

**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  
JUNE 16, 2010**

**1. CALL TO ORDER:**

The Whittier City Council met in an adjourned regular session on June 16, 2010, in conjunction with the Whittier Housing Authority, Whittier Public Financing Authority, Whittier Redevelopment Agency, and the Whittier Utility Authority. Mayor Nordbak called the joint meeting to order at 5:15 p.m. in the Council Chamber of Whittier City Hall, 13230 Penn Street, Whittier, California.

**2. ROLL CALL:**

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

Mike Sprague led the Pledge of Allegiance.

**4. ORAL COMMUNICATIONS:**

Arthur Rock, Whittier, said the City is doing a better job of managing its budget than the State is; and spoke regarding the origin of Father's Day.

## **5.A FISCAL YEAR 2010-11 BUDGETS FOR CITY, REDEVELOPMENT AGENCY, HOUSING AUTHORITY, PUBLIC FINANCING AUTHORITY, AND UTILITY AUTHORITY**

City Manager Helvey addressed the estimated \$1.7 million deficit for Fiscal Year 2009-10 which resulted from fees not coming in as high as were projected and anticipated salary savings not being realized.

The City Council discussed options for balancing the current year's budget in preparation for beginning the new year and concurred to have the Whittier Utility Authority make an advance water rights lease payment of \$676,000 to the City to offset the Fiscal Year 2009-10 Budget deficit. Discussion was held regarding the value of the City's water rights and keeping the rates charged to citizens on the west side of the City, served by the City's water company, and the east side, served by Suburban Water, at approximately the same level.

The City Council discussed the possible imposition of increased water and solid waste franchise fees and, for purposes of budgeting only, concurred to project revenues based on a 4% increase over each of the next three years with Council Member Vinatieri preferring 3% increases over four years and Council Member Newcomer preferring 5% increases over the next three years. The City Council agreed that for budgeting purposes, they would anticipate \$400,000 of increased revenue next year due to the time needed to implement the 3% rate increases.

Mayor Nordbak said he had a conflict of interest if the City Council wished to discuss the franchise with Consolidated Disposal Services; therefore, recused himself from the meeting at 6:00 p.m.

The City Council briefly discussed the solid waste operation providing income to the City's General Fund as franchises do.

Mayor Nordbak resumed his seat in the Council Chamber at 6:10 p.m.

The City Council agreed to have the Whittier Utility Authority solid waste operation transfer \$585,000 to the City for the Fiscal Year 2010-11 Budget.

Council Member Vinatieri said the \$3.123 million deficit estimated for the Fiscal Year 2010-11 Budget was too optimistic and proposed a \$3.4 million deficit figure be used. The consensus of the City Council was to work from the \$3.123 million deficit estimate. Council Member Vinatieri proposed the City Council address the deficit by accepting the 5% reduction plan the staff had presented on May 8, 2010, with the exception of restoring the two Community Service Officers and a Probation Officer which would equal \$2,079,354 in savings/revenue. The City Council discussed the structural deficit versus recession impacts creating the budget deficit, agreed the Team

Whittier vendor sponsorships proposal from staff was not included in the budget, and determined there was majority consensus to confirm the budget changes agreed to on May 8, 2010. Mayor Pro Tem Warner was absent from the Council Chamber for a portion of the discussion from 6:48 p.m. to 6:50 p.m.

Mayor Pro Tem Warner confirmed there is no minimum fund balance or reserve policy required for the City.

Council Member Newcomer confirmed that the \$985,000 in franchise fees and internal transfers under consideration to offset the Fiscal Year 2010-11 Budget deficit were expected to be ongoing transfers.

Mayor Nordbak declared a recess at 7:10 p.m. At 7:25 p.m., Mayor Nordbak reconvened the meeting with all Council Members present.

Council Member Newcomer and Mayor Pro Tem Warner requested reconsideration of items on the Fiscal Year 2010-11 Budget Operating Budget Reduction/Revenue Enhancement Worksheet and the City Council concurred on the following items:

- Restore funding to keep the Central Library open on Fridays and Branch Library open on Mondays
- Restore funding for the WYN "School Year" program
- Forego Whittier Community Theater revenue enhancement in FY10-11
- Junior Theater program to be removed as a revenue enhancement until a report is returned to the City Council
- Retain Associate Planner contract position and fund with Redevelopment or General Plan funds when applicable
- Restore funding for electricity for park security lights
- Restore temporary extra help funding for a reserve officer in the Detective Bureau

Council Member Newcomer recommended the following modifications which did not receive consensus: eliminate the savings from reducing the City Manager position to part-time and authorize the search for a full-time City Manager now; continue funding a Founder's Day celebration; fund temporary extra help to keep Parnell Park facility open on weekends; and, reduce the City Council benefit allocation by 5% in addition to making the 5% reduction in their reimbursement stipend. He suggested restoring funding of temporary extra help for the WYN "Summer" program at Laurel and Evergreen but withdrew the recommendation after Community Services Director Shields spoke in support of retaining the cut.

The City Council determined the \$262,261 cost of the changes receiving consensus would be funded from the General Fund reserve fund.

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

Mayor Pro Tem Warner requested a report every three months on the status of FY2010-11 Budget revenues and expenditures.

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

Mayor Nordbak adjourned the Redevelopment Agency, Housing Authority, Public Financing Authority and Utility Authority meetings at 8:03 p.m.

**8. CITY COUNCIL CLOSED SESSION:**

City Manager Helvey recommended the City Council conduct the following Closed Session discussions:

**8.A** Government Code Section 54957.6 to discuss labor negotiations between negotiator Stephen Helvey, and the Whittier City Employees' Association, Whittier Police Officers' Association, and unrepresented employees.

**8.B** Government Code Section 54957, City Manager employment.

Mayor Nordbak adjourned the meeting to Closed Session at 8:03 p.m.

**9. RECONVENE IN OPEN SESSION:**

Mayor Nordbak reconvened the meeting in Open Session at 8:21 p.m.

**10. CLOSED SESSION REPORT:**

None.

**11. ADJOURNMENT:**

Mayor Nordbak adjourned the meeting at 8:21 p.m.

Respectfully submitted,

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Kathryn A. Marshall  
City Clerk-Treasurer/Secretary Treasurer