

MINUTES

City of Guadalupe Special Meeting of the Guadalupe City Council Wednesday, June 15, 2022, at 6:00 pm City Hall, 918 Obispo Street, Council Chambers

1. ROLL CALL:

Council Member Liliana Cardenas
Council Member Gilbert Robles
Council Member Eugene Costa Jr.
Mayor Pro Tempore Tony Ramirez
Mayor Ariston Julian

The meeting was called to order at 6:00 p.m. All members were present. (Note: The abbreviation, "CM" will be used for "Council Member" in these minutes.)

2. MOMENT OF SILENCE

The mayor asked to continue to remember those suffering in Ukraine and for any personal wishes you may have.

3. PLEDGE OF ALLEGIANCE

4. COMMUNITY PARTICIPATION FORUM

Each person will be limited to a discussion of three (3) minutes or as directed by the Mayor. Pursuant to provisions of the Brown Act, no action may be taken on these matters unless they are listed on the agenda, or unless certain emergency or special circumstances exist. City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

Cynthia Reyes: Thank you for the opportunity to speak. My name is Cynthia Reyes and I'm the Vice-President of the Guadalupe Firefighters Association and wife of Fire Engineer, Guadalupe Reyes. Up to this point, I've been reluctant to speak to you on a delicate matter on the Fire Department. With a background in finance and construction, I absolutely understand budgets and the need to meet the bottom line. However, there is something missing in these dialogues that I feel, not only as my duty as Vice-President but my duty as a wife and member of the community to shed some light on.

As firefighters for this community, these men have set aside their personal lives, time after time, to uphold the lives of this community. They've missed holidays, birthdays and special occasions to be there, 24/7 for you and your loved ones. Is it not enough for their families to have to worry that today they get the big call that they won't be coming home? Is it not enough that they miss

important dates in their own lives to report for duty around the clock that now the same families have to worry if today's the day their spouse or partner is going to be fired from the job that they've devoted their entire lives to?

The quick answer has continued to be that 'we're not going to dismantle the department'. But when members are being written up for no reason...when they're told they are not allowed to public events and can't speak up to HR to report misconduct...when they're being told you either take a pay cut or you walk...when they're slowly being mentally broken down to the point of wanting to quit and aren't even allowed to train on their own time with their own money, you tell me what is the underlying message?

The department is not a business. Overtime is not overtime when there is a refusal to hire additional personnel but there still needs to be a crew around the clock to respond to calls. I understand the department has only six members and you still expect them not to work overtime to provide around the clock care...when all other departments seem to have funds for additional staffing. The budget for all public safety entities, for that matter, should not be a negotiable matter regardless of the bottom line. Peoples' lives should not be negotiable, especially in a community which may not be able to afford medical care.

This community needs a department with qualified personnel. It is absolutely appalling that the City has chosen to pinpoint only certain members' salaries to try and prove a point of over expenditures. Because, truly, if you want to talk about salaries, we should look at miscellaneous expenditures and salaries across all departments, not just Fire.

Let's talk about numbers because a solution is really simple. There's 18% of the budget allocated to Fire and a whopping 42% for Police. A 10% reallocation would leave the Police Department with 32% and bring Fire to a respectable budget of 28% to be able to hire additional staff to meet specific guidelines. Additionally, reallocating the vacant position of Emergency Preparedness Coordinator to the position of Fire Chief, who may also perform emergency preparedness duties, would give all parties the opportunity to fulfill their jobs accordingly.

Keep in mind what they are requesting is nothing more than the bare minimum required in this field, not only to protect the City appropriately, but also to put food on the table for their families. This information is only to draw attention to matters that were being contorted before being presented to you. And Council, I do not fault you. I only fault the foggy glasses that you are being made to see out of. You, the Council, are public servants just as these men here. It may be naïve of me, but I still believe that you meant the oath that you took to serve this community. And I believe that when given the opportunity to look beyond those foggy glasses, you'll see that this isn't a matter of 'you versus them'. It's only a matter of having an effective entity to serve your community as a unit."

Ryan Mack: Council, All Concerned...Hi, Guad Fire Captain here (Off-Duty). I wanted to firstly say thanks for having to sit through yet another speech of mine, in as many days. I have a clear objective tonight...in fact it has never been clearer since all the pieces seem to fit now. I understand your concern regarding overtime. I hear your concern for reliable sources of revenue. I appreciate your reluctance to participate in controversial politics. So tonight, I bring a new promise. I promise on my reputation that everything I say tonight is 100% factual and may God himself strike me down if I lie about what I am presenting tonight. Let's get started...

I believe you think the Fire Department is being paid too much. But I also believe you all are being given inaccurate information. So, before anything I am obliged to ask, since I have not been able to get this information so far..., Miss Lorena? Finance Director? May I ask you a general question? Would you remember receiving a \$200,000 check? If so, has the City received a check from the state for the Dixie Fire regarding the Fire Department's service last year? Thank you.

It has been publicly stated that the Fire Department abuses overtime. Overtime is a simple math equation. Manpower vs hours needed vs lack of coverage. Also noteworthy...All Fire Department overtime is approved by the Public Safety Director. The PD overtime is three times as much, but why is that not a problem? In fact, one Sergeant on the PD side makes more than the Public Safety Director and accrued \$80,000 in overtime alone. So why is our \$100,000 overtime budget an issue? I can speculate that it is a red herring. A fake issue. It is the cost of safety. Here are the real five (5) facts I have for you tonight:

- 1) Overtime is not a trigger word; it should make the Council happy. The Fire Department made \$200,000 on one incident last year, and the City profited \$100,000. If we go to mutual aid fires, we will make you money. I have the proof here tonight for anyone who would like it. The overtime budget has never reflected it.*
- 2) No firefighter took home \$140,000 last year (net). This is a number generated on the cost of the City for this employee. It does not account for:
 - a) Taxes-30% roughly*
 - b) Medical & Benefits*
 - c) Owed backpay*
 - d) Hours worked
 - i. If an average civilian employee works 40 hours a week, that equals 1900 hours per year.*
 - ii. If a firefighter works 53 hours a week, overtime kicks in by law through no fault of his/her own. This is the law. The Fire Captain on blast (which was not me) worked between 3,000- and 4,000-hours last year. Double what is expected of a normal employee. So how is that even comparable?***
- 3) If you all deny having threatened the Fire Department about going volunteer, then you have a rogue negotiator, and he needs to be fired. I also have proof of this here tonight. His name is Che Johnson.*
- 4) We are the lowest paid Fire Department in the County. A salary survey conducted two years ago proves that and continues to this day. I also have that proof available to anyone interested. Do I get paid less than firefighters I command on mutual aid incidents? Yes. Do I complain? No. But I am not ok with pay cuts to existing positions. N. O.*
- 5) The public stated Public Safety was priority #1. This is a big one. How many votes do you need to convince you that is what they want? We have a petition that says at least 500 more on top of the 80 that filled out that survey agree. If you hire a Battalion Chief in conjunction with an Emergency Preparedness Coordinator, you are setting the City up for failure. A Fire Chief will not fix everything, true...but it is a step in the right direction.*

My request is simple. Do what is right. Not what is easy. The public is speaking. It is now in your hands to decide if you will listen. Thank you.

Charlie Martinez: I'm Vice-President of California Professional Firefighters, 5th District and also a retired Vandenberg firefighter. I've worked side-by-side with Guadalupe Fire on several occasions.

A letter was sent to you by Julianne Hill from Taylor Farms about a recent incident they had in Salinas which could have resulted in catastrophic loss. (Mayor Julian indicated that that letter was on the back table.) That incident was mitigated before it got to be bad because they have a full-time staffed Salinas Fire Department that are on-the-spot professionals. What if that happened here in Guadalupe? Would the staff here for that? With the funding that you have for the Fire Department? That would be a completely different scenario.

Let me switch over to something more real, like a house fire. There are a lot of new houses being built all the time. A single room that catches fire...it takes about 6 to 8 minutes before it flashes over. That means that there's fire, from the top to the bottom, wall-to-wall...an unlivable, very dangerous scenario to go into to fight fire. As firefighters, we have a '2-on-2' policy for safety. If you don't have proper staffing, you have to wait for the next engine to show up. We've already gone over the details when Santa Maria FD or SB County Fire will be on the scene. By that time, that house is gone. Price of a house? About \$500,000-\$600,000.

Last time I talked here, you talked a lot about what happens on medicals. You can't put a price on that. I just ask that we do the right thing by our Fire Department...we do the right thing with our cops, giving them some money, some funding, the City needs it. Our firefighters also need that love. They also need that support. They also need funding because, God forbid, you lose a house...that could be somebody's livelihood, where they live. God forbid somebody's in that building...now you lose a life as well. Some things to consider when you make decisions on funding. Thank you.

Albert Nunez: I just wanted to speak tonight just to respond to the young woman's comments last night about overtime. Ryan's already covered a lot of that but the overtime that I understand that happens in a Fire Department is because of what's called in the industry, 'constant manning'. They're committed to be 'manned' at all times. Overtime is created because you have X number of staff. Sometimes while that staff is due for a shift, they're sick, a family member's sick, they need to leave, they're not able to show up for their shift. So, you have to ask someone who's already on the shift to work another shift. Or call someone in who's already worked their allotment of hours that week and now you have overtime.

It made sense to me when someone explained it to me. I wasn't sure where the information was coming from last night when the young woman was speaking. Then I thought that she's looking at numbers. She read off numbers and said how much it is...and look how much it is...that's a big number and that's something you can etch away at. Well, actually, no, I don't think you can.

It's the cost of doing business...to be 'constantly manned'. You can't just etch away those numbers. They're there for a reason. That's all wanted to say tonight. I didn't know who else was speaking but I thought it was important to address that overtime is not just a line item that you can explain away and delete. Thank you.

Letter from Taylor Farms: (dated June 15, 2022)

Dear Mayor Julian, Council Members & Staff,

At Taylor Farms, our employees and staff are our greatest and most valuable resource. Our produce facility operates 24/7 covering two production shifts with maintenance and sanitation personnel on site during down time. We have as many as 600-700 employees on site during peak seasons. Over 40% of our work force also resides in the city of Guadalupe full-time along with their families.

A recent large-scale fire incident at our facility in Salinas is a stark reminder of the importance of a well-trained, local fire department. Fire personnel were on site within minutes and had good familiarity with our facility and layout. Due to the quick response of Salinas Fire Chief, Michele Vaugan, and her team, there were thankfully no injuries or lives lost. Had response times been any greater, it could have been much different outcome. Response times of fire, medical, auto and other emergency personnel during crisis situations are critical as every minute counts.

For these reasons, Taylor Farms supports the full-time local fire department in Guadalupe and the need for a Fire Chief that will foster growth, training, and support for the current staff.

Sincerely,
Julianne Hill
Senior Director, Customer Fulfillment
Taylor Farms retail, Inc. – Guadalupe

REGULAR BUSINESS

5. FISCAL YEAR 2022-2023 PROPOSED BUDGET FOR BUDGET WORKSHOP.

Ms. Lorena Zarate, Finance Director, began the workshop by saying that one of the goals of the City Council is to have a balanced budget for FY 2022-2023 and to prioritize a build-up of reserves.

She started by going through the General Fund and its proposed budget. Of the various departments funded by the General Fund, the following were over budget by the noted percentage (Amended Budget FY 21-22 v Proposed Budget FT 22-23):

<u>Department</u>	<u>Percentage Over</u>
Administration	11%
Finance	8%
Building Maintenance	16%
Police	17%
Fire	7%
Parks & Recreation	20%
Building & Safety (Planning)	4%
Non-Departmental	17%

Those departments that were under budget were the following:

<u>Department</u>	<u>Percentage Under</u>
City Council	-16%
City Attorney	-8%
Cannabis	-100%

The difference between the budgeted revenues and budgeted expenditures is \$985,184. Reduction in the proposed expenditures needs to occur in order to build addition reserves.

General Fund Revenue, per proposed budget:

Taxes: Expected revenues = \$3,873,967 (Similar to FY 2021-22 budget)
 Sales Tax = \$549,435 + \$691,731 (Measure N)
 Property Tax = \$1,620,801
 Remaining tax revenue – projections based on estimated data thru April 2022

Building & Planning: Expected revenues = \$472,950 (-49% from FY 2021-22 budget)

Public Safety: Expected revenues = \$338,500 (-37% from FY 2021-22 budget)

Other Revenue: Expected = \$1,065,023 (+21% over FY 2021-22 budget) -includes an Estimated \$100,000 from cannabis, calculated based on HdL correspondence.

ARPA Transfer: \$484,413

Overall, the preliminary draft of the budget includes estimates revenues for the General Fund in the amount of \$6,761,712, a 4% decrease compared to prior year budget.

General Fund Expenditures:

City Council = \$12,680 (16% decrease from FY 2021-22 budget)

Administration = \$539,000 (11% increase)

City Attorney = \$110,000 (8% decrease)

Finance = \$594,683 (8% increase)

Non-Departmental = \$778,507 (17% increase) (This department includes expenses such as professional services (audit fees), IT services, property and liability insurance, payment of interfund loans, etc.)

Building Maintenance = \$377,794 (16% increase)

Police = \$3,218,800 (17% increase) (Includes 50% of Director of Public Safety)

Fire = \$1,428,900 (7% increase) (Includes 50% of Director of Public Safety)

Parks & Recreation = \$390,172 (20% increase)

Building & Permits = \$296,360 (4% increase)

Cannabis = This department was not previously included in the budget. There are no additional fees to be paid to HdL at this time.

The preliminary budget has estimated expenditures for the General Fund at \$7,746,896 which is approximately an increase of 12% over FY 2021-22 budget.

General Fund Conclusion: For FY 2022-23, with estimated expenditures of \$7,746,896, about 12 % greater than FY 2021-22, and estimated revenues of \$6,761,712, expenditures exceed revenues by \$985,184, resulting in the General Fund being in the red by approximately (\$158,000) for FY 2022-2023.

City staff had proposed a variety of items currently in the proposed budget that could be reduced or deferred, lessening expenditures for budgeted revenues to reach, at least, a breakeven point. Some of those items were:

Parks & Recreation Manager and unfilled Maintenance Lead positions: fund thru ARPA = about \$168,100 reduced.

Eliminate 3% COLA for unrepresented employees = about \$8,800 reduced.

Renew City Administrator's contract at same salary (not 20% increase) = \$31,800 reduced.

Defer filling three positions in PD: two (2) police officers and the Emergency Coordinator for one year = \$319,800 reduced; if deferred for six (6) months = \$159,900 reduced.

Postpone filling the Associate Planner position = \$10,000 reduced (re-evaluation pending)

Eliminate the Battalion Chief position = \$148,000 reduced.

Eliminate certain improvements at O'Connell Park & Tognazzini Park = \$190,000 reduced.

Eliminate temporary intern positions for public safety = \$22,000 reduced.

Eliminate turf replacement match = \$40,000 reduced.

Re-allocate use of ARPA funds for certain proposed expenditures, such as PPE supplies, reduce auditorium, public works conference room and finance office upgrades, generator, etc.

The proposed items listed to reduce expenditures, not including the reallocation of ARPA and reduction of operating supplies across all departments, may result in a total reduction of costs of about \$1,010,200. Ms. Zarate concluded, "With the proposed budget where expenditures exceed revenues, the City may not be sustainable. City staff is seeking Council's direction."

The meeting resumed with Mayor Julian starting the discussion on the list of items recommended to reduce or defer for possible costs savings. He said that having turf at O'Connell Park wasn't necessary. He also said that because there was very little use of Tognazzini Park, the proposed \$190,000 for improvements could be reviewed.

There was discussion of the unfilled Facilities/Parks Maintenance Lead position. It was recognized that both City facilities and parks needed attention, but what were ways to deal with that. The mayor asked how can Public Works and Parks expand roles to cover at Le Roy and O'Connell Parks? Ms. Shannon Sweeney gave three possibilities: 1) contract work out, though not reflected in the budget; 2) have two separate lead functions, or 3) take one Lead and current Maintenance Workers; change the unfilled Lead to a Maintenance Worker, small reduction. This would end up folding parks and facilities maintenance back under Public Works. Mr. Bodem said, "Negligible savings with the third option." Mayor Julian concurred.

The next topic involved Public Safety, specifically two positions: Emergency Preparedness Coordinator and Battalion Chief. Chief Cash made the correction that the Battalion Chief position was approved. He also said that Police is currently at 50% staffing and Fire is at 100%. He mentioned the length of time it takes in recruiting for Public Safety positions. It was discussed to use some ARPA funds and possibly Police 152 Fund monies.

Mayor Julian said, "Disaster preparedness person. We had one before. Funds are still in the budget and is unfilled." Chief Cash stressed importance in that position as there were deficiencies in training. The mayor then said, "You're an expert in disaster but can't do police, fire and emergency preparedness. We heard what people want in Fire. We want what works well in the City. Trying to get to a Fire Chief. Fire Department doesn't want a Battalion Chief. So how do we figure that out?"

CM Ramirez suggested that we look at "status quo" now. He referred back to the list of recommendations to eliminate or defer certain items and suggested going with that list. He gave some examples, such as keeping the Recreation Services Manager funded through ARPA, honor what has been negotiations (COLAs), keep steps increases at status quo. He said to look past this year but be proactive beyond.

Mayor Julian said, "You heard me in the past. The Recreation Services Manager should be in the General Fund budget. I do believe that we'll see positive income. Look at a special district for just Recreation, or Fire, or Police. Have a vote on bonds, etc. We have to get through the initial hump. Look at December and review budget then."

There was more discussion on the Emergency Preparedness Coordinator. The mayor asked, "If it's budgeted at \$109,000...half of that would be \$54,000...what happens if filling that position is delayed?" Chief Cash said that delaying the hiring, things fall on him. He stressed that it was imperative to have someone in that position. He said, "If we had a Battalion Chief, we could delay hiring this position."

CM Cardenas said, "There's a huge gap. Shows how reliable we are on one-time funds like Pasadera. We need to be as minimal as we can to stay afloat. I'm okay with accepting all recommendations on the list. We can look at the budget half-way through the year. We can look even further to reduce,

maybe step increases. We have unknown costs that we don't have numbers for, like workers' compensation. To be at break-even, we have to look at \$1M. This doesn't involve any reserves."

Mr. Bodem commented, "On Pasadera, once the bridge is built, there will be five (5) more years of build-out. We'll be strong. Cannabis won't be a cure-all. I feel we must have the Associate Planner position approved. The Building and Planning Department is the hub. It brings in monies, applicant fee payback. The contract person, Larry Appel, is at \$200 per hour. If he retires, we'd need to hire another contract person. It makes sense to have an in-house planner."

More discussion on the list of recommendations to eliminate or defer items. The mayor said to keep the \$40,000 for turf replacement match and COLAs. Mr. Bodem said he wasn't sure about step increases. Ms. Zarate then said, "Everything on the list, except 3% COLAs for unrepresented employees, freezing step increases and on Public Safety, delay six (6) months or one year." CM Ramirez suggested delaying up to a year. Chief Cash pushed for recruiting and filling positions that had already been funded as he said he only had five (5) police officers in the field, and also to roll the Battalion Chief position into the Emergency Preparedness Coordinator position and not take anything out of ARPA.

CM Cardenas said, "What's proposed? Defer two (2) police officers and the Emergency Preparedness Coordinator." More discussion took place where Chief Cash stressed need to start recruiting now as it takes six (6) months for police officers with hires at the end of the year. CM Ramirez added hiring only if contingent on budget at that six-month review period. Chief asked again for the two (2) police officers and the Emergency Preparedness position. But CM Cardenas added, "\$900,00 is not there. We need to close the gap. We need to defer."

Chief mentioned that if positions are deferred, overtime will result. More discussion about recruiting or deferring police officers, Battalion Chief and Emergency Preparedness positions continued between CM Cardenas and Chief Cash. CM Cardenas went back to the list of recommendations to defer or eliminate. She said, "Go with the recommendations, except COLAS. These two police officers would be for later. This would get you to eight (8)." Ms. Zarate then said, "Draft includes eight (8). Instead of having ten, keep eight (8) for six (6) months."

Mr. Robert Doty, from the audience, asked to speak. He said, "I have a simple question. Combine the Public Safety Director and Battalion Chief positions into Fire Chief. Relieves duty of Police Chief...hire a Fire Chief to answer to the City Council. Emergency Preparedness, \$109K...Battalion Chief, \$148K?" Mr. Bodem responded, "Could probably get a Fire Chief...relieve on emergency preparedness...Chief has that expertise."

CM Costa, Jr. asked Fire Captain Ryan Mack to return to the podium. Mr. Mack stressed that he was off duty. CM Costa Jr.'s question was why doesn't the Fire Department want a Battalion Chief, rather than a Fire Chief? Mr. Mack said that there's an important distinction – a Fire Chief can "represent the guys"....staff couldn't. If he answers to a boss under the City Council...nothing would get done. Fire Chief would have executive level training, like on budgeting." He felt it would be very easy to find a Fire Chief at the same cost for the Emergency Preparedness Coordinator or Battalion Chief.

CM Costa, Jr. mentioned the City having had a part-time Fire Chief in the past. He suggested looking at that again or maybe getting a Battalion Chief who can grow into a Fire Chief. He questioned if

that was a possibility. Mr. Mack said, "This is my personal opinion. If the Battalion Chief had a seat at the table, that would be okay." Mr. Albert Nunez gave some information on a Fire Chief's salary. He said, "It's estimated at around \$85,000 to \$125,000, with benefits. The median salary is \$92,000, with a high of \$101,000. Emergency Preparedness position is \$109,000. There's a bigger payoff...representation...would be able to lobby for his/her people." He added that there was a part-time Fire Chief before with an Assistant Fire Chief who was his father.

Vince C., from the Vandenberg Space Force Base Fire Department spoke. He said, "We're all professionals. I'm looking from the outside, looking at the budget. This department has engines from 2000-2005. No ARPA money. Lompoc has \$8M in surplus cannabis. If you take ARPA away, there still is \$3M surplus. The Fire Department is only 7% of the budget. Increase public safety. Chief is not a Fire Chief. You need a Fire Chief, not a Police Chief to run the Fire Department. Keeping things even is not even. If you don't hire, there's overtime...common math. The most important part here is to hire a Fire Chief. You can't replace a Fire Chief with a Battalion Chief. Fire Chief and Police are equal."

Mayor Julian then said, "Five (5) years ago, we were in the red. The Grand Jury still says we're not a viable entity. Tim Ness, retired City of Santa Maria City Manager, helped us out. One of the firefighters had an issue with the part-time Fire Chief, Jack Owens. There should be a Fire Chief, but where's the money for that? Combining the Battalion and Emergency Preparedness Coordination? I believe that we need a Fire Chief. Chief Cash does an excellent job."

Ms. Zarate suggested hiring either a Fire Chief or Battalion Chief using \$50,000 from ARPA funds. She said, "That would be half. Review in six (6) months and look at sustainability. Hire in January...we'll have an idea of cannabis, taxes, etc. There's consensus for the need for a Fire Chief. Use the \$50,000 but we'd need to think of later."

CM Cardenas didn't agree saying, "Go back to the same issue...one-time money for recurring costs. Looking at the overall city...how can we fund a position and tell an employee that the job may be over in six (6) months. If we do that, there needs to be transparency for the employee that it is a grant-funded position. I still suggest status quo for now." The mayor reiterated that ARPA money is "one-time money".

Mr. Bodem said, "Prioritize wants...status quo." Mayor Julian said, "This goes back to our goals. We need to hone in on 'getting into the black'. How do we reallocate? How does discussion of Fire Chief meld into the FY 2023-24? CM Ramirez again said, "Status quo is important to note. We're not arguing about needing a Fire Chief but give the City time to re-evaluate how we're doing. Once we have greener pastures, we can make things happen. I'm happy with current structure, but we have to focus on getting into the black. This year = Status Quo – follow the list of recommendations. We have two (2) people agreeing."

Ms. Teresa Doty spoke, "If you have monies funded, why can't you use that money for a Fire Chief?" Mayor Julian repeated, "If we look at the budget, we're \$1M in the hole." Mr. Bodem agreed saying that we simply don't have the revenue. Ms. Cynthia Reyes asked, "Would 'status quo' include 42% of the budget for the Police Department?" Mr. Bodem said that it would not and reiterated that the Council and City staff are looking at all things.

Ms. Zarate summarized saying, "Then everything on the list, except COLAs and freeze on step increases. I'll bring the budget back with changes for the June 28th meeting." She then continued explaining other funds in the budget as follows:

Some Other/Special Funds:

Public Safety Special Funds: Similar to prior year revenue. No expenses currently budgeted.

Streets Special Funds:

Measure A: Budgeted revenues = \$676,942 (+17% from FY 2021-22 budget)
Budgeted expenses = \$1,256,847 (+2% from FY 2021-22 budget)

Gas Tax: Budgeted revenues = \$351,812 (+12% from FY 2021-22)
Budgeted expenses = \$705,353 (+17% from FY 2021-22 budget) Transfers
for capital improvement = estimated at \$701,000 for street rehabilitation.

SB1 RMRA: Budgeted revenues = \$190,494 (+23% from FY 2021-22 budget)
Budgeted expenses = \$380,000 (related to transfers for capital
improvements for street rehabilitation.

LTF-Roads: Budgeted revenues = \$9,270 (+23% from FY 2021-22 budget)
Budgeted expenses = \$8,800, transfers for capital improvements for
sidewalk repairs.

ASHC Pedestrian: Budgeted revenues = \$200,000 from ASHC grant for 11th Street
Multimodal path design project.

Enterprise Funds:

Water Operating Fund: Budgeted revenues = \$2,262,014 (-3% from FY 2021-22 budget)
Budgeted expenses = \$2,742,806 (+6% from FY 2021-22 budget)

Water Capital Fund: Revenue was estimated to reflect expected impact fees from the
Pasadera Development, 8 lots and standby charges. \$1,065,387 budgeted transfer for
capital improvement projects.

Wastewater Operating Fund: Budgeted revenues = \$2,269,300 (+1% from FY 2021-22
budget) Budgeted expenses = \$2,502,415 (+34% from FY 2021-22 budget)

Wastewater Capital Fund: Revenue was estimated to reflect expected impact fees from the
Pasadera Development, 8 lots and a grant from IRWM for effluent pump station
rehabilitation. \$1,843,208 budgeted transfer for capital improvement projects.

Transit: Budgeted revenues = \$2,566,305 (includes CARES Act, and various grants)
Budgeted expenses = \$2,867,472, which includes \$1,800,000 for infrastructure
improvements, to Include EV bus and charging and Amtrak train station design.

Miscellaneous Special Funds:

Library Fund: Revenue is estimated to reflect expected impact fees from Pasadera and a \$5,000 transfer from General Fund.
Budgeted expenses = Was \$15,000 for library fund rent costs but with a \$4,000 donation from Friends of the Guadalupe Library, revised to \$11,000.

Capital Facilities Fund: Houses monies from People Self Help Housing and Pasadera Development impact fees. Staff prepared a program of projects for Councils approval as to the use of the funds, which includes \$70,000 for public safety equipment and \$459,537 for capital improvements.

Public Facilities Fund & Park Development Fund: Both funds are budgeted to receive funds from the Escalante Meadows development.

City Hall Equipment Fund: Budgeted revenues = \$25,000.
Budgeted expenses = \$25,000.

Traffic Fees Fund: Budget includes a \$120,000 transfer for capital improvement, specifically for street rehabilitation.

CDBG Fund: Expected grant funding for various projects, such as Le Roy Park Phase 2 = \$1.7M, Central Park = \$4,887,084, and Urban Forest = \$170,734.

Lighting & Landscape District Funds: Budgeted revenues and expenditure estimates are based on prior year information, with exception for expenditure for additional Pasadera Lot 5 for electrical and landscaping.

Successor Agency Fund: Budgeted revenues, include a CDBG grant of \$5.1M for the Royal Theatre, and expenditures are based on prior year information, with exception of the Royal Theatre capital project.

Capital Improvement Projects: With Council's approval, the City plans on completing \$20,228,699 in FY 2022-23 for public improvements.

ARPA: The City's total award was \$1,860,000, of which half, \$930,930, was received in June 2021. The other half is expected this summer. The total amount of \$1,710,434 was approved and allocated by Council. By the end of June 2022, estimate of \$330,606 will have been spent. \$1,222,218 is proposed budget for next FY 2022-23, with \$484,413 to be used to fund the General Fund expenditures. \$30,806 is to fund Los Amigos de Guadalupe and \$707,000 is to fund capital projects.

Mayor Julian commented, "On 'Miscellaneous Special Funds', capital improvement, the American Legion repair, \$70,000...this is not Enterprise Fund so these dollars can be moved."


Ms. Zarate repeated that changes will be made to the General Fund and any other miscellaneous changes which will then be brought back for Council's review and approval with the resolution at the June 28th meeting.

Mayor Julian's final comment, "We heard good comments in making decisions that are good for the City."

6. ADJOURNMENT

Motion was made by Council Member Ramirez and seconded by Council Member Cardenas to adjourn the meeting. 5-0 Passed. Meeting was adjourned at 8:14 p.m.

Prepared by:



Amelia M. Villegas, City Clerk

Approved by:



Ariston Julian, Mayor