

BURBANK YOUTH ENDOWMENT SERVICES FUND BOARD
JUNE 11, 2002

A regular meeting of the Youth Endowment Services Fund Board was held in the Council Chamber of the City Hall, 275 East Olive Avenue, on the above date. The meeting was called to order at 6:47 p.m. by Mr. Laurell, Chairman.

Invocation The invocation was given by Dr. Jerry Jones, Burbank Community Church.

Flag
Salute The pledge of allegiance to the flag was led by Sam Engels.

ROLL CALL

Present - - - - - Directors Golonski, Murphy, Ramos, Vander Borght and Laurell.

Absent - - - - - Directors None.

Also Present - - Mr. Ovrom, City Manager; Ms. Alvord, Assistant City Manager; Mr. Barlow, City Attorney; Mr. Flad, Assistant Executive Director; and, Mrs. Campos, Secretary.

7:30 P.M. Chairperson Laurell stated that "this is the time and place for the hearing on the proposed budget for the fiscal year 2002-03 for the City, Redevelopment Agency, Housing Authority, Parking Authority and Youth Endowment Services Fund budgets."

YES 2

Proposed FY
2002-03 Annual
Budget, Citywide
Fee Schedule &
Appro. Limit

Notice
Given The Secretary was asked if notices had been given as required by law. She replied in the affirmative and advised that no written communications had been received.

7:32 P.M. Ms. Murphy returned to the meeting at this time.
Ms. Murphy
Returned to the
Meeting

Staff
Report Ms. Michaels, Budget Manager, noted that the report before the Council included integration of several reports previously presented throughout the Budget Study Session process, beginning with the Goal Setting meeting in May, and a series of subsequent Study Sessions, the last being held on June 5, 2002. She stated that each Department has had an opportunity to present highlights from their individual budgets. In addition, she stated that included in the report were

6/11/02

Discussion Papers approved by the Council for funding on June 5.

Ms. Michaels began by indicating the purpose of the public hearing is to obtain input on the Fiscal Year (FY) 2002-03 Proposed Budget, Proposed Citywide Fee Schedule and Proposed Appropriations Limit. She noted total resources of \$456,464,819, of which \$112,458,308 represents the General Fund, and approximately \$344,006,511 for all other funds. She reported total appropriations of \$450,549,774, of which \$110,819,946 represents the General Fund, and \$339,729,828 for all other funds.

Next, she highlighted the General Fund revenues, which total \$112,458,308, and stated the top three revenue sources remain Sales Tax, Property Tax and Utility Users Tax, which represent about 51 percent of revenues. She noted General Fund appropriations total \$110,819,946, and summarized the following expenditures: personnel costs associated with a negotiated MOU for Burbank Police Officers; a one percent MS&S increase to the departments totaling \$536,000; a \$1.816 million increase in Internal Service Fund Rates; new positions totaling \$1.167 million, \$444,000 of which is revenue off-set and \$432,000 being part of the Buena Vista Branch Library ramp-up bringing the total net impact to the General Fund to \$291,000; MS&S exceptions such as the postage rate increase and Verdugo Communications Center costs in the amount of \$369,655; and, Capital Outlay representing \$357,840 of non-recurring funds, plus additional recurring funds for the Library Learning Center and Public Information Office.

Ms. Michaels presented a revised Resources and Appropriations Summary, noting corrections being made to the Capital Projects Fund due to a miscalculation of the Community Development Block Grant (CDBG) backfilling total, and in the Redevelopment Agency, to include Educational Revenue Augmentation Fund (ERAF) funds pursuant to Council discussion on June 5, 2002. She projected a General Fund revenue increase of 2.8 percent, partially due to sales tax revenue generated at the Burbank Empire Center and transient occupancy tax generated to the hotels at the Burbank Empire Center, as well as the new Graciela Hotel. Next, Ms. Michaels noted the General Fund impact as a result of the Governor's May Revised State Budget which includes reductions in Public Library Funds in the amount of \$67,022, booking fees in the amount of \$12,772, Police Department Technology Grants in the amount of \$31,000, and State mandates in the amount of \$227,500, totaling \$338,294, and stated these reductions

have not been factored into revenue projects, but they have been taken into account when calculating recurring fund balance. Ms. Michaels discussed the approved Discussion Paper items which total \$632,577 of non-recurring and \$12,678 of recurring funds, and include the Magnolia Park Streetscape, the Enforcement Program for Conditions of Approval pilot project, the Disaster Preparedness Program, the Hazardous Materials Plan Update, Buena Vista Branch Library Sunday hours, backfilling Public Works sidewalks, and the Downtown tree lights (funded by the Burbank Water & Power Street Lighting Fund).

Ms. Michaels noted the projected recurring fund balance is \$57,027, as a result of the release of \$50,000 from the Utility Users Tax (UUT) and \$50,000 from In-Lieu which are currently in designated reserves within the General Fund, and incorporates other changes disclosed during the Study Session. With regard to the non-recurring fund balance, she indicated the City had a \$336,819 fund balance coupled with the recommendation to freeze certain positions until January; however, this did not cover the \$556,000 needed to fund all the non-recurring Discussion Papers recommended the previous week. At that time, it was disclosed that there was approximately \$2.3 million in designated reserved accounts for the In-Lieu and UUT, and in order to make up the deficit, \$70,000 was released thereby leaving \$1.23 million in the designated accounts, and this brought us to a positive non-recurring fund balance. Prior to this release of dollars, the non-recurring fund balance reflected a deficit of \$64,000 and pursuant to the City Charter, a balanced budget must be adopted prior to July 1st.

With regard to fee schedules, Ms. Michaels noted this would be the first year of a 4.8 percent increase in water rates, that this is the third year of a four-year smooth transition 5.75 percent increase in water reclamation and sewer rates, indicating this represented about a .70 cent increase for the average family, and that building fees also were increasing. She concluded by noting the Gann Initiative Appropriation Limit was \$112,058,395, with the appropriations subject to limitation being \$86,010,273 for a difference of \$26,048,122, and stated the City has remained well below the appropriation limit each year.

Citizen
Comment

Appearing to comment were Dorie Beaumont, requesting non-recurring funds with which to purchase art and plants to decorate the Buena Vista Branch Library, on a recent meeting to the Cerritos Library where she observed art and plants throughout the facility; Larry Johnson, in support of the

6/11/02

discussion paper on the Buena Vista Branch Library, expressing appreciation to the Council for funding Sunday hours, and requesting additional non-recurring funding for artwork and plants for the Buena Vista Branch Library; Cele Burke, requesting funding for the purchase of art and plants for the Buena Vista Branch Library; Dr. Jay Adams, in support of the Magnolia Park Streetscape Project Discussion Paper item, and requesting that this funding be recurring over the next five years to improve parking as well as streetscape; C.L. Stack, in support of additional funding for the Buena Vista Branch Library; Mark Barton, in support of additional funding for the Buena Vista Branch Library; and Lee Paysinger, expressing appreciation to the Council for all they've done for the City, and especially for the Buena Vista Branch Library, and in support of additional non-recurring funds for the purchase of art and plants.

Hearing
Closed

There being no further response to the Chairman's invitation for oral comment, the hearing was declared closed.

Mr. Golonski expressed concern about some of the increases on the Fee Schedule, and after Council discussion, staff was directed to prepare a report justifying any proposed fee increase totaling 15 percent or greater. Mr. Golonski expressed concern about the purchase of chairs, and was assured by Mr. Ovrom that staff is already looking into the standards so the City has a uniform purchasing procedure. Mr. Golonski inquired as to the \$1.8 million increase in the Internal Service Funds remaining in the Proposed Budget while negotiations are pending, and Mr. Nicoll indicated he expected the amount would be less at the end of negotiations and would be adjusted accordingly. Mr. Golonski also questioned the Hillside Protection Plan appropriation, Mr. Ovrom assured him that these funds were in a holding account, and no funding would be expended prior to Council consideration, and Mr. Golonski requested this item be brought back at the mid-year budget review for discussion, so that the money could be reprogrammed, if needed, to other projects.

Ms. Murphy indicated she was in support of additional funding for the Buena Vista Branch Library for the purchase of art and plants. Discussion ensued regarding the three options for funding art and plants. Mr. Fuchs outlined the three options given by the consultant, and offered to have the consultant make a presentation to the Council. Ms. Murphy requested that this request be brought back to the Council in a timely fashion, including a presentation.

No amendments to the budget were recommended at this time.

8:33 P.M.
Recess

The Board recessed at this time to permit the Council to continue its meeting. The Board reconvened at 11:24 p.m. for public comment with all members present.

11:35 P.M.
Adjournment

There being no further business to come before the Board, the meeting was adjourned at 11:35 p.m.

Secretary

APPROVED NOVEMBER 19, 2002

Chairperson