

**MINUTES
WHITTIER CITY COUNCIL
WHITTIER REDEVELOPMENT AGENCY
WHITTIER HOUSING AUTHORITY
WHITTIER PUBLIC FINANCING AUTHORITY
WHITTIER UTILITY AUTHORITY
JOINT BUDGET STUDY SESSION
COUNCIL CHAMBER, 13230 PENN STREET
MAY 9, 2009**

1. CALL TO ORDER:

The Whittier City Council met in an adjourned regular session on May 9, 2009, in conjunction with the Whittier Housing Authority, Whittier Public Financing Authority, Whittier Redevelopment Agency, and the Whittier Utility Authority. Mayor Henderson called the joint meeting to order at 7:08 a.m. in the Council Chamber of Whittier City Hall, 13230 Penn Street, Whittier, California.

2. ROLL CALL:

COUNCIL MEMBERS/HOUSING AUTHORITY BOARD MEMBERS/ PUBLIC FINANCING AUTHORITY DIRECTORS/AGENCY BOARD MEMBERS/UTILITY AUTHORITY DIRECTORS PRESENT:	Cathy Warner, Council Member/Agency Member/Authority Director Owen Newcomer, Council Member/Agency Member/Authority Director Joe Vinatieri, Council Member/Agency Member/Authority Director J. Greg Nordbak, Mayor Pro Tem /Vice Chair Bob Henderson, Mayor/Chair
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OTHER OFFICIALS PRESENT:	Stephen W. Helvey, City Manager/ Executive Director Kimberly Barlow, Assistant City Attorney /Assistant Authority Counsel Kathryn A. Marshall, City Clerk-Treasurer/ Secretary-Treasurer
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3. PLEDGE OF ALLEGIANCE:

Mayor Henderson led the Pledge of Allegiance.

4. ORAL COMMUNICATIONS:

None.

5.A FISCAL YEAR 2009-10 BUDGETS FOR CITY COUNCIL, REDEVELOPMENT AGENCY, HOUSING AUTHORITY, PUBLIC FINANCING AUTHORITY, AND UTILITY AUTHORITY

City Manager Helvey advised that, since the agenda and proposed FY09-10 Budgets were issued, the City's sales tax consultant had adjusted down the sales tax revenue estimate by \$500,000. He spoke regarding the need to use reserve funds to balance the budget due to the extreme economic conditions, and asked Council Members to outline goals or policy issues they wanted reviewed as part of the Budget Study Session.

Council Member Warner said she was interested in adding Code Enforcement staff to have a pro-active rather than reactive program.

Council Member Newcomer said he would prefer to use additional reserve funds, instead of eliminating staff positions; supported increasing the Utility User's Tax (UUT) exemption; said he wanted to reinstate the Board and Commission Reception, Employee BBQ, WYN Clubs, and Explorer Day Camp through the use of unallocated reserves; and issued a chart outlining his budget proposal.

Mayor Pro Tem Nordbak and Council Member Newcomer advised the evening before, they had been asked to meet with Governor Schwarzenegger on May 11, 2009, as part of a 20-member group of local government representatives, to discuss how the State will address its budget deficit if the May 19, 2009, Special Election financial measures fail. Following brief discussion, the City Council concurred they do not want the state borrowing City funds to resolve its budget deficit, and will not take a position on the pending propositions.

The City Council reviewed topics outlined in the FY09-10 Budget agenda report and concurred on the following:

- Park restrooms will not be closed (\$74,347)
- Full-time positions eliminated through the budget will be moved into the General Fund, Non-Operating Budget, until the staff members can be absorbed through attrition
- Recreation swim fee increase from \$1.00 to \$2.00 per session approved (\$15,984)
- Decrease Library functional supplies for books and periodicals (\$34,468)

Mayor Henderson said he does not want the reduction in functional supplies for the Library to continue, but accepted the cut for this year.

Mayor Pro Tem Nordbak suggested that reductions be reflected as suspended funding rather than cuts in the circumstances where the City Council wants to see the funding reduction revisited next year.

- Deferred consideration of the Parks Department reductions proposed in lieu of closing park restrooms.
- Confirmed reductions in the Board and Commission recognition program and elimination of Employee of BBQ, with Council Member Newcomer dissenting (\$10,800)
- Confirmed recognition of Business License tax revenue from realtors, with Council Member Vinatieri dissenting (\$13,188)
- Elimination of City Clerk-Treasurer Department vehicle (\$1,879)
- Staffing modifications in City Clerk-Treasurer Department moved to Non-Operating Budget (net \$40,950)
- Confirmed consolidation of Human Resources Department with the City Controller Department; elimination of Human Resources Director position (\$94,926)
- Confirmed increase in WYN fees from \$30.00 to \$40.00 per school year and from \$20.00 to \$25.00 for the summer session; Council Member Newcomer dissenting (\$12,000)
- Approved an across-the-board increase in tennis court reservation fees keeping the current differentiation between youth and senior rates, standard rates, and non-resident fees (\$7,550)
- Confirmed funding the Rio Hondo Symphony at \$5,650, plus reception costs, with Mayor Henderson abstaining because they are a client of his business (\$4,350)
- Staffing modifications for Public Works Department, moved to Non-Operating Budget (net \$16,882 General Fund)
- Continue the allocation for the Alley Improvement Program and implement the alley surfacing component in the upcoming fiscal year
- Delay imposition of cost recovery fee for hanging street banners; continue current exemption practice; staff to report back in six months (\$11,375)

- Reinstated funding for Camp Superstars in the Police Budget (\$5,000)
- Increased the Utility User's Tax exemption threshold to \$26,550 per household (\$250,000)
- Fund Rio Hondo College GO RIO Transportation Program (\$9,268 of transportation funding)

Council Member Newcomer left the meeting at 8:25 a.m.

Mayor Henderson declared a recess at 8:26 a.m. At 8:42 a.m., Mayor Henderson reconvened the joint meeting with all Council Members present.

City Manager Helvey reviewed the status of the following special revenue funds: Traffic COPS Program Fund (210), Asset Forfeiture Fund (250), Proposition A (270), Proposition C (280), Proposition A Incentive Funds (275), Measure R Fund (285), Uptown Parking District #1 Fund (291), Uptown Parking District #2 Fund (292), and Uptown Maintenance District Fund (294). He responded to Council inquiries and said staff will provide reports on where the City has parking lots, how they are maintained, if parking lots are vacuumed, and if Mayor Henderson and Council Member Vinatieri will be excluded from Uptown parking discussions relating to implementation of the Uptown Specific Plan. He reviewed the status of Capital Funds and Whittier Redevelopment Agency funds.

Council Member Newcomer left the Council Chamber at 9:10 a.m. and returned at 9:13 a.m.

Assistant City Attorney Barlow responded to a question regarding City liability for tree roots in water lines and advised the City is not liable for tree roots getting into a broken water line; tree roots do not break the lines, tree roots seek out the water when a line is broken, therefore, the City does not need to repair the lines.

Following discussion, there was City Council consensus to discontinue funding sewer lateral repairs on private property, with Council Members Newcomer and Vinatieri dissenting.

City Manager Helvey continued his review of the Whittier Utility and Internal Service funds: Water Fund, Solid Waste Collection Fund, Solid Waste Disposal Fund, Workers' Compensation Fund, Mobile Equipment Maintenance Fund, Mobile Equipment Replacement Fund, and Five-year Capital Improvement Program.

Mayor Henderson said the City should consider requiring employees selecting an indemnity insurance plan to pay a higher share of the cost than those selecting a health-maintenance organization (HMO) plan.

Council Members discussed with City Manager Helvey the status of balancing the budget in light of decisions made during the meeting; concurred that the additional budget reductions reflected approximately \$140,000 in cuts, they would anticipate fee increase revenue of \$350,000 as suggested by Council Member Newcomer, allocate \$750,000 of PERS Reserve funds, and exclude the sales tax revenue reduction of \$500,000 based on the consultants advice of May 8, 2009. Council Members suggested renaming the reserve funds, Rainy-Day Reserve, rather than allocating some to the retirement program to avoid recent misunderstandings that the City is withholding payment of retirement premiums.

City Manager Helvey received City Council consensus to allocate \$100,000 to complete a City-wide inventory of historic structures with Council Member Vinatieri dissenting; and to join the Southern California Association of Governments (SCAG) for \$7,770 of Proposition A funds.

6. COUNCIL/AGENCY/DIRECTOR COMMENTS/CONFERENCE REPORTS:

None.

7. ADJOURN REDEVELOPMENT AGENCY, HOUSING AUTHORITY, PUBLIC FINANCING AUTHORITY AND UTILITY AUTHORITY MEETINGS:

8. CITY COUNCIL CLOSED SESSION:

City Manager Helvey recommended the City Council conduct a Closed Session pursuant to Government Code Section 54957.6 to discuss labor negotiations between negotiator Stephen Helvey, and the Whittier City Employees' Association and unrepresented employees.

Mayor Henderson adjourned the meeting to Closed Session at 10:17 a.m.

9. RECONVENE IN OPEN SESSION:

Mayor Henderson reconvened the meeting in Open Session at 10:42 a.m.

10. CLOSED SESSION REPORT:

None.

11. ADJOURNMENT:

Mayor Henderson adjourned the joint meeting at 10:42 a.m.

Respectfully submitted,

Kathryn A. Marshall
City Clerk-Treasurer/
Secretary-Treasurer