

MINUTES
CITY COUNCIL MEETING
MAY 11, 1992
COMMUNITY CONFERENCE ROOM
8613 SANTA MONICA BLVD.
7:00 P.M.

BUDGET STUDY SESSION

CALL TO ORDER: Mayor Koretz called the meeting to order at 7:05 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL: PRESENT: Guarriello, Heilman, Land, Lang,
and Mayor Koretz

ALSO PRESENT: City Manager Brotzman
Finance Manager Paul Arevalo
Department Directors and
Division Heads

DISCUSSION OF PRELIMINARY BUDGET FOR 1992-93 AND DRAFT WORKPROGRAMS

City Manager Brotzman said that first there would be a brief overview of the budget, and then representatives from each City Department would come up and give a brief summary of any significant changes in their budget for 1992-93, as compared to prior years, in terms of added or deleted services. The Council could ask questions, on a department by department basis, on any issues of concern. Finally, after a brief discussion, Council could give direction to staff regarding priorities. It is intended to schedule adoption of the budget for the June 1st Council meeting.

OVERVIEW: The City Manager commented that this budget had been prepared early this year. This gives Council more time to deliberate. However, the bad part of that is the information from the State is subject to change. Due to the State's financial problems, the State may attempt to balance their budget by, among other means, redirecting revenues from City governments to meet State program needs. Because of this it may be necessary for Council to reconsider the budget at a later date, even after adoption. Overall, the budget anticipates 36.1 million dollars in revenue, and projects operating expenses of 33.1 million dollars with a capital expenditure of 3.4 million dollars. That results in a very small drawdown of about \$400,000 in fund balance for all funds. The most significant area of drawdown is in the transit and parking fund. If it were not for that drawdown, this budget would actually result in an increase in fund balances for all funds.

The projected increase to the general fund balance was thought to be \$667,000, but has now been reduced by about \$395,000. It does not contain meet and confer adjustments--any labor relations

settlements will have to come out of that fund balance. Finally, there are recommended changes in the budget for which it would be prudent to have a contingency reserve; it is recommended transitioning parking enforcement to a private firm; that may generate increased revenue for the City along with operational savings of a quarter million dollars, however there may be some transitional losses in revenue, and that is not factored in.

Paul Arevalo, Finance Manager, commented that the largest contingency is the State budget, which is facing a deficit of nine billion dollars for next fiscal year. Currently the City has about two million dollars in subventions; the best guess at this time is the City may lose up to \$400,000 of those. May come back in August with revised revenue figures based on the State budget.

City Manager Brotzman also commented that it was a significant accomplishment to put together a budget that factors in a two million dollar loss due to the census, but retains existing levels of services.

BUDGET PRESENTATIONS BY DEPARTMENTS:

Representatives from each City Department reported on their budgets, followed by questions from Council.

City Manager's Department:

City Manager Brotzman gave comments--we are targeting a 20 percent reduction in City Attorney expenses.

Helen Goss reported regarding the Public Information Division--pages five and six are reversed--Public Safety figures are really Public Information and vice versa.

Administrative Services Department:

Kay Jimno, Administrative Services Director, reported that primarily there is a reduction in the number of budgeted positions. In information systems, staff is spending fifty percent of the time on operations; in the proposed budget, will be reduced \$400,000.

Community Development Department:

Debbie Potter, Economic Development Manager, gave an overview. An environmental review position eliminated.

Councilmembers directed questions to Debbie Potter and to staff from Planning Division, Environmental Services Division, and Building and Safety.

Human Services Department:

Jodi Curlee, Social Services Division, gave a report, and Council directed questions to Jodi and to Curtis Brown, Recreational Services Division, and Brian Wolfson, CATV/Arts Division, regarding the cost of Sunday hours at library, fees at parks, CATV/Arts staffing.

Public Safety Division:

Nancy Greenstein, Public Safety Officer, reported on proposed changes in the Sheriff's Department budget and responded to questions regarding two person patrol cars, foot and bike patrols,

gaybashing. Parking control will be eliminated. Special problems unit was overlooked in budget book. The City Manager recommended to put it back.

Rent Stabilization Department:

Mark Johnson, Rent Stabilization Department Director, gave a report, followed by questions from Council.

Transportation and Engineering Department:

Joan English, Transportation Director, reported on their Department's budget, followed by questions from Council.

Capital Improvement Program:

City Manager Brotzman briefly summarized the Capital Improvement Program. One million dollars is proposed to be set aside from General Fund; 1.2 million dollars is anticipated from Federal Aid Urban--the Sunset Blvd. Project.; \$50,000 from sewer construction fund; \$160,000 from Community Development Block Grant funds; and one million dollars from the Transit and Parking Improvement Fund for the possible joint venture parking project. On page 43 of budget is a listing of the proposed types of projects. Some of the one million dollar General Fund money is proposed to be used for the pavement maintenance program. Another item--last year we matched City contribution to what we anticipated Business License Tax would generate; it has not generated as much as initially budgeted, but it will generate more than was put in for midyear. Next year proposed business license tax revenue is \$800,000; proposed General Fund money, one million dollars.

Council Discussion:

Following the budget presentations, City Manager Brotzman gave suggestions to Council on where they could possibly make budget cuts: prioritize prosecution, transfer some things to district attorney; swimming pool open in summer only; cut back from weekly street sweeping; cut down on frequency of tree trimming; cut back on Cultural Heritage, special events. Beyond that, there would have to be serious programmatic cuts, such as in social services. Revenue--might look at business license tax.

Mayor Koretz stated that the budget does not show a cost of living increase for employees, and he is not happy with that; a COLA should be reflected in the budget.

It was the consensus of Council that they needed more time to digest the information presented tonight, before giving direction.

ADJOURNMENT: The meeting was adjourned to the next regular meeting on May 18, 1992, at West Hollywood Park Auditorium, for a closed session at 6:00 p.m. and a regular meeting at 7:00 p.m.

APPROVED BY MOTION OF THE CITY COUNCIL THIS 15TH DAY OF JUNE, 1992.

ATTEST:

Mary Tyson
City Clerk

Babette Lary
Mayor Pro Tempore