced operating and capital expenditures, pursuing grant funding, and evaluating additional revenue opportunities.

