

**MINUTES
BUDGET/PERSONNEL COMMITTEE**

Friday, May 8, 2020
12:00 PM (Noon)
Sand City Council Chambers

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

Agenda Items 1, CALL TO ORDER

Committee Member Carbone called the meeting to order at 12:08 p.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: Finance Analyst Devon Lazzarino
 City Planner Charles Pooler

Agenda Item 3, COMMUNICATIONS

12:09 p.m. Committee Member Carbone opened the floor for public comment.

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

12:09 p.m. Committee Member Carbone closed the floor for public comment.

Agenda Item 4, NEW BUSINESS

a. Approval of April 23, 2020 Sand City Budget/Personnel Committee Meeting Minutes

There was no discussion of the April 23, 2020 Budget/Personnel Committee Meeting Minutes.

Motion to approve the April 23, 2020 Sand City Budget/Personnel Committee Meeting Minutes was made by Committee Member Cruz, seconded by Committee Member

Carbone. There was consensus of the Committee to approve the April 23, 2020 Budget/Personnel Committee meeting minutes.

b. Review and Discussion of Fiscal Year 2020-21 Budget and Capital Improvement Program

Staff Member Blair reported that this item is the first draft of the proposed fiscal year 2020-21 budget. Projections were taken from HdL and that Amendment #2 budget from 2019-20 reflected a 20% decrease due to Covid-19. The proposed budget will include the decrease in the event the projections are inaccurate to remain in the positive. The budget reflects two minor changes to include an increase in expenses to 911 Dispatch Services and NGEN Radio System maintenance.

The budget was distributed to all departments with each line reviewed versus actual spending to reflect a more accurate proposed budget for next fiscal year. He also mentioned that the street sweeper sale was removed from revenues and is confident in the amount indicated for revenue projections.

There was discussion regarding a possible sales tax increase for the November 3, 2020 Elections. Staff Member Horca commented that if the measure passed it would not take effect until April 2021. Staff Member Blair will check to see if it was included in the budget. Committee Member Cruz noted that the adoption of a tax measure would help the City in the loss of revenue from the desalination plant lease.

Committee Member Cruz questioned the validity and accuracy of HdL's projections and mentioned that it would be a good idea to go back several years to see if their projections were fairly accurate. The Committee also discussed possible bail out funding, sales and property tax relief, and the possibility that smaller cities may not qualify for funding. Committee Member Carbone added that the Monterey County Mayor's Association will be sending out a letter.

Staff Member Blair commented that the City should be fine with its current staffing levels and further review will be dependent on next fiscal years revenues. He addressed expenses related to the administrative and finance department budgets under salaries regarding the minute savings due to Linda's retirement and hiring freeze. There were no changes reflected in the

Community Outreach line item; however, an increase was placed for Fire Department Services, and acknowledged that funds were allocated towards Economic Development. Committee Members received an explanation regarding the South of Tioga reimbursable expenses, parking study, Capital Improvement Items such as the Habitat Preserve Study which can be removed if the Council chooses, CBDG grant for the Calabrese Park Improvement, and electrical upgrades. The current proposed budget reflects a positive amount of approximately \$532,000 with no CIP projects.

There was discussion regarding the West End Celebration, cancellation of several events in the Peninsula as Stage 4 reopening may not happen until September, and an update from Mr. Vagnini regarding the WEC to be placed on the next City Council meeting agenda.

The Committee received clarification regarding the amounts allocated for Public Agency Memberships, Contributions, Public Works contracts, Code Enforcement, Public Safety Overtime and the IT Support line items. Staff Member Blair will review the line item related to public safety auto allowance and whether the amount reflected is correct. There was discussion regarding the possibility of an IT contract. He also referred to the Capital Improvement Plan and whether there were any projects that the Council would like to prioritize as it will govern the budget process. Committee Member Carbone commented that Item 2 (City Hall Electrical Upgrades) on the CIP should remain, and Staff Member Blair added that Items 5 and 6 (West End Stormwater Improvement Projects-Contra Costa/Catalina Streets) should remain as they are tied to grants, and that Item 14 (Parking Plan) is already included in the Proposed Fiscal Year 2020-21 budget. He referred to items 31-34 (Vehicles and Equipment) noting that those items can be further discussed.

The Committee conversed about the PERS contribution and whether the City should consider paying that obligation down. Staff Member Blair commented that he can provide an updated report to the Council on where the City is at with its contributions and how much is still owed. Committee Member Cruz commented that the City is still in the unknown due to the coronavirus and should consider ranking the CIP by priority. She suggested sending out a poll to the rest of the Council to garner their input on CIP items that they would like to prioritize so that direction can be given to Staff as well as guidance in formulating the budget. There is no guarantee that any of the

CIP budget items would be funded, but should there be extra funds available, Staff would be able to fund the items that the Council decides to prioritize.

Staff was directed to conduct a poll to send out to the Council to rank what they deem important regarding the Capital Improvement Plan.

Staff Member Blair spoke to the Carroll Property and its possible uses as an art center and/or additional parking. Council Member Cruz wondered if Staff should seek review of the budget and the value of tribal knowledge from a former employee who had 30 years of experience working on the budget. Committee Member Carbone brought up the possibility of purchasing a building with funds coming from DBO for a down payment and the possibility of utilizing it as employee housing.

Staff Member Blair commented that he is comfortable with the Proposed Budget. He further addressed the uses for the Carroll building and referred to the Winwood Walls project that the City of Miami, Florida developed. A project similar to Winwood Walls is a perfect example of a good community gathering place as well as depicting the evolution of the West End as an artist community.

Committee Member Carbone directed Staff to send a poll out to the Council and that results of the poll should come back to the Budget Committee for discussion and establishment of priorities.

c. Discussion of FY 20-21 Donations and Contributions to Local Agencies

Committee Member Carbone reported on the City's past contributions, and the amount available for donations to various organizations. She provided an update regarding the City's annual Joint Powers Authority (JPA) allocation to Community Human Services (CHS) and the programs they provide to the community such as drug intervention, counseling, and housing. Every City involved in the JPA contributes towards the annual expense. Sand City contributes \$4,200 to the JPA, approximately \$1,000 to the Boys and Girls Club, and \$500 to the Salvation Army for both the Thanksgiving and Christmas meals. These meals are provided to the homeless community during the holidays, as well as a

barbeque that CHS provides every year during homeless awareness month. Committee Member Carbone suggested that in honor of the former City of Marina Mayor Edith Johnson, the City should consider donating to either the Hospice or the Central Coast Veterans Cemetery.

Agenda Item 5, CLOSED SESSION

1:44 p.m.

a. The Budget/Personnel Committee adjourned to Closed Session regarding:

**1) Public Employee Employment pursuant to Government Code Section 54957,
Position: City Attorney**

2:33 p.m.

b. Re-adjourned to Open Session to report any action taken at the conclusion of Closed Session in accordance with California Government Code section 54957

Staff Member Blair reported that he received direction from the Budget/Personnel Committee, and the discussion was confidential.

Agenda Item 6, 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 2:35 p.m. to the next Budget/Personnel Committee meeting to be determined.

Respectfully submitted:

Connie Horca, B/P Committee Clerk

