

MINUTES BUDGET/PERSONNEL COMMITTEE

Thursday, April 23, 2020
11:00 AM
Sand City Council Chambers

As allowed per the State of California Governor's Executive Order N-29-20, this meeting was by teleconference.

Agenda Item 1, CALL TO ORDER

Committee Member Carbone called the meeting to order at 11:00 a.m.

Agenda Item 2, ROLL CALL

Members Present: Committee Member Mary Ann Carbone
 Committee Member Kim Cruz
 Staff Member Aaron Blair
 Staff Member Connie Horca

Guest: Police Chief Brian Ferrante

Agenda Item 3, COMMUNICATIONS

11:03 a.m. Committee Member Carbone opened the floor for public comment.

There were no comments from the Public in person, via writing or through telecommunications.

11:03 a.m. Committee Member Carbone closed the floor for public comment.

Agenda Item 4, NEW BUSINESS

- a. **Approval of Sand City Budget/Personnel Committee meeting minutes for February 13, 2020**

There was no discussion of the February 13, 2020 Budget/Personnel Committee meeting minutes.

Motion to approve the February 13, 2020 Sand City Budget/Personnel Committee meeting minutes was made by Committee Member Carbone, seconded by Committee Member Cruz. There was consensus of the Committee Members to approve the minutes. Motion carried.

b. Review of Amendment #2 to the Fiscal Year Budget and CIP for 2019-2020 due to COVID-19

Staff Member Aaron Blair reported that on page 7 of the packet, the proposed Amendment #2 to the fiscal year 2019-2020 budget is coronavirus related. HdL provided the City 3 years sales and use tax budget estimates which reflects the 9.1% decrease in sales tax and 10.7% decrease in Measure J funds. The highlighted items are items that Staff has considered. The revenues were adjusted and expenses were cut.

In response to Committee Member Cruz' question regarding any Covid related grants available to cities, Staff Member Blair replied that the City can receive refunds with anything regarding Covid related expenses. He further clarified questions regarding the projections used by HdL and included the potential \$100,000 ninety-day delay in revenues. The next two months would involve a 20% cut in expenses.

Staff Member Blair responded to Committee Member Carbone's comment regarding technology and electrical upgrades, and the possibility of receiving some kind of reimbursement towards off-site meetings being held due to the pandemic. Staff had included estimates for City issued I-pads for the Council which would also save Staff the trouble of printing paper packets. Every department has made cuts within their budgets with other departments reflecting deeper cuts. The budget also reflects a \$50,000 expense for Covid related expenses.

The Committee discussed the difficulty of interpreting the budget and the possibility of working with finance staff to make it more legible. There was further discussion regarding the City Attorney contract and the increased expense in the Legal Counsel department. Staff Member Blair explained the increase to city attorney services and suggested that it can be brought back to the Committee at a future meeting for discussion and review.

In response to Committee Member Cruz's inquiry regarding employee overtime costs, Staff Member Blair indicated that he

would ensure that the actuals match the proposed expenses for that line item. Council Member Cruz received an explanation from Committee Member Carbone regarding the HOPE Program and services they have provided to the City the past several years.

There was further discussion regarding the Legal Counsel Departments increased expenses and additional costs for legal expenses that were associated with the South of Tioga project, update of the Personnel Manual, and conversations that previously occurred subjective to making the City attorney as an employee under former management. Staff Member Blair suggested that the next Budget/Personnel Committee agenda should include discussion regarding the City Attorney's contract.

Committee Member Carbone expressed her concern that the Amendment #2 to the Budget thoroughly reflects accurate numbers. She also mentioned other agencies who are advising employees to take furlough days.

Staff Member Blair responded to Committee Member Cruz's comment regarding a hiring freeze and a possible impact for next fiscal year 2020-2021 budget due to the coronavirus pandemic.

Staff received confirmation to place the Amendment #2 to the Fiscal Year 2019-2020 Budget for Council consideration at the next regularly scheduled Council meeting.

c. Review of Draft #1 of the Fiscal Year Budget and CIP for 2020-2021

Staff Member Blair reported that for the proposed budget, the highlighted items are the projected revenue for the next fiscal year as reported by HdL. It reflects an amount that is slightly higher; however, it does not depict the coronavirus impacts. There is very little increase in revenue and the City would need to stay on the course that it is presently moving towards.

Staff would like to move towards the small things on the capital improvement list for those property owners who would like to make minor improvements to their properties, and that the City needs to be strategic in thoroughly reviewing the capital improvement plan. The next Budget meeting should have an updated Capital Improvement Plan (CIP) as well as any

updates to the proposed fiscal year 2020-21 budget. Staff would like to leave items related to grant funding, assistance in the local economy, and life safety in the CIP.

Committee Member Carbone confirmed that the annual City Barbeque will be postponed and possibly cancelled due to the coronavirus. There has been no decision regarding the West End Celebration to date and the coordinator would like to wait until June to make a decision.

Agenda Item 5, ADJOURNMENT

Motion to adjourn the Budget/Personnel Committee meeting was made by Committee Member Cruz, seconded by Committee Member Carbone. There was consensus of the Budget/Personnel Committee to adjourn the meeting at 11:39 a.m. to the next Budget/Personnel Committee meeting to be determined.

Respectfully submitted:

Connie Horca, B/P Committee Clerk

