



City of Greenfield

599 El Camino Real
Greenfield, CA 93927

City Council Special Work Session Agenda

May 19, 2015
6:00 P.M.

Mayor John Huerta, Jr.

Mayor Pro-Tem, Raul Rodriguez

Councilmembers

Lance Walker

Avelina Torres

Leah Santibanez

Your courtesy is requested to help our meeting run smoothly.

Please follow the following rules of conduct for public participation in City Council meetings:

- Refraining from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the City Council to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.

Please turn off cell phones and pagers.

**City Council Special Work Session Agenda
May 19, 2015**

A. CALL TO ORDER

B. ROLL CALL – CITY COUNCIL

Mayor Huerta, Mayor Pro-tem Rodriguez, Councilmembers Walker, Torres and Santibanez

C. AGENDA REVIEW

D. PUBLIC COMMENTS FROM THE AUDIENCE REGARDING ITEMS ONLY ON THE AGENDA

This portion of the Agenda allows an individual the opportunity to address the Council on any items not on closed session, consent calendar, public hearings, and city council business. Under state regulation, **no action can be taken on non-agenda items, including issues raised under this agenda item.** Members of the public should be aware of this when addressing the Council regarding items not specifically referenced on the Agenda. **PLEASE NOTE:** For record keeping purposes and in the event that staff may need to contact you, we request that all speakers step up to the lectern and use the microphone, stating your name and address, which is strictly voluntary. This will then be public information. A three-minute time limit may be imposed on all speakers other than staff members.

E. CITY COUNCIL WORK SESSION

REVIEW OF THE PROPOSED 2015-2016 / 2016-2017 BUDGET

General Budget Review

- a. Proposed General Government Budget Reductions
- b. Police Department Supplemental Funding
- c. FY 2015 Police Staffing
- d. Final Budget Direction

a. Staff Report

b. Public Comments

c. City Council – Review / Comments

F. CLOSED SESSION

F-1. CONFERENCE WITH LABOR NEGOTIATORS

Agency Designated Representative: City Manager

Employee Organization: Service Employees International Union, Local 521

F-2. CONFERENCE WITH LABOR NEGOTIATORS

Agency Designated Representative: City Manager

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Employee Organization: Greenfield Police Supervisors Association

F-3. CONFERENCE WITH LABOR NEGOTIATORS

Agency Designated Representative: City Manager

Employee Organization: Greenfield Police Officers Association

F-4. CONFERENCE WITH LABOR NEGOTIATORS

Agency Designated Representative: City Manager

Employees: Unrepresented Miscellaneous Employees

G. ADJOURNMENT

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www.ci.greenfield.ca.us



City Manager Memorandum

599 El Camino Real Greenfield CA 93937 831-674-5591

www.ci.greenfield.ca.us

DATE: May 15, 2015

TO: Mayor and City Council

FROM: Susan B. Stanton, ICMA-CM
City Manager

Re: FY 2015-16 Budget Reduction Proposal

After a long weekend of continued violence and homicide in Greenfield, the City Council has requested the Administration identify proposed reductions in general government spending to increase law enforcement funding in the FY 2015-16 Proposed Budget. As shown in Table 1 on the following page, \$331,000 of spending reductions has been identified to increase Police Department spending in Greenfield. These reductions consist of the following:

- **General Fund Salary Reduction: \$165,000:** Leaving the Public Works Director position unfunded will require the allocation of \$97,000 of the Community Services Director's salary and benefits to the other city funds as an administrative expense for direct supervision of Public Work operations. Total salary savings related to this transfer are offset by a 17% General Fund cost allocation (\$22,000) for time spent supervising community development and planning functions and the reallocation of grant revenue (\$15,000) from the general fund to the Public Works special funds. Not filling the Management Analyst position will save the General Fund an additional \$68,000.
- **General Fund Spending Reduction: \$79,000:** \$79,000 of spending reductions has been identified in General Fund departments including the proposed \$20,000 contribution to the Science Work Shop and \$15,000 in Community Funding (donations) for non-profit groups.
- **Code Enforcement Officer Vacancy: \$87,000:** In order to fund an additional Police Officer, the dedicated Code Enforcement Officer in the Measure X Fund will remain vacant and will not be funded. By not filling this position, code and property enforcement functions will, of necessity, be downgraded in order to relocate resources directly to combat gang related issues in Greenfield. As was the case prior to the City having a dedicated Code Enforcement Officer, primary responsibility for code enforcement will be with the Police Department.

Table No. 1
Proposed General Government Reductions and
New Police Department Spending

Proposed Reductions	General Fund	Measure X	New Police Spending
CD: Director Salary Reallocated to PW Funds	134,000		
Projected Cost to General Fund	(22,000)		
Loss of Grant Fund Offset	(15,000)		
Net Savings	97,000		
CM: Management Analyst	68,000		
PD: Code Enforcement		87,000	
CM: Recruitment- Advertising	3,000		
CM: Transfer to Science Workshop Fund	20,000		
CA: City Attorney Retainer	10,000		
CC: General Community Funding	15,000		
PR: Service Facility Other Operating Supplies	5,000		
PR: Transfer of Patriot Park Expense to GF		135,000	
GS: Wireless Projectors - 1 Unit	1,200		
GS: Security Camera - CM Office	1,000		
GS: Dedicated Skype System CM Conference Room	2,500		
GS: Access Card Printer/Management System	2,600		
GS: Kiosk Terminal in Lobby	500		
GS: Landscape Street Trees	5,000		
IT: Color Laser Printer - 2 Units	1,200		
IT: LiveStream Server Upgrade	3,000		
IT: Computer parts and upgrades	6,000		
IT: Online Ticket/Tracking System	3,000		
Total Fund Reduction	244,000		
PR: Transfer of Patriot Park Expense from Measure X	135,000		
Total Funds for PD Allocation	109,000	222,000	
Additional Police Department Spending			
Crime Analyst			35,000
DA Investigator Assigned to GFPD			51,000
Police Officer			85,000
Projected Salary Adjustment			160,000
TOTAL NEW POLICE SPENDING			331,000

Total FY 2015 General Fund spending reductions of \$244,000 are offset by transferring \$135,000 of recreation and park maintenance expense from the Measure X Fund into the General Fund. Except for a one-time \$25,000 capital contribution for renovation expense of the Downtown Arts Center, **the revised FY 2015 Measure X spending Plan now allocates 100% of all sales tax funds for Law Enforcement Spending.**

Chief Fresé has proposed spending \$86,000 on Crime Analyst and Investigator services to assist the department in identifying and prosecuting criminal activity in Greenfield, \$85,000 for an additional Police Officer, and \$160,000 in increased salaries for current Police Officers to address retention in the department due to the significant salary disparity in the local labor market. Wages and potential salary increases, however, are subject to negotiation and approval by the Police Union that will begin in the next two weeks.

With the continued vacancy of the Public Works Director position, the Community Services Director will continue to provide Public Works oversight in addition to that position's community development and planning responsibilities. To streamline the planning and development permit approval process, thereby reducing the workload of the Community Services Director in conducting analyses and preparing staff reports and presentations for the Planning Commission, it is recommended the Zoning Code be amended to transfer approval authority from the Planning Commission to the Community Services Director for (1) temporary use permits, (2) minor use permits, and (3) design review. The State Government Code does not require any of these responsibilities be performed by the Planning Commission.

As discussed in the FY 2015-16 and FY 2016-17 budget transmittal letter, the City does not have a diversified revenue base to fund critical city services and has not taken adequate steps in the past to ensure projected revenue kept pace with projected expenditures. *It is simply not sustainable to provide quality city services to the community relying exclusively on the collection of sales tax and the receipt of property tax revenue.* Without new revenues, the proposed general fund budget reductions will become permanent. As the City Council and Finance Advisory Board finalize and approve a spending plan for FY 2016, it is imperative that Greenfield consider adopting one or more of the four major revenues identified in the City's Revenue Option Study for generating sufficient funds to enhance the City's ability to pay for critical services such as recreation, law enforcement and city personnel:

- **Local Option Sales Tax.** Cities are allowed to set their own "local option" sales taxes. As approved via Measure X, the City already has an added local option rate of 1.0%. Under State guidelines, the City has the flexibility of adding an additional rate of up to 0.875%. An added ½% would generate about \$425,000 annually; and an added rate of ¾% would generate about 634,000.
- **Property Transfer Tax.** Statewide, there is a property transfer tax of \$1.10 per \$1,000 of value when property is sold (e.g., \$220 on a property worth \$200,000). For sales in a city, the proceeds are evenly divided between the city and the county, for an effective city rate of \$0.55 per \$1,000 of value. (For sales in unincorporated areas, the county retains all of the tax.)

- **Parcel Taxes.** A modest parcel tax of \$100 per “equivalent dwelling unit” (EDU), where a single family residence is one EDU, would raise about \$400,000 annually, and \$150 per EDU would raise about \$600,000 annually. This would be a broad-based revenue source that would diversify the City’s revenue base. It accommodates the ability to earmark its proceeds for public safety, since it requires two-thirds voter approval whether it is for general or special purposes.
- **Business License Tax.** The current business license tax is a flat fee of \$40 per year and has not been changed in forty years, when it was last adjusted in 1975. While the City should consider modernizing its business license tax ordinance, simply adjusting the rate to account for the passage of time – in essence, setting it the at the same level when it was adopted but adjusting for inflation would generate an additional \$81,000 annually.
- **Utility Users Tax.** Half of the State’s residents and a majority of businesses in California pay utility user taxes at rates ranging from 1% to 11%. This is a tax on the consumption of utility services (such as natural gas, electricity, water, sewer, telephone and cable), similar in concept to the retail sales tax on commodities. For this reason, most cities set their rates based on the sales tax rate in effect at the time they adopted their utility user tax ordinance, which accounts for some of the variability in rates. Statewide, for those 154 cities that levy utility user taxes, the average rate is 5.5%. Greenfield’s rate is 3.0%. At 5% utility user tax rate would increase revenues by about \$176,000 annually

These proposed General Fund reductions, while significant, are still inadequate to properly fund public safety and address critical recreation needs in the community. Without healthy and safe activities and programs for young people, Greenfield youth will continue to be induced to join gangs and engage in criminal activities when not in school. In order to properly address fundamental and critical City service needs in this community, the City Council and Administration need to begin the necessary steps to **adopt and obtain voter approval** for new revenue sources in the **next** year.

The proposed spending reductions and the need for revenue enhancement has been discussed and reviewed with the Finance Advisory Board. The Board is finalizing their Budget recommendations for City Council consideration prior to the Budget Work Session.

At the Budget Work Session, the City Council will be asked to provide further direction to the City Manager on the preparation of the FY 2015 Proposed Budget. Should the adjustments identified in this memorandum be incorporated? Are there other adjustments the City Council would like to see incorporated in the proposed budget that will be presented at the June 9th regular City Council public meeting?