



MAYOR/CHAIR SYLVIA BALLIN
VICE MAYOR/VICE CHAIR MARY MENDOZA
COUNCILMEMBER/BOARDMEMBER CINDY MONTAÑEZ
COUNCILMEMBER/BOARDMEMBER HECTOR A. PACHECO
COUNCILMEMBER/BOARDMEMBER CELESTE T. RODRIGUEZ

CITY OF SAN FERNANDO
CITY COUNCIL
AND SUCCESSOR AGENCY TO THE
SAN FERNANDO REDEVELOPMENT AGENCY
SPECIAL MEETING AGENDA SUMMARY
WEDNESDAY, JUNE 2, 2021 – 5:30 PM

CITY HALL COUNCIL CHAMBERS
117 MACNEIL STREET
SAN FERNANDO, CALIFORNIA 91340

SPECIAL NOTICE REGARDING COVID-19

On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. On March 17, 2020, Governor Newsom issued Executive Order N-29-20 (superseding the Brown Act-related provisions of Executive Order N-25-20 issued on March 12, 2020), which allows a local legislative body to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body. Pursuant to Executive Order N-29-20, please be advised that the San Fernando City Council will participate in meetings telephonically.

PUBLIC PARTICIPATION: Pursuant to the Executive Order and given the current health concerns, members of the public can access meetings live on-line, with audio and video, via YouTube Live, at <https://www.youtube.com/c/CityOfSanFernando>. Comments submitted via YouTube will not be read into the record. Members of the public may submit comments by email to cityclerk@sfcity.org no later than **4:30 p.m. the day of the meeting**, to ensure distribution to the City Council prior to consideration of the agenda. Those comments will be distributed to the City Council will be limited to three minutes, and made part of the official public record of the meeting. Callers interested in providing a live public comment, may call **Telephone Number: (669) 900-6833; Meeting ID: 837 7527 4909; and Passcode: 741428, between 5:30 p.m. and 5:45 p.m.** in the order received, and limited to three minutes. The call-in period may be extended by the Mayor.

THE REGULAR MEETINGS OF THE CITY OF SAN FERNANDO CITY COUNCIL ALSO SERVES AS CONCURRENT REGULAR MEETINGS OF THE SUCCESSOR AGENCY TO THE SAN FERNANDO REDEVELOPMENT AGENCY, AND, FROM TIME TO TIME, SUCH OTHER BODIES OF THE CITY WHOSE MEMBERS ARE COMPOSED EXCLUSIVE OF THE MEMBERS OF THE CITY COUNCIL.

**PUBLIC PARTICIPATION OPTIONS TO HELP REDUCE
THE SPREAD OF COVID-19**

WATCH THE MEETING:

Live stream with audio and video, via YouTube Live, at:

<https://www.youtube.com/c/CityOfSanFernando>

Note: Comments submitted via YouTube will not be read into the record.

SUBMIT PUBLIC COMMENT VIA EMAIL:

Members of the public may submit comments **by email** to cityclerk@sfcity.org no later than **4:30 p.m. the day of the meeting**, to ensure distribution to the City Council prior to consideration of the agenda. Comments received via email will be distributed to the City Council, read into the record, limited to three minutes, and made part of the official public record of the meeting.

CALL-IN TO PROVIDE PUBLIC COMMENT LIVE AT THE MEETING:

Members of the public may **call-in between 5:30 p.m. and 5:45 p.m.** Comments will be heard in the order received, and limited to three minutes. If necessary, the call-in period may be extended by the Mayor.

Call-in Telephone Number: (669) 900-6833
Meeting ID: 837 7527 4909
Passcode: 741428

When connecting to the Zoom meeting to speak, you will be placed in a virtual “waiting area,” with your audio disabled, until it is your turn to speak and limited to three minutes.
Note: This is audio only and no video.

SAN FERNANDO CITY COUNCIL/SUCCESSOR AGENCY

Special Meeting Notice and Agenda – June 2, 2021

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CALL TO ORDER/ROLL CALL

Mayor Sylvia Ballin
Vice Mayor Mary Mendoza
Councilmember Cindy Montañez
Councilmember Hector A. Pacheco
Councilmember Celeste T. Rodriguez

PLEDGE OF ALLEGIANCE

Led by City Clerk Julia Fritz

APPROVAL OF AGENDA

Recommend that the City Council approve the agenda as presented and move that all ordinances presented tonight be read in title only as authorized under Government Code Section 36934.

PRESENTATIONS None

DECORUM AND ORDER

The City Council, elected by the public, must be free to discuss issues confronting the city in an orderly environment. Public members attending City Council meetings shall observe the same rules of order and decorum applicable to the City Council ([SF Procedural Manual](#)). Any person making impertinent derogatory or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting, may be removed from the room if the Presiding Officer so directs the Sergeant-At-Arms and such person may be barred from further audience before the City Council

PUBLIC STATEMENTS

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THE CITY OF
SAN FERNANDO

Special Meeting

San Fernando City Council

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AGENDA REPORT

To: Mayor Sylvia Ballin and Councilmembers

From: Nick Kimball, City Manager
By: J. Diego Ibañez, Director of Finance

Date: June 2, 2021

Subject: Fiscal Year 2021-2022 Budget Study Session No. 3

RECOMMENDATION:

It is recommended that the City Council review and discuss the Fiscal Year (FY) 2021-2022 Proposed Budget.

BACKGROUND:

1. On March 3, 2021, the City Council received a presentation of the FY 2019-2020 final audited financials, FY 2020-2021 Mid-year Budget update, and FY 2021-2022 Budget Outlook. This marked the kick-off of the FY 2021-2022 Budget season.
2. During April 2021, the City Manager and Director of Finance met with each Department to develop the FY 2021-2022 Proposed Budget, which includes revenues and expenditures for the General Fund, Enterprise Funds, and all Special Revenue Funds.
3. On May 3, 2021, the City Manager's Proposed Budget was distributed to City Council for review and posted to the City's website.
4. On May 17, 2021, City Council held Budget Study Session No. 1 and discussed the Budget Overview, Administration Department and Police Department budgets.
5. On May 24, 2021, City Council held Budget Study Session No. 2 and discussed the City Clerk Department, Finance Department (including Information Technology), Community Development Department, Recreation and Community Services Department, and Public Works (operations) Department budgets.
6. The next Budget Study Session is scheduled for Monday, June 7, 2021 (if necessary) to discuss additional follow up items from prior Budget Study Sessions.

ANALYSIS:

Follow-up Items through May 24, 2021

The following items have been identified as follow-up items to be considered when all Department budget presentations have been concluded.

1. Add a Grant Writer/Analyst position in the City Manager's Office. (Ongoing: \$150,000)
2. Increase hourly rate for paid Intern Program from \$15/hour to \$20/hour. (Ongoing: \$20,000)
3. Review a Motor Officer Unit for the Police Department and/or reinstitute the bicycle patrol program for increased patrol and community policing. (One-time: \$50,000; Ongoing: \$15,000; Ongoing Revenue: \$50,000)
4. Additional security cameras at west side of City Hall to enforce the one-way street direction. (One-time: \$5,500)
5. Add Economic Development Manager position that may also handle business support and housing programs. (Ongoing: \$150,000)
6. Engage a consultant to create an Environmental Justice Element of the City's General Plan. (estimated \$100,000 - \$150,000)
7. Engage a consultant to facilitate public outreach and create a Downtown Economic Development Master Plan. (One-time \$150,000)
8. Appropriate a reserve amount for Community Development to explore additional resources for code enforcement, housing programs, neighborhood beautification efforts, business improvement programs, etc. (One-time: \$250,000)
9. Consider moving funding to VOIP and other efforts to support telecommuting and contactless payments to American Rescue Act funds, if eligible. (General Fund Savings: \$50,000)
10. Measure SF funds (\$1.5 million) should only be for one-time enhancements for FY 2021-2022 to give the City Council the opportunity to receive input from the community on how those funds should be allocated in the future.
11. Increase the age limit from 23 to 25 for the Police Cadet Program.
12. Explore transferring staff responsibility for the Education Commission from the City Clerk Department to another Department.

13. Explore credit card and online billing software for all City payments, including water/sewer utility bills.

14. Consider adding preference for minority and women owned businesses to the City's Purchasing Policy.

Budget Overview.

The theme of the FY 2021-2022 Proposed Budget is to recover from the COVID-19 pandemic and invest in City services. In FY 2020-2021, each Department was asked to reduce their operating budget by 10%. That reduction has been restored to each Department's base budget for FY 2021-2022. City staff used the City Council adopted *Strategic Goals 2022-2027* as guiding principles for developing the FY 2021-2022 Proposed Budget. All FY 2020-2021 Accomplishments, FY 2021-2022 Objectives (i.e., Work Plan) and Enhancements were reviewed and approved through the lens of the adopted Strategic Goals.

More than \$2.75 million in enhancement requests were submitted by City Departments. After initial review of the budget, the City Manager is recommending \$488,601 in ongoing enhancements and \$905,417 in one-time enhancements for the General Fund as well as a \$500,000 transfer to the General Capital Improvement Fund to address streets/sidewalks/signage.

Overall, the original General Fund Proposed Budget has a budget surplus (i.e., total revenue less total expenditures) of approximately \$171,000. Although the Proposed Budget presents a budget surplus, there are a number of critical outstanding variables that could quickly erode the surplus, primarily unknown costs related to a potential resurgence of COVID-19 cases. More information regarding the FY 2021-2022 Proposed General Fund Budget will be provided during the scheduled Budget Study Sessions.

Measure A and Measure SF.

In June 2013, San Fernando voters approved a 0.50% local transaction use tax (Measure A) for a period of seven years. In November 2018, voters approved to extend the tax indefinitely, which will provide financial stability to the City in the foreseeable future. In FY 2021-2022, Measure A is projected to raise approximately \$2.4 million.

In November 2020, San Fernando voters approved an additional 0.25% local transaction use tax (Measure SF) to keep sales tax local and avoid other taxing entities from passing a transaction tax that would otherwise be imposed on San Fernando customers, but spent regionally rather than locally. More than 56% of voters supported Measure SF, which will make approximately \$1.5 million available for street and sidewalk improvements; public infrastructure; local business reinvestment; public Wi-Fi; long-term debt reduction; wage and other general municipal purposes.

Fiscal Year 2021-2022 Budget Study Session No. 3

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Funds raised through these transaction taxes (cumulatively 0.75%) are imperative to the City's long-term financial stability and will continue be used to pay off existing debt, strengthen rainy day fund reserves, enhance services to the community and provide the financial resources necessary to implement the City's *Strategic Goals 2022-2027*.

Capital Improvements.

More information regarding the FY 2021-2022 Proposed Capital Improvement Budget will be discussed in detail during the Budget Study Session No. 3.

An analysis of the FY 2021-2022 Proposed Budget may be found in the City Manager's Budget Message included in the Proposed Budget document.

BUDGET IMPACT:

In accordance with the City's Budget Policy, the FY 2021-2022 Proposed General Fund Budget represents a balanced budget, with General Fund revenues of \$22.35 million and expenditures of \$22.18 million, estimating a surplus of approximately \$171,000.

CONCLUSION:

The objective of the FY 2021-2022 Proposed Budget is four-fold: 1) begin to finalize the impact of the COVID-19 pandemic, including, but not limited to, finalize any labor costs and equipment expenses incurred during this time and seek proper state and federal program reimbursements for pandemic costs, 2) enhance City services to meet the City Council's adopted Strategic Goals 3) appropriate capital funds to meet the City Council's adopted Strategic Goals and reduce deferred maintenance of the City's infrastructure, and 4) continue to rebuild the General Fund reserve balance to meet the City's Financial Reserve Policy.

ATTACHMENT:

- A. City Manager's FY 2021-2022 Proposed Budget - provided under separate cover and is available on the City's website at the following link: WWW.SFCITY.ORG/Financial-Documents