



Minutes

Lakewood City Council

Adjourned Regular Meeting held
June 11, 2019

MEETING WAS CALLED TO ORDER at 6:02 p.m. by Mayor Rogers in the Executive Board Room at the Civic Center, 5000 Clark Avenue, Lakewood, California.

ROLL CALL: PRESENT: Mayor Todd Rogers
Vice Mayor Jeff Wood
Council Member Steve Croft
Council Member Diane DuBois
Council Member Ron Piazza

BUDGET STUDY SESSION

City Manager Thaddeus McCormack displayed slides and made a presentation based on the memo in the agenda providing an overview of the revised budget 2018-2020. He discussed the historic budget strategy to provide City services at a level consistent with available resources and keeping spending on annual operations below revenue; generate a surplus each year to be used for capital improvements; and utilize save-then-spend capital financing strategy as opposed to debt financing. He noted that the challenges included maintaining the quality of life, keeping local property values high, keeping streets well maintained, maintaining quality parks and recreational programs and protecting the safe and clean public spaces and neighborhoods that kept the community a desirable place to live, do business and raise a family. Mr. McCormack identified the reasons behind the threats to the Lakewood way of life such as the loss of local control of funds; the flattening of revenues; and the rising cost of doing business and maintaining facilities. He explained that the previous year's balanced budget had been achieved through \$2.5 million in deficit reduction measures, which left nine positions unfilled, deferred equipment and capital projects and cancelled the Block Party; redoubled work on cuttings costs in the organization; undertook comprehensive fee and cost recovery studies and identified possible areas for new revenue; and began the process of seeking long-term solutions with outreach through the citizen's Budget Advisory Group and outreach to the broader community. He reported that \$1.3 million in additional spending cuts was needed to maintain a balanced budget and more cuts were likely to be needed in future years to offset increased costs and State takeaways, including cuts to basic services.

Mr. McCormack clarified for Mayor Rogers that law enforcement services would not be reduced but rather the projected budget would be at a lower amount in the contingency funds.

Responding to Mayor Rogers' and Vice Mayor Wood's questions pertaining to the proposed Deputy City Manager reclassification, Mr. McCormack explained that the former Assistant City Manager's primary responsibility had been public safety, the duties of which were currently under the purview of the Director of Public Safety; however, other functions which involved intergovernmental, customer service, interdepartmental or other components required coordination that could be assigned to such a position.

BUDGET STUDY SESSION - Continued

Council Member Croft commended the City Manager, who had been working without an Assistant City Manager and Deputy City Manager, both positions which had been left vacant to allow time to evaluate the department's needs at the start of his tenure. He expressed support by stating that the Deputy City Manager position was justified and needed to assist the City Manager with the workload.

Mr. McCormack noted that he would retain the personnel and city clerk functions that had previously been distributed between the Assistant City Manager and Deputy City Manager.

Council Member Piazza commented that in hindsight, unfilled positions should be identified as deferred costs in unrealized personnel expenses so as not to appear to have additions to staff. He further stated the importance of the educational aspect of the messaging regarding the budget and on a possible ballot measure.

Jose Gomez, Director of Finance and Administrative Services, displayed slides and outlined the General Fund Budget, General Fund Revenues, Department Expenditures, General Fund Reserves and the Water Utility Fund Budget.

Mr. McCormack concluded by detailing the post budget adoption actions, which included developing a long-term sustainable plan; continuing outreach to residents on the financial situation, asking about service priorities; and focusing on essential services and strategies for keeping costs down.

ADJOURNMENT

There being no further business to be brought before the City Council, Mayor Rogers adjourned the meeting at 7:09 p.m.

Respectfully submitted,

Jo Mayberry, CMC
City Clerk