

MINUTES OF A SPECIAL MEETING
OF THE BUENA PARK CITY COUNCIL
HELD MAY 22, 2018

Vol. 50 Pg. 77

CALL TO ORDER

The City Council met in a special meeting on Tuesday, May 22, 2018, at 1 p.m., in the Council Chamber of the Civic Center, 6650 Beach Boulevard, Buena Park, California, Mayor Vaughn presiding.

ROLL CALL

PRESENT: Berry, Brown, Smith, Vaughn
EXCUSED: Swift

Also present were: Jim Vanderpool, City Manager; Isra Shah, Interim City Attorney; and Adria M. Jimenez, MMC, City Clerk.

ORAL COMMUNICATIONS

Mayor Vaughn announced the public may at this time address the members of the City Council on any matters within the jurisdiction of the City Council. There being none, Mayor Vaughn closed oral communications.

STUDY SESSION (1)

Budgets 47

1. DISCUSSION AND DIRECTION REGARDING THE 2018-19 AND 2019-20 BUDGETS
Staff report by Sung Hyun, Director of Finance

The City Council reviewed the proposed budget for Fiscal Years (FY) 2018-19 and 2019-20. The 2018-19 Preliminary Budget, on an all funds basis (General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Fund and Internal Service Funds) proposed is \$112,855,080; operating appropriations are \$105,735,080; and, the proposed Capital Improvement Program (CIP) appropriations are \$7,120,000. The preliminary appropriations represent an increase of 2.8% for operations and 19.8% for CIP over the prior year. For FY 2019-20 the total preliminary budget on all fund basis (General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Fund and Internal Service Funds) is \$112,192,180; operating appropriations are \$104,476,180; and, the proposed CIP appropriations are \$7,716,000. The preliminary appropriations represent a decrease of 1.2% for operations and an 8.4% increase for CIP. The FY 2019-20 Preliminary Budget represents a decrease of 0.6% when compared to the previous year.

The fiscal years 2018-19 and 2019-20 preliminary budget reflects adjusted operating deficits in General Fund budget of \$728,020 and \$333,170 respectively. These figures have been adjusted to reflect the savings from current and projected vacant positions. While a structural budget deficit is being proposed, staff intends to closely monitor the budget performance throughout both fiscal years and make any necessary recommendations to the City Council to ensure that each fiscal year closes in a balanced or surplus position.

The City Council reviewed each department's budget and supplemental information:

General Departmental

Salaries and Benefits: Both years' preliminary budgets do not include any provisions beyond the City's current contracts will all the employee groups that will expire at the end of fiscal year 2017-18. The CalPERS unfunded accrued liability (UAL) increased \$1.181 million in fiscal year 2018-19 and \$1.345 million in fiscal year 2019-20; Internal Service Fund: Charges for Management Information Systems reflect reductions in both years due to utilization of excess fund balance.

City Council

Conference/Meeting/Training: Budget increased by \$3,750 for both years for the Cypress College Americana Awards.

Mayor Pro Tem Brown requested the creation of a separate line item for "Boo-uena Park" for \$5,000.

City Manager

Salaries and Benefits: Department reorganization approved on May 8, 2018; Community Development Block Grant (CDBG) Annual Action Plan approved by City Council on May 8, 2018.

Community Support Services

Visit Buena Park: Professional/Contractual Services: \$2,000 decrease in both years for Halloween Brew Fest; Love Buena Park budget \$5,000 for both fiscal years; Sister City Program budget \$15,000 for both fiscal years.

City Attorney's Office

\$25,000 decrease in both fiscal years to reflect projected case load.

Human Resources and Risk Management

\$20,000 decrease in both fiscal years to reflect projected case load;
Conference/Meeting/Training: \$6,000 decrease in both fiscal years for City-wide training.

City Clerk

Part-time Personnel: Includes the part-time staffing for the Passport Program; Legal Notices: \$1,000 increase for both fiscal years; Telephone: \$720 increase in both fiscal years; Professional/Contractual Services: FY 2018-2019 reflects services by Orange County Registrar of Voters for the Municipal Election; \$3,000 increase in 2019-2020 for a Records Retention Consultant; \$3,000 increase in both fiscal years for Agendase, agenda management software; Memberships and Subscriptions: \$500 increase in both fiscal years for Notary Commission renewals and Notary Association Dues.

Finance

Professional/Contractual Services: \$10,000 decrease in both fiscal years for Transient Occupancy Tax audits; Memberships and Subscriptions: \$120 increase in both fiscal years for Certified Public Accountant license renewal.

Community Development Services

Professional/Contractual Services: \$67,500 decrease in both fiscal years for planning consultant and outside plan check services; Membership and Subscriptions: \$1,290 increase in both fiscal years for certifications; Conference/Meeting/Training: \$50 increase in FY 2018-19 and \$350 increase in FY 2019-20 for Zoning Enforcement.

Fire

Professional/Contractual Services: Contract with the Orange County Fire Authority increased by 4-4.5% as provided for in the agreement; Fire Station Repairs: Budget includes \$10,000 per fire station for repairs.

Police

Regular Salaries: Budget amount reflects the BSSC AB97 NOC Task Force and Knott's Berry Farm Police Services; Part-time Personnel: Budget amount reflects a reduction in the Reserve Police program; Safety Pension Obligation: Reflects full payment in FY2018-19 of the Side Fund Pension Obligation loan with Union Bank; Professional/Contractual Services: Reflects a shifting of \$80,000 in both fiscal years for Homeless Outreach Services to the AB97 NOC Task Force; Uniform Expense: \$5,000 increase in both fiscal years to reflect uniforms for additional new hires.

Mayor Vaughn requested staff return with additional information on the Police Department's sergeant position that was frozen in January 2017, and how the frozen position affects crime in the City.

Water Fund

Regular Salaries: Budget amount includes the shifting of various positions to better reflect current work assignments; Professional/Contractual Services: Reflects increases for water system maintenance; Purchased Water for Resale: Budget has been adjusted to reflect the projected amount of purchased water from Orange County Water District (OCWD) and

Municipal Water District (MWD); Ground Water Replenishment Charges: Budget has been adjusted to reflect the projected cost of groundwater replenishment from OCWD and MWD; Principal Payments: Reflects an increase for debt service payments for the 0% loan with OCWD.

Public Works

The budget reflects the addition of the Parks Facility Maintenance, Graffiti Removal, and Swimming Pool Maintenance Divisions; Regular Salaries: Budget amount includes the shifting of various positions to better reflect work assignments; Professional/Contractual Services: Budget reflects increases for the Animal Control contract with the Southeast Area Animal Control Authority (SEAACA).

Community Services

The budget reflects the transfer of the Parks Facility Maintenance, Graffiti Removal, and Swimming Pool Maintenance divisions to the Public Works Department; Professional/Contractual Services: The budget reflects an overall decrease across all programs.

Non-Departmental

Principal Payments: FY2018-19 Budget reflects the last debt service payment for the Safety Side Fund Pension Obligation loan with Union Bank. The FY2019-20 Budget reflects the first debt service payment for 2017 Fire Station Lease Revenue Bonds.

Interest Expense: FY2018-19 Budget reflects the last debt service payment for the Safety Side Fund Pension Obligation loan with Union Bank. The FY2019-20 Budget reflects the first debt service payment for 2017 Fire Station Lease Revenue Bonds.

Self Insurance – Workers' Compensation

Professional/Contractual Services: The budget reflects an increase in third party administrative fees.

Self Insurance – Liability Insurance

Insurance – Excess Premium: The budget reflects the premium for earthquake coverage of City facilities.

Equipment Maintenance Fund

Regular Salaries: The budget reflects the deletion of a vacant Fleet Mechanic position backfilled with an increase in part-time staff.

Management Information Systems Fund

Professional/Contractual Services: \$20,000 increase in both years for computer consulting services.

Facilities Maintenance Fund

Regular Salaries: The recommended budget reflects the allocation of 20% of the Facilities Maintenance Supervisor to the Parks Facility Maintenance division.

Periodic Maintenance/Building Modification: The projects proposed for both years are itemized on page 296 of the budget document.

Potential One-Time Fund Use

After reviewing and discussing the Supplemental Budget Information, the City Council reviewed the Potential One-Time Fund Use list and initially approved funding as follows:

- Ehlers Event Center Bathroom Renovation (FY 2018-19 One-Time General Funds) \$300,000
- Beach Blvd Median Divider (extended to southern City limit) (FY 2018-19 One-Time General Funds) \$350,000
- New City Phone System (FY 2018-19 \$180,000 MIS Fund; FY 2019-20, \$125,000: MIS Fund) \$300,000
- Southern California Edison Walking Trail Continuation (FY 2019-20 Park-in-Lieu Fund) \$1,450,000

- City Hall HVAC Upgrades (FY 2019-20 One-time General Funds) \$275,000

The City Council agreed to the below projects for potential one-time fund use and requested the projects return to City Council with additional information:

- PERS Liability 115 Trust \$1,000,000
- Police Department Memorial at Civic Center \$150,000
- Historic District Acquisitions/Upgrades -
- Holiday Decoration Upgrades -
- Beach Blvd Corridor Enhancements -
- Median Landscape Improvements -
- Additional Park Space in Park Deficient Areas \$1,000,000

The City Council added the following project to the Potential One-Time Fund Use:

- City Entry Monuments \$200,000 in each FY

The following projects were removed from the Potential One-Time Fund Use list:

- Buena Park Woman's Club Move/Upgrades \$250,000 - \$1M
- Larwin Park – Phase 2 \$750,000
- Other Beautification Efforts TBD
- Parking for Inventory Storage \$1M - \$3M approx.

The total amount of one-time general funds earmarked by the City Council is \$3,475,000.

RECESS

Mayor Vaughn recessed the Special City Council Meeting at 3:16 p.m., and advised the meeting will reconvene after the Regular City Council Meeting. Mayor Vaughn reconvened the Special City Council Meeting at 7:53 p.m., in the Main Conference Room.

The City Council reviewed Proposed Budget Policy Issues for FY 2018-19 and 2019-20, and gave its initial approval of the following:

<u>Department Description</u>	<u>FY18-19</u>	<u>FY19-20</u>
City Manager - Purchasing	\$4,750	\$5,000
Human Resources – Minimum Wage	\$100,500	\$166,500
Utilities Division Lead Sewer Services Technician	\$57,320	(\$67,500)
Public Works Senior Engineering Technician	\$9,960	\$9,960
Facilities and Parks Division – Facilities Maintenance Technician	\$6,150	\$6,150
Facilities and Parks Division – Facilities Maintenance Supervisor	\$27,480	\$27,480

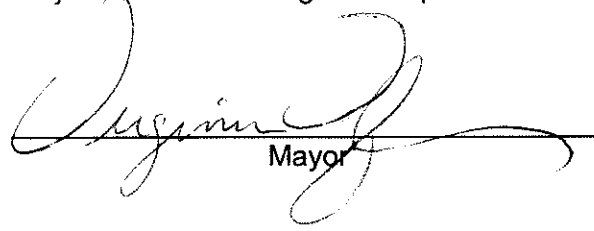
A majority of the City Council gave its initial approval of the below policy issues, with Mayor Vaughn dissenting:

<u>Department Description</u>	<u>FY18-19</u>	<u>FY19-20</u>
City Manager - Visit BP (Pow Wow)	\$200,000	-
Public Works Principal Engineer Position	\$0	\$0

Mayor Vaughn requested staff provide additional information on contribution amounts from the Tourism Marketing District and statistical data on the financial benefit to the City for contributing \$200,000 to the Pow Wow.

ADJOURNMENT

There being no further business, Mayor Vaughn adjourned the meeting at 8:46 p.m.



Mayor

ATTEST:



City Clerk