MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF BRADBURY HELD ON TUESDAY, DECEMBER 20, 2011

CALL TO ORDER:

The meeting was called to order by Mayor Lewis at 7:01 p.m.

ROLL CALL:

PRESENT: Mayor Lewis, Mayor Pro-Tem Lathrop, Councilmembers Pycz, Barakat (arrived at 7:10 p.m.) and Hale

STAFF: City Manager Keith, City Attorney Reisman, City Planner Meyer, City Clerk Saldana and Management Analyst Kearney

APPROVAL OF THE AGENDA:

Councilmember Hale made a motion to approve the agenda to proceed with City Business. Mayor Pro-Tem Lathrop seconded the motion which was carried by the following roll call vote:

AYES: Mayor Lewis, Mayor Pro-Tem Lathrop, Councilmembers Pycz, Barakat and Hale
NOES: None
ABSENT: None

DISCLOSURE OF ITEMS REQUIRED BY GOV. CODE SECTION 1090 & 81000 ET SEQ.

In compliance with the California Political Reform Act, each City Council Member has the responsibility to disclose direct or indirect potential for a personal financial impact as a result of participation in the decision making process concerning agenda items.

City Attorney Reisman reported that he was not aware of any conflicts of interest with any of the items on the agenda.

PUBLIC COMMENT:

None

PRESENTATION TO FAMILY OF JOE GIFFORD:

Planning Commissioner Joe Gifford unexpectedly passed away in November 2011. Mayor Lewis, Mayor Pro-Tem Lathrop, Councilmember Pycz and Planning Commissioner Novodor attended his services and the City Council directed staff to invite the family of Joe Gifford to the December meeting to receive a Certificate of Recognition. The City also planted a 24-inch box Western Red Bush tree in the Civic Center court yard. An engraved stone will be added later to read: *"His Legacy Continues ... Joe Gifford, Bradbury Planning Commissioner, 1985-2011."* City Planner Meyer took photographs with the family by the tree. Joe Gifford's relatives were very touched and thanked the City Council for the dedication and expressed how much Joe enjoyed volunteering for the City.

CONSENT CALENDAR:

All items on the Consent Calendar are considered by the City Council to be routine and will be enacted by one motion unless a Council Member request otherwise, in which case the item will be removed and considered by separate action. All Resolutions and Ordinances for Second Reading on the Consent Calendar are deemed to be "to waive further reading and adopt."

A. Minutes - Regular City Council Meeting of November 15, 2011
B. Resolution No. 11-39: Demands & Warrants for December 2011
C. Financial Statement for the month of November 2011
D. Resolution No. 11-40: Appointment of Kevin Kearny as Deputy City Clerk
E. Resolution No. 11-41: Granting permission to close a street temporarily to host the Hayden Child Care Center 5K
F. Fiscal Year 2010-2011 Annual Financial Audit Report

MOTION TO APPROVE CONSENT CALENDAR:

Councilmember Hale moved to approve the Consent Calendar as amended (item #E Resolution to state that the closure be no more than 3-5 minutes). Councilmember Barakat seconded the motion, which was carried by the following roll call vote:

AYES: Mayor Lewis, Mayor Pro-Tem Lathrop, Councilmembers Pycz, Barakat and Hale
NOES: None
ABSENT: None

Motion passed 5:0

CONSIDERATION OF HIRING A PART-TIME/CONTRACT FINANCE DIRECTOR:

City Manager Keith stated that the City has maintained the same auditing firm, Beranek Chan and Associates, for over ten years. During that time the auditors have assisted the City with reports to the State Controller's office and other required regulatory reports for additional fees. Further, throughout the year the City has used the auditors for more technical and high level accounting functions such as year-end journal entries, calculating interest to restricted fund, preparation of 1099 tax forms, and the annual calculation of the GANN limit.

This additional work by the auditors is the specific practice the City must now address. Having the auditors "wear two hats" in both closing the books at the end of the year and then auditing the books is no longer an acceptable accounting practice. Two separate entities should provide those services. This situation was highlighted during this year's audit of both the City audit and the Metro audit of the Proposition A & C and Measure R funds. During the audit of Fiscal Year 2010-2011 the City's auditors have advised staff to resolve this practice going forward.

In order to review possible solutions, staff spoke with several cities throughout the state of similar size and demographic. Through these discussions staff found that many of them in the past few years found themselves in similar situation and switched to a model of a part-time/contract Finance Services Manager/Director while still employing a full-time bookkeeper. Some cities had part-time Directors 20-25 hours a week; some required only 12-15 hours a month. Staff spoke to the cities of La Habra Heights, Hidden Hills, South El Monte, Plymouth, Larkspur, Farmersville, Dunsmuir, Villa Park and Port Hueneme.

Another option to consider would be for the City to contract with another accounting firm who specializes in government accounting, although this option seems to cost cities more on average due to overhead costs built into the hourly rates.

The City is in need of skilled and knowledgeable financial assistance beyond that of the day to day operations handled by the City Clerk/Bookkeeper, a higher level of expertise to oversee the accounting and larger financial city picture, someone who understands and can perform the myriad of accounting tasks. While the City Manager prepares the budget and makes sure funds are not overspent, the position is not a trained accountant. Furthermore, in such a small city it is not advisable to have the City Manager trained in the day to day accounting operations to provide the necessary and required checks and balances in accordance with GAAP (Government Acceptable Accounting Practices).

While the bookkeeper's role is to perform accounts payables, accounts receivables, payroll, bank reconciliations and entries into the general ledger, the Finance Director would assure proper professional oversight and complexity of completing all compliance reports, including the State Controller's Annual Street Report and Cities Financial Transactions and Compensation Report, oversee the City's role in annual audits, treasury management, review of bank reconciliations, review monthly accounts payable register, perform journal entries as needed for variances an discrepancies, apply appropriate interest quarterly, review cash receipts and transactions to the general ledger and provide oversight to the year-end closing of the general ledger in a timely manner.

Staff has discussed this matter with the City Treasurer and the City Treasurer will continue to check the financials every month and the City Council will continue to see the monthly financial statements and quarterly budget reviews.

The City currently pays the auditors between $2,500-$5,000 to perform some of the aforementioned items. It is not known how many hours would be required, but after the first year the City would have a much better idea. Staff is estimating the need as 8-12 hours per month at a rate between $50-$90 an hour. Obviously, based on the workload, some months will be busier than others.

MOTION:

Councilmember Hale made a motion to authorize the City Manager to recruit and solicit requests for qualifications for a part-time/contract Finance Director to oversee financial services. Mayor Pro-Tem Lathrop seconded the motion, which was carried by the following roll call vote:

AYES: Mayor Lewis, Mayor Pro-Tem Lathrop, Councilmembers Pycz, Barakat and Hale
NOES: None
ABSENT: None
ABSTAIN: None

Motion passed 5:0

PUBLIC HEARING - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROPOSED PROJECT FOR PROGRAM YEAR 2012-2013:

City Planner Meyer stated that pursuant to the Los Angeles County Community Development Commission's (CDC) Community Development Block Grant (DDBG) Program Guidelines, cities may exchange CDBG funds with other interested cities if funds cannot be expended for an eligible CDBG program activity. CDBG funds may be exchanged for general funds (or other types of revenue such as redevelopment funds or gas tax money). CDBG funds are typically exchanged at a discount because of the regulatory burden assumed by the purchaser. The City of Bradbury's unspent, unallocated balance of $2,656 in Community Block Grant (DDBG) funds available during the upcoming 2012-2013 CDBG Program Year may be exchanged with another CDBG participating city.

The City of Bradbury's CDBG three year Cooperation Agreement with the Los Angeles County Community Development Commission (CDC) to participate in the Los Angeles Urban County's federal Community Development Block Grant (CDBG) was extended in 2009. The City can anticipate receiving an allocation of approximately $2,656 for FY 2012-2013 to conduct CDBG-eligible housing, public service, and/or economic and community development projects that principally benefit low to moderate income residents. Since the City cannot utilize its CDGB allocation to implement eligible CDBG projects for the upcoming 2012-2013 Program

Year, the City many choose to exchange these CDBG funds with another participating city for a negotiated, discounted exchange rate. A public hearing must be conducted prior to the exchange of the City's CDBG funds.

The City may anticipate receiving approximately $1,600 in unrestricted revenue.

PUBLIC HEARING OPENED: Mayor Lewis opened the public hearing and invited anyone speaking in favor or opposition to come forward and be heard.

PUBLIC HEARING CLOSED: There being no public testimony, Mayor Lewis declared the public hearing closed.

MOTION: Councilmember Hale move to approve the exchange of FY 2012-2013 Community Development Block Grant Funds for unrestricted funds and authorize the City Manager to execute the necessary documents. Mayor Pro-Tem Lathrop seconded the motion, which was carried by the following roll call vote:

AYES: Mayor Lewis, Mayor Pro-Tem Lathrop, Councilmembers Pycz, Barakat and Hale
NOES: None
ABSENT: None

Motion passed 5:0

APPOINTMENT TO THE TEMPLE STATION LASD BOOSTER/SUPPORT GROUP: City Manager Keith stated that staff has received a letter from the Temple Station Support Group requesting the appointment of a Councilmember to join the group and attend meetings at least once every three months. The group meets monthly on the second Monday at 6:00 p.m. at Temple Station.

Councilmember Barakat volunteered to join the Temple Station Booster/Support Group.

MOTION TO APPOINT COUNCILMEMBER BARAKAT: Councilmember Hale made a motion to appoint Councilmember Barakat to join the Temple Station Booster/Support Group. Councilmember Pycz seconded the motion, which was carried by the following roll call vote:

AYES: Mayor Lewis, Mayor Pro-Tem Lathrop, Councilmembers Pycz, Barakat and Hale
NOES: None
ABSENT: None

Motion passed 5:0

PUBLIC HEARING – READING OF ORDINANCE NO. 323: During a recent review of the Bradbury Municipal Code the City Attorney advised that certain sections needed to be updated to be consistent with State law that allows for fines up to $1,000 for misdemeanors. The City Attorney stated that the updating of these sections is particularly important as they relate to code enforcement and infraction citations for code violations.

RECOMMENDATION: It is recommended that the City Council open a public hearing and read for the first time by title only Ordinance No. 323:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BRADBURY AMENDING VARIOUS PROVISIONS OF THE BRADBURY MUNICIPAL CODE TO UPDATE MISDEMEANOR FINE AMOUNTS AND PROVIDE FOR TREATMENT OF SOME MISDEMEANORS AS INFRACTIONS

PUBLIC HEARING OPENED:

Mayor Lewis opened the public hearing and invited anyone speaking in favor or opposition to come forward and be heard.

PUBLIC HEARING CLOSED:

There being no public testimony, Mayor Lewis declared the public hearing closed.

MOTION:

Councilmember Hale made a motion to introduce and read for the first time by title only Ordinance No. 323, amending various provisions of the Bradbury Municipal code to update misdemeanor fine amounts and provide for treatment of some misdemeanors as infractions. Councilmember Barakat seconded the motion, which was carried by the following roll call vote:

AYES: Mayor Lewis, Mayor Pro-Tem Lathrop, Councilmembers Pycz, Barakat and Hale
NOES: None
ABSENT: None

Motion passed 5:0

LONG-TERM SOLUTIONS TO REDUCE TAXES IN BRADBURY FOR SUSTAINABLE VIABILITY AND/OR COST SAVINGS:

The City Council will consider ideas and comments from residents regarding long-germ solutions to the City's fiscal challenges, specifically potential strategies for enhancing and creating new revenue.

Mayor Pro-Tem Lathrop stated that "cost savings" was not included in the text of the agenda memo or to the list of suggestions and asked that it be added.

Mayor Pro-Tem Lathrop suggested to remove "rejected" ideas from the list of suggestions. Someone inquired about the status of the Optiflex proposal. City Attorney Reisman stated that the City Council did not reject the Optiflex proposal. Councilmember Barakat would like to delete/reject the use of the back parking lot for RV trailers. In regards to the Optiflex proposal a comment could be added stating that resources are not available to move forward.

Mayor Pro-Tem Lathrop inquired about the data center idea. Councilmember Barakat stated that this idea is not appropriate for a residential area.

It was also suggested to remove ideas from the list after 90 days for lack of interest.

The City Manager was directed to add a column at the next meeting that included a pursue/not to pursue column for the City Council to discuss and determine if further information was needed and review existing item to pursue or drop from consideration.

MATTERS FROM THE CITY MANAGER:

City Manager Keith informed the City Council that Cal-Am Water is hosting a meet & greet on January 17, 2012, prior to the City Council meeting.

Ms. Keith reported that a tree trimmer died performing work on Mount Olive Drive.

City Hall will be closed from December 23, 2011 to January 3, 2012 for the holidays. Staff will take three furlough days during this time.

The early RHNA numbers are in and increased housing for Bradbury by 2 units for the next 8 years.

MATTERS FROM THE CITY COUNCIL:

MAYOR LEWIS: Nothing to report.

MAYOR PRO-TEM LATHROP: Nothing to report.

COUNCILMEMBER PYCZ: Nothing to report.

COUNCILMEMBER BARAKAT: Councilmember Barakat stated that 80 cities in Los Angeles County are participating in the LA County Sanitation Districts' Christmas Tree Recycling Program and that approximately 400,000 trees are not going into the landfill as a result.

COUNCILMEMBER HALE: Nothing to report.

ITEMS FOR FUTURE AGENDAS: None

ADJOURNMENT: At 7:57 p.m. Mayor Lewis adjourned to the meeting to Tuesday, January 17, 2012 at 7:00 p.m. at the Bradbury Civic Center.

MAYOR – CITY OF BRADBURY

ATTEST:

Claudia Saldana

CITY CLERK – CITY OF BRADBURY