

MINUTES
BUDGET/PERSONNEL COMMITTEE MEETING
Wednesday, June 1, 2016
10:30 AM

The meeting was called to order at 10:30 a.m. by Chair Blackwelder.

AGENDA ITEM 1, Roll Call

Members Present: Chair Blackwelder,
Linda Scholink
Brian Ferrante
Mary Ann Carbone
Todd Bodem

Guest: Holly Temple, Sand City Arts Committee Member

AGENDA ITEM 2, Public Comment

10:31 a.m. Floor opened and closed to Public Comment. There were no comments from the Public.

AGENDA ITEM 5, Consideration & Discussion of Art Committee Budget for 2016-17 to include Juried Art Show was moved by consensus of the Committee

Committee Member Bodem reported that Sand City Arts Committee (SCAC) Chair Hubler presented a budget for the Juried Art Show the SCAC plans to host for next year. The Arts Committee plans to have an increase in revenue to offset the predicted expenditures for upcoming events. It was proposed to increase the FY 2016-17 budget expenses for the Arts Committee to \$16,000, and to increase the City revenue line item to \$10,000. Committee Member Scholink suggested that the Arts Committee bring a detailed budget each year that shows what the Committee plans on doing, their expenses, activities planned, and any revenues they may expect to receive so the City can approve it prior to the events taking place.

Committee Member Carbone further suggested that the structure of the Arts Committee and their budget needs to be reviewed. There was discussion regarding the involvement of the Arts Committee in the West End Celebration (WEC), the role of the WEC Coordinator, and reasons why the Arts Committee has developed an independent program during the event. Chief Ferrante mentioned that a

representative from the Arts Committee attend the next West End Celebration Committee meeting to inform them of what role and capacity the Arts Committee will play during the WEC.

There was discussion regarding the Arts Committee involvement as part of the WEC, and that it was originally an event sponsored by the Arts Committee and its members. Further discussion included the use of the Hawthorne and Orosco building for future Arts Committee events.

Committee Member Scholink requested that the Arts Committee provide a detailed narrative, expected revenue, and estimated expenses for the forthcoming Juried Art Show.

Motion to add the Juried Art Show line item to the FY 2016-17 Budget was made by Chair Blackwelder, seconded by Committee Member Bodem. There was consensus of the Budget/Personnel Committee to approve the motion.

AGENDA ITEM 3, Consideration & Discussion of Amendment #2 for the City Budget for Fiscal Year 2015-16

Committee Member Bodem summarized the changes in the approved Amendment #2 indicating changes that were incorporated to the recurring revenue. He reported on the decrease in special revenues, and on reimbursement of projects that have not been performed. Committee Member Scholink reported that the well work, and Hickory Street line items were changed due to those projects not being completed. There were changes to the categories listed under expenses especially for attorney fees, and the larger projects that will not be completed before year end.

Committee Member Carbone suggested that Sub-Committee's submit their annual budgets so that it can be reflected on the fiscal year budgets. Committee Member Scholink added that these Sub-Committee budgets should be submitted no later than April 1st to be considered for the upcoming fiscal year.

Committee Member Scholink reported that the major change in the Amendment #2 fiscal year 2015-2016 budget is the amount of other-post employment benefits (OPEB) which will increase to \$1 million to help the City pay down its OPEB liability. A future Budget Committee meeting will be held next week with John Bartel in which he will explain the specifics of opening an OPEB trust account. Chair

Blackwelder suggested that unrestricted funds should cover a minimum of six months to cover operating expenses.

Motion to approve Amendment #2 for the City Budget for Fiscal Year 2015-16 was made by Chair Blackwelder, seconded by Committee Member Ferrante. There was consensus of the Budget Committee to approve the motion.

AGENDA ITEM 4, Consideration & Discussion of Proposed Draft City Budget for Fiscal Year 2016-2017

Committee Member Bodem reported that the Sales and Use Tax revenue should reflect an increase of \$100,000 for the fiscal year. There will be a slight decrease in Administrative Fees and the ROPS residual. The City will no longer be receiving funds from the Triple Flip. Committee Member Scholink provided an explanation of the SB90 claims. Mr. Bodem further reported on expected revenues from permit fees, the Cal-Am lease payment, COPS grant, and the TAMC street repair reimbursement. He provided a detailed report on the fiscal year expenses to include an increase in the Arts Committee budget line item, adjusting the OPEB obligation mid-year, rollover of the records retention line item, temporary services, employee compensation per the 3 year agreement, and administrative contingency funds. Committee Member Scholink explained that under several categories, liability insurance is reflected in various departments as calculated for MBASIA based on payroll and experience. An increase is shown under Outside Counsel and Assistant Attorney line items. The Planning Department reflects an increase under consulting services and includes the approval of expenses for the Vibrancy Plan. The Public Safety Department depicts a code enforcement budget line item for services to include assessment and review of City issues such as shopping carts left on the beaches and other areas of the City.

Committee Member Bodem resumed the budget report regarding the Public Works department, to include an increase in the Fire Services Contract, equipment for future purchase of a backhoe, City Engineering Services, additional funding for sediment removal and bi-annual stormwater maintenance, and an increase of \$125,000 to the Capital Improvements account for street improvement projects and street lights. It was also reported that PG&E will be replacing the City lights to LED with no extra costs to the City. The Committee discussed the progress of the street improvement projects, owner participation agreements, and details involving the Dias Street Improvement project.

Motion to approve the Proposed Draft City Budget for Fiscal Year 2016-2017 with a change to the Art Committee budget line item was made by Committee Member Carbone, seconded by Chair Blackwelder. There was consensus of the Committee to approve the motion.

AGENDA ITEM 5, was discussed following Agenda Item 2.

AGENDA ITEM 6, Review of Council Compensation Survey

Information was provided to the Committee regarding the Council compensation survey to compare what other local agencies were paying their Council members. There was no action taken by the Budget/Personnel Committee.

AGENDA ITEM 7, Consideration & Discussion of Grant process to Hire one Additional Police Officer for Fiscal Year 2016-2017

Committee Member Ferrante summarized that the department would like to add a position and researched a cost benefit analysis. The department is spending a lot of money on overtime. The department is understaffed and if any officer is unable to come to work, the department clocks in over 12 hours of overtime. It is anticipated that there will be officers on maternity leave and training leave. The past fiscal year through April 2016, overtime costs were approximately \$125,000, which is almost equivalent to one full-time officer position. Should an officer be hired, overtime is projected to decrease by approximately 25 – 50%. The department is also in the process of completing a COPS grant for an entry level position. Should the COPS grant be awarded, it would help offset the cost of the new position by approximately 70%.

Chair Blackwelder commented that it is critical that the department operate at optimum efficiency so incidents (ie. shootings) will allow the officers to work effectively. There was Committee discussion regarding the level of staffing, the designation/promotion of an Administrative/Commander position to oversee various administrative duties and supervision of the two shifts, and contracting outside agencies to fill in the lack of department personnel.

Motion to approve the hiring of one additional officer for Fiscal Year 2016-2017 was made by Chair Blackwelder, seconded by Committee Member Carbone. There was consensus of the Committee to approve the motion.

AGENDA ITEM 8, Verbal Update on Police Reserve Officers Hiring Status

Committee Member Ferrante reported that there is one candidate in the academy who has three weeks left until graduation. The department is also recruiting an officer from Seaside, who will be retiring. This will give the City 3, Level 3 reserve officers. Committee Member Ferrante clarified that there would be no change to the budget as the retired officer is only allowed to work 960 hours as allowed by PERS.

AGENDA ITEM 9, Consideration & Discussion of Additional Attorney Contract Services through Liebert, Cassidy & Whitmore (LCW)


There was no discussion regarding the contract services with Liebert, Cassidy & Whitmore. Motion to recommend additional attorney contract services through Liebert, Cassidy & Whitmore (LCW) as needed was made by Committee Member Carbone, seconded by Chair Blackwelder. There was consensus of the Committee to approve the motion.

AGENDA ITEM 10, Consideration & Installation of New Sand City Highway Sign

Committee Member Bodem clarified that in his conversation with CalTrans, Sand City's cost would be approximately \$1,000 to change the highway sign. The Committee discussed several options regarding changes in the sign to reflect the City's actual population of 381, how often it needs to be changed, and cost effectiveness of performing changes to the sign in-house. Committee Member Ferrante commented that he will instruct public works to take a look at the sign to see if the City can make the necessary changes.

ADJOURNMENT

Motion to adjourn the meeting at 12:48 P.M. to the next Budget/Personnel Committee meeting to be determined was made by Committee Member Bodem, seconded by Chair Blackwelder. There was consensus of the Committee to adjourn the meeting.



Linda K. Scholink, City Clerk