

**CITY OF SOUTH GATE  
SPECIAL CITY COUNCIL  
BUDGET WORKSHOP MINUTES**

**TUESDAY, MAY 19, 2009**

**CALL TO ORDER** Mayor Henry C. Gonzalez called the Budget Workshop Meeting of the South Gate City Council to order at 6:10 p.m.

**INVOCATION** Steve Lefever, Director of Community Development

**PLEDGE** Maria Belen Bernal, City Treasurer

**ROLL CALL** Carmen Avalos, City Clerk

**PRESENT** Mayor Henry C. Gonzalez, Council Member Bill De Witt, Council Member Maria Davila, Council Member Gil Hurtado

**LATE** Vice Mayor Gregory Martinez arrived at the dais at 6:19 p.m.

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**BUDGET** Ronald Bates, City Manager and Julia James, Finance Director provided an overview of the 2009-2010 preliminary budget for the City.

Possible cuts might include contract operation of Hollydale Community Center; contract graffiti abatement services; contract street sweeping services, delay implementation of fixed route bus program, unfund 20 vacant General Fund positions; and reduce police overtime. Possible employee benefit reductions might include employees picking up 8% PERS retirement benefits; \$200 per month of medical insurance premium; and no accrued leave payout for vacation, administration or comp time.

Funds experiencing deficits within the next 2-years will include UDAG, Insurance, Lighting & Landscaping, Refuse and Street Sweeping Funds.

Mayor Gonzalez addressed concerns from members of the community that have been asking why we did not sell the Red Cross building or why we continue to have fireworks. The Mayor stated that money received from the sale of the Red Cross building would go back to Redevelopment and does not help the General Fund and with the fireworks, the City is reimbursed almost every penny from the vendors.

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COMMENTS FROM THE  
AUDIENCE

Omar Aviles spoke on behalf for his Tae Kwon Do class and hoped that if a lease with HSA happens that they will keep his program going.

Javad Sabokpey spoke on behalf of the Union representing Miscellaneous Employees Association and Professional Mid Management Association. He hopes that the City continues to look for proposals to satisfy the deficit and that he would expect the Council's support and not necessarily support the budget before them tonight. This budget puts too much on the backs of the employees.

Tony Mendez, South Gate Police Officers' Association stated that for the past 6 years the City has not moved forward while surrounding cities continue to move forward. The City has failed to bring in new businesses and new tax revenue. The City is always taking from the employees. Why does it always have to take from the employees?

Mayor Gonzalez commented that South Gate is in this position partly because we do not have a Utility User Tax, where surrounding Cities do. We put the tax to the people and they voted it down. It takes money to build and bring people in. It is a combination of many things that brought us here. He could continue to talk about what happened years ago but that's yesterday's lunch. It's time to look at the future and do something about it.

Chris Jenkins, Assistant Principle at Bryson Elementary School spoke on behalf of the Police Department.

Virginia Johnson, 5751 McKinley, spoke on behalf of the construction within South Gate.

Nick Godoy, 8611 San Gabriel, stated that he was against taxes and the Council needs to cut from the top and go down.

Julio Munoz, 5130 Wood, voiced his concerns about the budget.

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COMMENTS FROM  
CITY OFFICIALS

Council Member Gil Hurtado stated that businesses are closing everywhere not just in South Gate. Law Suits are also to blame and this is also a problem for other cities.

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Council Member Bill DeWitt reminded everyone that this budget does not take into consideration what happens after today's election. If the propositions do not pass the Governor has made comments that the City's could lose \$1 million from property tax. He also requested that Staff check into the possibility of having a joint dispatch center with surrounding cities.

Council Member Gil Hurtado requested that Staff look again at closing City facilities on slow days. He would feel better asking employees to make cuts if the City looked at other ways to make cuts first.

Council Member Maria Davila stated we need to come up with new ideas. The SANE Program will be replaced with the PAL Program. The PAL Program will not have as many kids involved as the SANE Program did. Also she would like to see the Tae Kwan Do Program stay at Hollydale.

Paul Adams, Director of Parks and Recreation said that specific language will be added to have this program be included in the contract to keep the martial arts programs. The City will work with HSA to help continue the recreation programs.

Council Member Davila requested that Staff look into changing the hours of City Hall to 7:30 a.m. to 5:30 p.m.

Vice Mayor Greg Martinez stated that the City has to make "symbolic" cuts. We can not continue to have Fireworks, Azalea Festivals, Family Day in the Park or the Street Fair without finding ways to have the events have no fiscal impact on the City. It doesn't save much money but it does show that this community is hurting. When overtime is reimbursed to departments for working events it should go back to that department not just deposited back to the General Fund.

Vice Mayor Martinez also asked staff to look at closing the pool and the golf course when they are not busy. He would also like an evaluation done for each department. We need to make sure each department is running efficiently including a personnel analysis. If we do nothing the City will last until November and then we will not meet payroll. We need to be more fiscally responsible and he invited anyone with ideas to speak with him. He has an open door policy and everyone's ideas are welcomed.

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Mayor Henry Gonzalez stated that the City has a process of meet and confer. We have to follow this process with our employees. Speaking about layoffs during this time is not right. You need to have construction to get the money coming in. The economy has stopped many projects. The City does have projects starting one in Hollydale and at Tweedy and Atlantic.

Mayor Gonzalez continued by saying that the Tweedy Mile Association has put in \$70,000 to keep the Street Fair going and cutting the fireworks won't make a difference in the overall budget. It is just too small a dollar amount.

Maria Belen Bernal, City Treasurer said that she was happy to see the willingness of the Union to work with the City. She asked Council to check on the professional services/consultants that are being charged to the General Fund. There is \$3 million that is charged to the General Fund for these services and we need to cut down in these hard economic time. She also agreed with Vice Mayor Martinez that a department analysis including personnel should be done.

Ron Bates, City Manager notified Council that the budget will be added to the agenda for each Council Meeting.

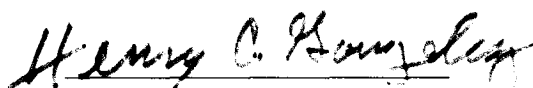
Mayor Gonzalez stated his concern that this would make the meeting to long and another Special Budget Meeting should be considered.

Mayor Gonzalez took an informal vote of the Council to include a 10% pay cut for all Council Members for the 2009-2010 Budget.

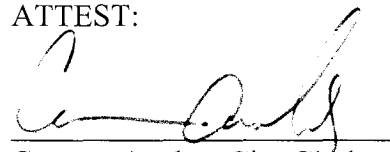
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ADJOURNMENT

The Budget Workshop Meeting was unanimously adjourned at 7:58 p.m. by motion of Mayor Henry Gonzalez and second by Council Member Bill De Witt.

**PASSED** and **APPROVED**, this 9<sup>th</sup> day of June 2009.

  
Henry C. Gonzalez, Mayor

ATTEST:

  
Carmen Avalos, City Clerk