

AGENDA

REGULAR MEETING

CITIZEN COMMITTEE ON LA PALMA'S SUSTAINABILITY AND FUTURE

September 8, 2015

If you wish to speak before the Citizen Committee on La Palma's Sustainability and Future, please complete a Speaker Form identifying which item(s) you wish to address and provide the Speaker Form to the Administrative Services Director. Speaker Forms are available in the back of the meeting room. Speakers on numbered agenda items and Oral Communications (non-agenda items) are limited to five (5) minutes each.

6:30 p.m.
Royal Palm Room
7822 Walker Street, La Palma

CALL TO ORDER

PLEDGE OF ALLEGIANCE:

ROLL CALL: Committee Members

ORAL COMMUNICATIONS (Time Limit: 5 Minutes Each)

Time has been reserved at this point in the Agenda for persons wishing to speak on any item that is not listed on the Agenda. By law, the Citizen Committee on La Palma's Sustainability and Future are prohibited from taking action on such oral comments. The matter will be automatically referred to staff for appropriate response or action or will be placed on the Agenda of a future meeting. Matters listed on the Agenda may be addressed either at this time or at the time they are before the Committee for discussion.

CONSENT CALENDAR

All matters listed under Consent Calendar will be acted upon by one motion affirming the action recommended on the Agenda. There will be no separate discussion on these items prior to voting unless members of the Committee, Staff, or the public request that specific items be removed from the Consent Calendar for separate action. Any member of the public who wishes to discuss a Consent Calendar item should come forward to the microphone and, upon recognition by the Chair, state his or her name, address, and the item number.

1. **Approval of Committee Minutes**

Recommendation that the Committee approve the Minutes of the August 11, 2015, Meeting.

REGULAR ITEMS

2. **Administrative Services Department, Community Services Department, and Citywide System Overviews**

It is recommended that the Committee receive and file the report and provide direction to staff as to additional materials or information needed for future meetings.

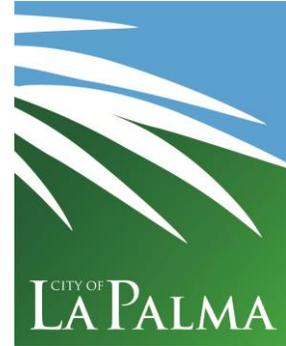
ADJOURNMENT

NOTE: As a general rule, staff reports or other written documentation have been prepared or organized with respect to each item of business listed on the agenda. Copies of these materials and other disclosable public records distributed to all or a majority of the members of the City Council in connection with an open session item on the agenda are on file and available for inspection with the Office of the City Clerk, City Hall, 7822 Walker Street, during regular business hours 7:30 A.M. to 5:30 P.M., Monday through Thursday, and alternating Fridays. If such writings are distributed to members of the Committee on the day of a Committee meeting, the writings will be available at the entrance to the meeting room. If you have any questions regarding any item of business on the agenda for this meeting, any of the staff reports, or other documentation relating to any agenda item, please contact the Office of the City Clerk at (714) 690-3334.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the Office of the City Clerk at (714) 690-3334. Notification 48 hours prior to the meeting will enable the City to make reasonable accommodations to ensure accessibility to this meeting.

City of La Palma

Agenda Item No. 1



MEETING DATE: September 8, 2015

TO: CITIZEN COMMITTEE ON LA PALMA'S
SUSTAINABILITY AND FUTURE

FROM: CITY MANAGER

SUBMITTED BY: Laurie Murray, Administrative Services Director

AGENDA TITLE: Approval of Committee Minutes

RECOMMENDED ACTION:

It is recommended that the Citizen Committee on La Palma's Sustainability and Future approve the Minutes of the August 11, 2015, Regular Meeting.

FISCAL IMPACT:

None.

APPROVED:



Administrative Services
Director



City Manager

MINUTES OF THE CITIZEN COMMITTEE ON LA PALMA'S SUSTAINABILITY AND FUTURE

August 11, 2015

CALL TO ORDER: Administrative Services Director Murray called the Regular Meeting of the Citizen Committee on La Palma's Sustainability and Future to order at 6:35 p.m.

PLEDGE OF ALLEGIANCE: Administrative Services Director Murray

ROLL CALL:

Committee Members Present: Committee Member Carruth, Committee Member Dhauw, Committee Member Jensen, Committee Member Kim, Committee Member Lutz, Committee Member Nelson, Committee Member Porter, Committee Member Teeples, Committee Member Waldman, and Committee Member Walker

Committee Members Absent: Committee Member Moskowitz

City Officials Presents: Ellen Volmert, City Manager
Laurie Murray, Administrative Services Director
Kimberly Kenney, Minutes Clerk

ORAL COMMUNICATIONS:

No members of the public wished to speak.

CONSENT CALENDAR:

None Scheduled.

REGULAR ITEMS:

1. Committee Structure and Guidelines, and Financial Overview

City Manager Volmert introduced staff and gave a general overview of the plan of action for the meeting. She opened up introductions of the Committee Members.

Committee Member Carruth has lived in La Palma since 1992; was born in Buena Park; is currently the COO for the Screen Actors Guild (SAG) Pension and Health Trust; and has worked in finance for Health Care Companies. He has been involved in City business

since 2010 - since the City of Bell scandal; and added that he is here to lend expertise in finance and operations.

Committee Member Dhauw has lived in La Palma for several years; attended Walker Junior and John F. Kennedy High Schools; works for the City of Stanton; and is a current member of the Community Activities and Beautification (CAB) Committee.

Committee Member Jensen has lived in La Palma since 1976; has a professional teaching career; and has been/is on several of the City's Citizen Advisory Committees.

Committee Member Kim has lived in La Palma just under 20 Years; works for the State Board of Equalization (SBOE); and is here to be involved in the City and contribute to its success.

Committee Member Lutz has lived in La Palma since 1969; has worked as financial analyst for ARCO; and wants to be part of a solution to the issue La Palma is facing.

Committee Member Nelson has lived in La Palma for 39 years; served on the City Council from 1984-1992; was a Chairman of the first Blue Ribbon Finance Committee resulting in the implementation of the Utility User Tax (UUT); and served on the second Finance Committee resulting in the ratification of the UUT; is a retired attorney; and volunteers his spare time being on Citizen Committees and serving on the boards of Health Care Companies.

Committee Member Porter has lived in La Palma since 1987, worked with YMCA, the Boys and Girls Club, and for the State; worked in the Martial Arts industries; and volunteers on the Kiwanis in his spare time.

Committee Member Teeples has lived in La Palma for 14 years; is part of the Neighborhood watch and is currently a Block Captain; has a Masters from CSLB in Emergency Management; and wants to be a positive influence in getting La Palma in the right direction.

Committee Member Waldman has lived in La Palma for 15 years; has worked as Budget Oversight for the State Controller; served as the City Council Appointed Representative for a variety of Agencies; and was a City Council Member from 2005-2012; and volunteered because of the duty to serve as a resident and that this is a matter of importance.

Committee Member Walker has lived in La Palma since 1997, has a background in orthopedics, is currently on the executive board for the PTSO, and is passionate for the La Palma community and noted that she wants to be part of the solution.

City Manager Volmert noted the variety of different life experiences, education, and commonalities that each member brings to the Committee; conducted a brief exercise in how each person views the exact same image or circumstance differently; and gave an outline of the Committee's mission and structure.

Administrative Services Director Murray announced the change in the meeting schedules due to a departmental conflict. She explained the materials in each Citizen Committee Member Binders.

City Manager Volmert gave a presentation on the Committee's Ground Rules.

Administrative Services Director Murray gave a presentation on the Brown Act, the Public Records Act, and Parliamentary Procedures. She noted that she would try to get the Financial Sustainability Agenda packets out earlier than 72 hour requirement and would like to get them posted at least a week in advance.

City Manager Volmert reviewed the City's Organizational structure.

Administrative Services Director Murray gave a presentation on the City's Finances to include the City's current structural deficit; revenues and expenditures; trends and assumptions; major drivers for the City's structural deficit; the City's efforts to date to combat rising expenditures; and the City's actions taken during the approval of the FY 2015-16 Budget. She closed by reviewing the ten-year financial forecast.

Committee Member Carruth requested to receive a chart of detailed total benefit cost per employee in each department; that CalPERS conducted a sensitivity analysis; questioned the rate of return assumption for CalPERS; noted that he has some investment management strategy information that he would be glad to share which could be helpful; suggested to put milestone markers to simplify the key steps taken back to 2004; that the \$4 Million surplus was depleted over the years; asked to see staffing levels over the years in conjunction with how that staffing affected any surplus revenue; and requested to get a unit count for every full time employee (FTE).

Committee Member Porter asked why staffing increased during the 2000's.

Administrative Services Director Murray responded that she would try to accommodate Committee Member Carruth's requests and noted that there was the addition of two motor officer positions during that time period, but that she did not have any data available as to what triggered the increase in staffing. She closed by stating she would make an effort to recover information regarding the matter.

Committee Member Waldman commented that revenues are currently at 2.3% per year and he would like a long term projection of those revenues.

Administrative Services Director Murray reminded the Committee that the City Council charged the committee to find other areas to revise operations, reduce services, increase revenues, and increase use of reserves; that the City Council has requested that Staff give the Committee an overview of each City Department; and asked for additional information that the Committee would like to include and requesting in advance of the next meeting.

City Manager Volmert requested to take a short recess at 8:09 p.m.

City Manager reconvened the meeting at 8:25 p.m.

City Manager Volmert reopened the discussion and asked if any Committee Members had additional questions or requests for information.

Committee Member Teeples asked for a cost savings breakdown after the elimination of the two recent positions from slide 60, and what those eliminated positions were.

Administrative Services Director Murray responded that she can put together a chart of all the cost saving cuts with detail on the savings and added that the positions that were eliminated were a Motor Officer, a Maintenance Worker, and the reduction of the Records Clerk position from full-time to part-time.

Committee Member Waldman asked about employee retention; where the City stands on salaries and benefits compared to the private sector and other public agencies; and what impact all the cuts have made to our current employees.

Administrative Services Director Murray responded that she will bring back a matrix of salaries comparable to Cities of similar size at the next meeting.

City Manager Volmert stated that Staff tries to review total compensation for a position versus salary alone.

Committee Member Jensen asked for clarification on reduced staffing at the City's Park.

Administrative Services Director Murray noted that the park hours have been reduced by 2-3 hours a day and duties are now being absorbed by the Park's office assistants.

Committee Member Carruth asked for a comparative analysis of La Palma's Police Department compared to similar positions in similar law enforcement agencies like the FBI, Military, etc. He closed by noting the analysis did not have to be to a fine accuracy, but more of a generalized comparison by specialty like an accountant, which has the same job description in the private sector as they do in the public sector.

City Manager Volmert responded that most private sector agencies do not allow for release of such information as they are proprietary organizations; however, the City will try to access County and State information for the comparison study.

Committee Member Nelson requested to get an overview on the elimination and loss of City's Redevelopment Agency and its effect.

Administrative Services Director Murray noted that a detailed presentation regarding Redevelopment will be given at the upcoming October 27 meeting when the Community Development Department will be giving its presentation.

Committee Member Carruth noted that many revenue sources are not controllable, but asked for a summary of potential fee-based revenue that other cities have pursued – successfully or unsuccessfully. He also asked about getting data on economic incentives for large companies or organization that the City would be pursuing in order to get them to relocate here as the City has done in the past.

2. Selection of Chair and Vice Chair

Administrative Services Director announced the opening of the nominations for Chairperson of the Financial Sustainability Committee.

Committee Member Carruth made a motion to nominate Committee Member Nelson as Chairperson. The motion was seconded by Committee Members Jensen and Porter.

Seeing that there were no other nominations, Committee Member Carruth made a motion to close the nominations and elect Committee Member Nelson as the Chairperson. The motion was seconded by Committee Member Jensen.

The motion was carried by the following vote:

AYES:	Committee Member Carruth, Committee Member Dhauw, Committee Member Jensen, Committee Member Kim, Committee Member Lutz, Committee Member Nelson, Committee Member Porter, Committee Member Teeples, Committee Member Waldman, and Committee Member Walker
NOES:	None
ABSENT:	Committee Member Moskowitz

Administrative Services Director Murray opened up the floor for nominations for Vice Chairperson of the Financial Sustainability Committee.

Committee Member Walker nominated Committee Member Waldman as Vice Chairperson. The motion was seconded by Committee Member Carruth.

Seeing that there was no other nominations, Chairperson Nelson made a motion to close the nominations and elect Committee Member Waldman as the Vice Chairperson. The motion was seconded by Committee Member Porter.

The motion was carried by the following vote:

AYES:	Committee Member Carruth, Committee Member Dhauw, Committee Member Jensen, Committee Member Kim, Committee Member Lutz, Committee Member Nelson, Committee Member Porter, Committee Member Teeples, Committee Member Waldman, and Committee Member Walker
NOES:	None
ABSENT:	Committee Member Moskowitz

Administrative Services Director Murray gave an overview of the subject matter that will be addressed in the upcoming meeting; informed Committee Members to contact her with any questions, concerns, or requests for information. That she is there to make sure they have what they need to make the decisions they need to make.

Committee Member Jensen asked for not just a list of salaries, but job descriptions for each employee in order to take that information into consideration; and how to tell whether the employee is doing a quality job.

Committee Member Carruth asked for key performance indicator metrics used to manage each department; that he would like qualitative statistics versus volume statistics; and requested that information go back to go back to FY 2013-14.

Administrative Services Director Murray reported that she would get the requested information by job title and not by exact name. She added that some of the data is in the FY 2015-16 Budget that is included in the binders.

Committee Member Lutz asked what would happen if the City fails and whether we would become a Rossmoor or have to disincorporate. He closed by requesting information of what options the City has at the other end of the scale.

Committee Member Teeples commented that Committee Members need to have some level of confidence in their City Staff without the need to get lost in the detailed duties of each job description; noted that Committee Members have similar views of wanting the City to succeed; that getting lost in the minutia of every single staff member when there are only a few meetings scheduled is not in the best interest of the Committee; that anyone has a right to salary information, but the City is at a historic low level of employees; that it is easy to recommend closing the City's park and eliminating services, but that it leaves the community with nothing; and that it is also the Committee's commission to review the budget cuts and how that has affected the City's overall quality.

Committee Member Carruth Robert noted his concern for degradation in services with all the cuts that have been made; and whether there were any unintended consequences with the service reductions and impacts from the loss of employees.

Administrative Services Director Murray inquired whether the Committee is willing to move the December 8th meeting due to a scheduling conflict of one of the members.

By consensus, the Financial Sustainability Committee agreed to leave the December 8, 2015, meeting date as is.

ADJOURNMENT

Chairperson Nelson adjourned the Regular Meeting of the Financial Sustainability Committee Meeting to September at 8:51 p.m.

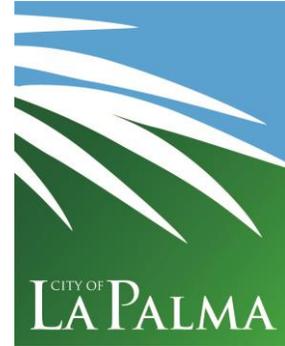
Keith Nelson
Chairperson

Attest:

Laurie A. Murray, CMC
City Clerk

City of La Palma

Agenda Item No. 2



MEETING DATE: September 8, 2015

TO: CITIZEN COMMITTEE ON LA PALMA'S
SUSTAINABILITY AND FUTURE

FROM: CITY MANAGER

SUBMITTED BY: Ellen Volmert, City Manager
Laurie Murray, Administrative Services Director
Mike Belknap, Community Services Director

AGENDA TITLE: Administrative Services Department, Community Services
Department, and Citywide System Overviews

RECOMMENDED ACTION:

Recommendation that the Committee receive and file the report and provide direction to staff as to additional materials or information needed for future meetings.

SUMMARY:

Detailed presentations will be made at the meeting on the following topics:

- General Government and Administrative Services Department Overview
- Community Services Department Overview
- Capital Improvement Program Overview
- Labor Overview
- Retirement Overview
- Risk Management Overview

The presentations will include information requested from the Committee at its August 11 meeting, as appropriate. Some information will be provided at the two subsequent meetings, as that information is appropriate to the topics being discussed at those meetings (e.g. Community Development, Redevelopment, and Police related questions).

If you wish to review financial information regarding the topics being discussed, please refer to the Adopted Annual Budget, which was provided to you prior to the August 11 meeting as follows:

- General Government and Administrative Department
 - Division Overviews and Staffing – begins on page 30
 - Line Item Detail – begins on page 153

- Community Services Department
 - Division Overviews and Staffing – begins on page 70, Utilities begins on page 114
 - Line Item Detail – begins on page 168, Utilities begins on page 191
- Capital Improvement Program, begins on page 134
- Labor and Retirement Overview – included throughout Budget and in Administrative Services
- Risk Management Overview
 - Overview begins on page 126
 - Line Item Detail – begins on page 196

Labor and Retirement

Considerable time will be devoted to reviewing labor and retirement costs and issues. In response to both Committee Member requests from August 11 and to facilitate the labor and retirement discussions, the following information is included with your meeting materials or as an attachment to this report.

- Department Benefit Costs
- Salary and Benefit Data with Comparisons
- Salary Schedules and Job Descriptions (the public can find this information and other information regarding City personnel on the City’s website by clicking on Employment Opportunities on the front page)
- Articles regarding CalPERS unfunded liabilities and plans to reduce volatility in the future

Next Meeting

The next Committee meeting will be held on Tuesday, October 27, 2015, at 6:30 p.m. The agenda includes an overview of the Community Development and Police Department operations.

APPROVED:



 Administrative Services
 Director



 Community Services
 Director



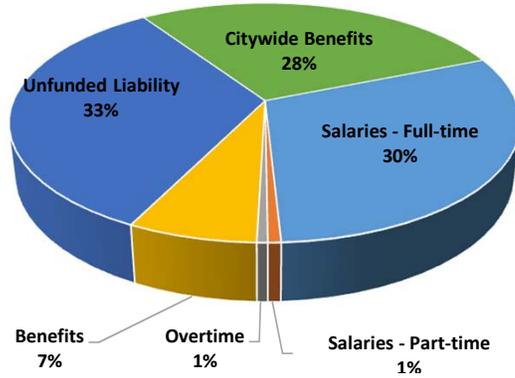
 City Manager

- Attachments:
1. Department Benefit Costs
 2. Salary and Benefit Comparisons

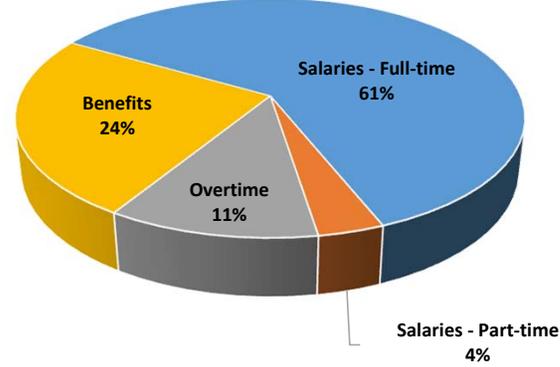
Percent of Various Personnel Services Cost by Department

Does not include O&M or Capital Budgets

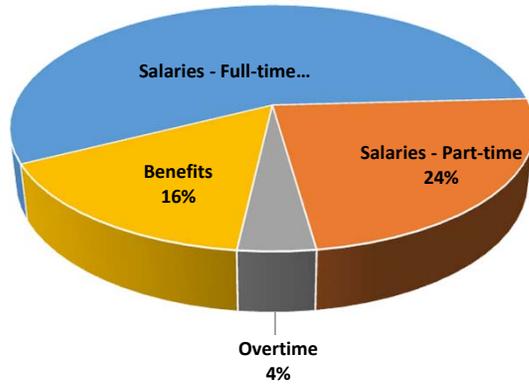
Administrative Services



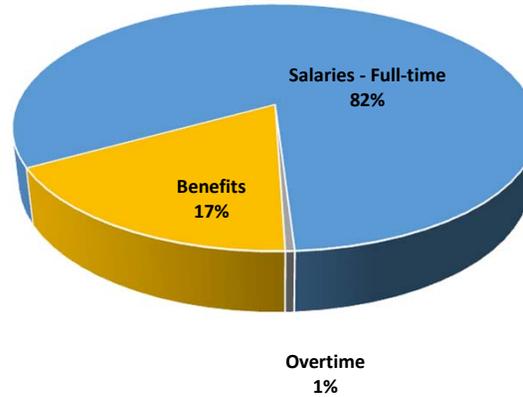
Police



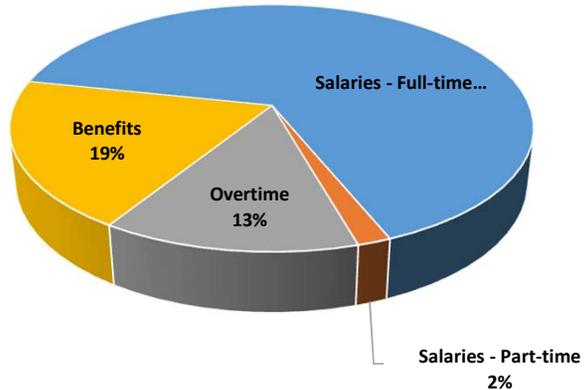
Community Services



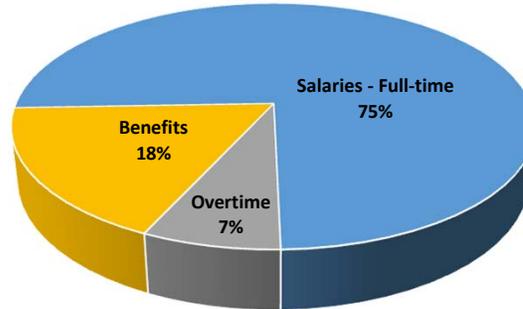
Community Development

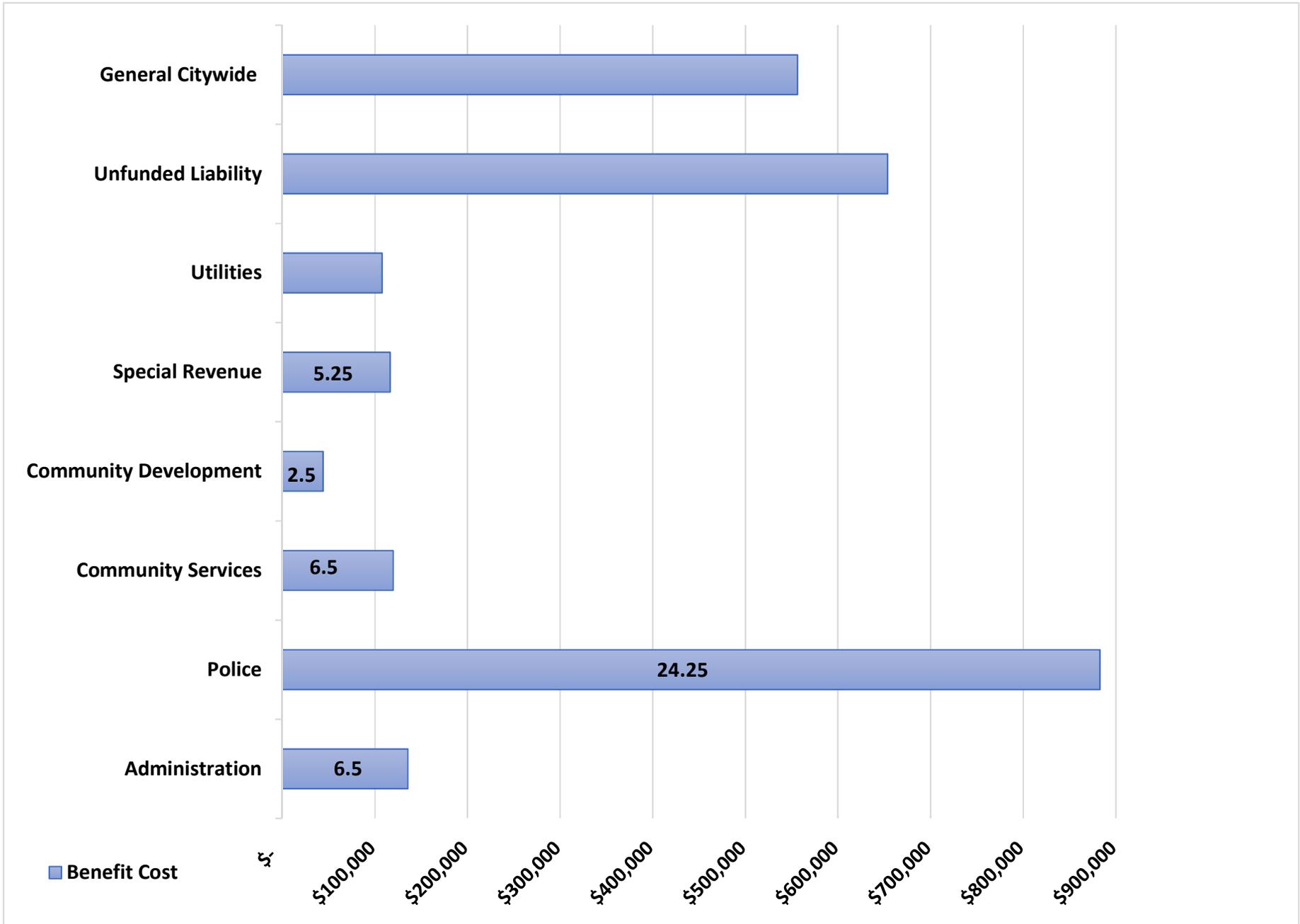


Special Revenue



Utilities





City of La Palma Salary Comparisons

	<u>Median (+/-)</u>		
	Salary	Comp	
LPGEA			
Account Clerk	0.0%	-2.8%	
Senior Accounting Technician	9.2%	2.8%	
Administrative Secretary	-2.2%	-6.5%	
Code Enforcement Officer	4.7%	-0.7%	
Executive Assistant	-4.1%	-6.5%	
Lead Maintenance Worker	-7.8%	-12.1%	
Maintenance Worker	-8.2%	-12.8%	
Public Works Technician	-3.8%	-8.3%	
Senior Office Assistant	-0.4%	-5.1%	
Recreation Coordinator	-1.1%	-6.0%	
Water Service Worker I	-8.5%	-11.6%	
Water Service Worker II	-13.9%	-18.1%	
Average >	-3.0%	-7.3%	Health, Dental & Vision Benefits % +/- from Median <u>-37%</u>
LPPEA			
Accounting Supervisor	-7.4%	-6.0%	
Management Analyst	-2.5%	-7.0%	
Community Services Supervisor	-7.7%	-13.9%	
Associate Planner	0.0%	-0.1%	
Maintenance Supervisor	-2.7%	-7.9%	
Water Supervisor	-15.6%	-20.2%	
Average >	-6.0%	-9.2%	Health, Dental & Vision Benefits % +/- from Median <u>-43%</u>
LPPA			
Dispatcher	-3.2%	-9.3%	
Police Records Clerk	-1.9%	-7.1%	
Police Officer	-3.1%	-9.7%	
Police Sergeant	-4.3%	-8.6%	
Investigative Aide	-10.1%	-14.9%	
Average >	-4.5%	-9.9%	Health, Dental & Vision Benefits % +/- from Median <u>-42%</u>
Management			
City Manager	-24.7%	-27.7%	
Police Chief	-8.6%	-12.7%	
Administrative Services Director	-8.8%	-13.1%	
Community Development Director	-7.8%	-10.9%	
Community Services Director	-11.7%	-10.9%	
Police Captain	-5.8%	-10.6%	
Average >	-11.2%	-14.3%	Health, Dental & Vision Benefits % +/- from Median <u>-49%</u>