



**Special Meeting Agenda
Monday, June 24, 2019
City Hall - 100 Civic Center Plaza
Council Chamber - 6:30 P.M.**

Council Members Present: Victor Vega, James Mosby, Dirk Starbuck, Gilda Cordova, and Mayor Jenelle Osborne.

Staff Present: City Manager Jim Throop, City Clerk Stacey Haddon, City Attorney Jeff Malawy, and Management Services Director Dean Albro.

Others Present: Anthony Hudley, Ann Ruhge, Salvatrice McGinty, Ron Fink, Wally Waldau, Judy McKinnon, Charles Martinez, Justin Ruhge, George King, and Nikolai Nikolenko.

Mayor Jenelle Osborne led the **Pledge of Allegiance**.

City Manager James Throop reminded everyone of the upcoming Flower Festival beginning on Wednesday, June 26th, with the Parade on Saturday, June 29th; and he requested the order of Agenda Items be revised by placing Item No. 3 ahead of Item No. 2, the revision was approved.

NEW BUSINESS

1. **Council Discussion of a Possible Sales Tax Increase Ballot Measure.**

Council Member Starbuck presented a proposal of a 1% sales tax with a 15 year sunset that could be placed on a future ballot.

Council Member Cordova asked about what happens after 15 years, and what would happen with the collected tax if the unfunded actuarial liability for the California Public Employees Retirement System plan (CalPERS) is paid before the 15 year sunset. Council Member Starbuck stated the tax would be eliminated after the 15th year. Management Services Director Dean Albro explained Council could direct any monies received above the payment of the CalPERS debt be placed in a specific fund and to be used for specific matters.

Public Comment:

1. Ron Fink thanked Council for the suggested sales tax plan and stated he would like to see the sunset be increased to 20 years.
2. George King asked for Council to discuss the budget.
3. Nikolai Nikolenko stated he is not in favor of a sales tax without out budget cuts.
4. Justin Ruhge spoke in favor of a general sales tax and not a special tax be placed on a future ballot.
5. Charles Martinez stated he is encouraged to see the proposal and looks forward to this being brought to the voters soon.
6. Judy McKinnon spoke in favor of a sales tax measure and criticized the Council for not implementing this measure for the 2018 ballot.
7. Wally Waldau spoke about the need to provide a safe town for the City's youth to live in and go to school.
8. Ann Ruhge asked Council to move this proposal quickly, suggesting this matter be placed on the November 2019 Ballot.

Council discussed the matter at length.

NEW BUSINESS: (cont'd)

Item No. 1

ACTION: Motion/Second: Mosby/Starbuck. By a 5-0 vote, Council directed Staff to return with a Staff report with an estimate on the costs for placing a sales tax on a future ballot and the estimated savings to the City for Citywide 10 year, 12 year, and 15 year payments of the California Public Employees Retirement System unfunded actuarial liability.

PUBLIC HEARING:

3. **Adoption of the Fiscal Year 2019-20 Gann Appropriation Limitation; Adoption of Resolution No. 6267(19)**

Management Services Director Dean Albro presented the Staff report and recommendations.

Public Comment: None

ACTION: Motion/Second: Starbuck/Vega. By a 5-0 vote, Council adopted Resolution No. 6267(19), setting the Fiscal Year 2019-20 appropriation limit at \$46,703,750.

UNFINISHED BUSINESS:

2. **Consideration and Adoption of Resolution No. 6265(19) Adopting a Biennial Budget for Fiscal Years 2019-2021, or Adoption of Resolution No. 6266(19) Continuing City Operations Under the Current Budget Until Up To July 31, 2019.**

Management Services Director Dean Albro gave a summary of the proposed Biennial Budget for FYs 2019/2021, the changes Staff employed in the methodologies and highlighted the cuts to certain Departments as well as the use of approximately \$300,000 of General Fund Reserve Funds for the 2019/2021 Budget.

Council discussed the presented information.

Public Comment:

1. Ron Fink stated this proposed budget will impact the City's public safety and suggested Council delay the elimination of Staff positions until after a sales tax measure has been placed on a ballot and the vote is completed.

Council continued discussion of the proposed budget.

Mayor Osborne stated the proposed budget includes elimination of the Code Enforcement and the Economic Development Divisions as well as the following vacancies be held and the following positions be eliminated:

Positions to be held:

- Parks – Park Maintenance Worker (1) FTE
- Parks – Park Ranger (.75) FTE
- Police – Police Officers (3) FTE.
- Various – City Manager Discretion Vacancies (\$509,000)

Positions to be eliminated:

- Recreation – Office Staff Assistant (.75) FTE
- Economic Development – Office Staff Assistant (1) FTE
- Planning – Assistant Planner (1) FTE
- Planning – Associate Planner (1) FTE
- Code Enforcement – Senior Code Enforcement Officer (1) FTE
- Code Enforcement – Development Services Assistant I / II (1) FTE
- Fire – Battalion Chief (1) FTE
- Fire – Reduce Roster for Overtime \$600,000

UNFINISHED BUSINESS: (cont'd)

Item No. 2

ACTION: Motion/Second: Mosby/Starbuck. By a 4-1 (Mayor Osborne voted No) vote, Council adopted Resolution No. 6265(19) adopting the Biennial Budget Fiscal Years (FY) 2019-2021, with the following revisions to Resolution No. 6265(19):

SECTION 6. The City Manager, or their designee, is authorized to approve any appropriation transfers between departments within a fund, provided the total of such transfers within a particular fund shall not exceed \$100,000, without City Council approval. After any such City Council approval, upto \$100,000 in subsequent transfers between departments within a fund may be approved by the City Manager without further City Council approval. ~~The Each~~ Department Director is authorized to transfer appropriations between programs within their areas of accountability, as long as funding is available in the department as a whole. The City Council is aware the City Manager delegated authority to approve the transfer of funds from one object or purpose to another within the same department, program, office, or agency to the Management Services Director or his designee for individual line item requests of less than \$30,000.

SECTION 9. The City Manager may overfill six positions for a period of up to six months, with an end date of December 31, 2019. During this period of time the City Manager, with assistance from Human Resources, may attempt to place the six impacted employees, whose positions are being eliminated, into current vacant positions for which they meet the appropriate job requirements. The City will comply with all meet and confer requirements under the Meyers Miliias Brown Act, as necessary. The cost for these overfill positions will be covered through the use of salary vacancy savings. Additional funding in excess of the aforementioned vacancy savings shall require City Council approval. This Resolution is effective on the day of its adoption. The Budget is effective on July 1, 2019.

SECTION 10. On July 17, 2012, the then City Council elected not to implement a previously scheduled 3% rate increase and, in addition, reduced certain existing rate categories by an additional 3% to July 1, 2015, for the City's Electric Utility. The discount was extended to July 1, 2017, with the passage of the Biennial Budget FYs 2015-17 and extended again to July 1, 2019, with the passage of the Biennial Budget FYs 2017-19. The amount of capital projects and operational appropriations in the Budget FYs 2019-21 allows for the continuance of the discount while still maintaining the City Council policy level of cash reserves. Therefore, the City Council's July 17, 2012, action is hereby again extended to July 1, 2021.

SECTION 11. This Resolution is effective on the day of its adoption. The Budget is effective on July 1, 2019.

WRITTEN COMMUNICATIONS: None

ORAL COMMUNICATIONS (2 Minutes Maximum):

1. Salvatrice McGinty expressed concern for the safety of the citizens with the cuts implemented in this approved budget.
2. Ann Ruhge stated she believes the Council is making a mistake with the approved budget because of the elimination of so many professional and skilled City positions.
3. Anthony Hudley, President of the International Association of Firefighters Local 1906, expressed his disappointment in the approval of the budget with so many cuts to funding for public safety.

ADJOURNMENT: At 8:20 P.M. Mayor Osborne adjourned the Lompoc City Council to a Regular Meeting on July 2, 2019 at 6:30 P.M., in City of Lompoc Council Chamber.

Approved by Council action on July 16, 2019:

/Stacey Haddon/
Stacey Haddon, City Clerk