

**MINUTES FOR THE REGULAR MEETING OF THE  
BUDGET SUBCOMMITTEE  
TUESDAY, FEBRUARY 19, 2019**

**CALL TO ORDER**           The regular meeting of the Budget Subcommittee of the City of South Gate was called to order by Maria Belen Bernal, Mayor at 5:02 p.m.

**ROLL CALL**               Carmen Avalos, City Clerk/Recording Secretary

**PRESENT**                 Mayor Maria Belen Bernal, Council Member Al Rios; City Staff Jackie Acosta, Director of Administrative Services, Kim Sao, Deputy Director of Administrative Services and City Clerk/Recording Secretary Carmen Avalos

**LATE**                     City Treasurer Greg Martinez arrived at 5:38 p.m.

**1  
DEPARTMENT  
PRESENTATIONS**

The Budget Subcommittee Members heard presentations on operations by department directors.

Paul Adams, Director of Parks and Recreation stated the parks is organized in four different divisions. Administration handles capital improvement projects, facility rentals, payroll and purchasing.

The parks maintenance division which is grounds, facility maintenance, set up for events and work with volunteers.

The recreation services are all the activities that organize the sports leagues, set-up classes, teach swimming lessons.

The transportation division which provides transit services, phone-a-ride, The Gate bus fixed route service, discount sales of metro bus passes to seniors & students and recreation trip program.

Director Adams stated having 45 full-time employees and between 75 & 100 part-time employees. They utilize over 20,000 hours of volunteer labor to help supplement.

Director Adams stated that parks has about 10 million dollars in expenses, 3.8 million dollars in revenues and 1.2 million dollars in capital improvement projects. The expenses are to keep the parks clean and maintained. He stated that the revenue comes from two different sources. They get about two million dollars in revenue from Prop A which pays for the expenses for transit programs. The second revenue is primarily program fees that they charge and they have specific criteria goals on cost recover.

Director Adams spoke about future projects and provided a staff report from the Parks & Recreation Commission meeting of February 14, 2019.

Mayor Bernal spent three hours with Mr. Adams and two of the main branches of his staff.

Mayor Bernal asked if anyone in the audience wished to speak on this item.

Nick Godoy, 8611 San Gabriel Avenue informed the Board that someone asked the JAA for their financial statements and it was denied.

Having no one else come forward, Mayor Bernal closed the audience portion.

Council Member Rios complimented Mr. Adams and staff for their hard work.

Council Member Rios asked how many parks we have and is the park on Southern Avenue considered one.

Director Adams stated that there are nine parks and the park on Southern Avenue is Cesar Chavez Park, but a portion of the park was known as State Street Park. Council heard different public comment that wanted State Street Park to remain as State Street Park.

City Treasurer Greg Martinez asked Mr. Adams for a list of age groups that are utilizing city buildings. He also questioned waiving fees for outside agencies, especially LAUSD. Does LAUSD allow non-profits and residents to use their school facilities?

Council Member Rios stated that an agreement with Legacy High School to use their fields was just approved.

Mayor Bernal addressed Mr. Godoy's concerns.

Randy Davis, Chief of Police stated that his presentation will focus on the operational. He stated 166 total employees at the police department which includes 85 police officers, 43 full-time civilian staff and 38 hour civilian staff.

Chief Davis spoke about services provided to the public, grants received for funding for personnel, traffic safety operations, enforcement operations & equipment and ballistic safety vests, the department's accomplishment, goals and objectives.

1  
DEPARTMENT  
PRESENTATIONS  
CONT'D

Mayor Bernal thanked Chief Davis for his presentation.

Mayor Bernal asked if anyone in the audience wished to speak on this item. Seeing no one step forward; Mayor Bernal closed the audience portion.

Council Member Rios commended Chief Davis for all the good work he's done for the community.

Council Member Rios asked if juvenile crime is down also.

Chief Davis stated that all crimes are down. He thanked Council Member Rios for his comments and it's due to patrol staff, investigation measures and outreach to the community.

Treasurer Martinez believes the crimes are going up due to people not reporting the crimes.

Mayor Bernal asked about patrolling and scheduling.

Chief Davis stated Sunday thru Thursday is different from Friday and Saturday. We'll have six officers and a sergeant assigned during a shift. The city is broken up into five areas. One officer is assigned to each area. Two officers assigned to the east side or Hollydale area because it is difficult to access during the busy traffic time. On Saturdays the patrolling doubles.

Council Member Rios asked about the special gang unit. He inquired about active gangs in the city.

Chief Davis stated we have active gangs but it has changed dramatically. Ten years ago we had homicides that were between 8 to 14 per year. Every city has active gangs. The gangs are involved in human trafficking, narcotic sales, and taxing local businesses that go unreported.

Our gang unit are knowledgeable on the activity levels of the gangs. They file reports, cases with the District Attorney's Office, get search warrants, and get the SWAT team involved, we'll get gang team from other agencies.

2  
PROPERTY TAX  
DOLLAR BREAKDOWN

The Budget Subcommittee Members received and filed information on how each dollar of property tax collected by the County Los Angeles is distributed and what other Cities receive as their share of each property tax dollar.

2  
PROPERTY TAX  
DOLLAR BREAKDOWN  
CONT'D

Jackie Acosta, Director of Administrative Services stated that at the last meeting we discussed property tax. She provided a bar chart showing the tax dollar breakdown.

Director Acosta will be providing a staff report showing how all property tax distribution came to be. How Prop 13 affected it way back in 1978.

Mayor Bernal stated this information helps her understand what other cities are getting and it's helpful to be able to inform residents from their property taxes a certain percentage is going to the school district.

Mayor Bernal stated newer cities have a special tax assessment for school districts.

Director Acosta stated cities that have their own school districts may have special assessments within their cities that have been voted on by the residents.

Mayor Bernal asked if we know the breakdown for other residents that don't participate with LAUSD. For example Hollydale has Paramount Unified School District and Downey Unified School District.

Director Acosta will get information for the Board Members. She stated that within the City of South Gate are 20 TRA's (tax rate areas)

Council Member Rios spoke about a proposed legislation to deal with Prop 13.

Director Acosta had heard it was garnering support and will get information for the Board Members.

Mayor Bernal asked if anyone in the audience wished to speak on this item. Seeing no one step forward; Mayor Bernal closed the audience portion.

3  
TRANSACTION TAXES

The Budget Subcommittee Members received and filed the staff report on transaction taxes in other Gateway Cities.

Director Acosta stated that at the last meeting, Council Member Rios asked for a list of other cities that have received voter approval for a local sales tax.

Director Acosta stated there is a nine page document that the State Board of Equalization provides. She may provide document if the Subcommittee Members would like a copy.

Director Acosta stated that the City of Santa Fe Springs' local sales tax is 1 cent which was approved last November. The cities of Pico Rivera, Lynwood, Long Beach and Compton are 1 cent; the cities of Huntington Park and Cudahy are  $\frac{3}{4}$  cent; and the cities of Downey, Commerce and Avalon are  $\frac{1}{2}$  cent.

Treasurer Martinez asked if we are at the max right now.

Director Acosta stated the City of South Gate's rate is 10.25. The cap is at 2% countywide.

Mayor Bernal asked how the 10.25 is composed.

Director Acosta stated that 6% is considered statewide tax and a portion ( $\frac{1}{2}$  cent) goes to Prop 172 (Public Safety Fund), local revenue fund is a realignment is  $\frac{1}{2}$  percent, another local revenue fund from 2011 which is 1.0625. All of these make up the 6%.

We also have the Bradley Burns Transportation which is a .25 cent; Bradley Burns that goes back to cities which is 1%, district taxes (Metro Prop A) which was approved November 4, 1980 that's  $\frac{1}{2}$  cent, Prop C approved November 6, 1990 that's  $\frac{1}{2}$  cent, Measure R was approved November 2008 that's  $\frac{1}{2}$  cent, Measure M approved November 2016 that's  $\frac{1}{2}$  cent, and our Measure P for 1%.

We have 3% of district taxes, the legislative override and 1% local Bradley Burns, the 6 from the state, and .25% county make up the 10.25.

Director Acosta will provide a copy of the chart.

Council Member Rios questioned the bond measures.

Director Acosta stated that bond measures are on property tax bills.

Mayor Bernal asked if anyone in the audience wished to speak on this item.

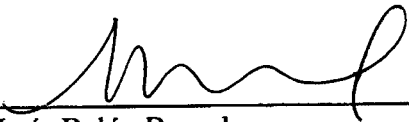
Nick Godoy, 8611 San Gabriel Avenue stated how to avoid car sales tax.

Having no one else come forward, Mayor Bernal closed the audience portion.


ADJOURNMENT

Mayor Bernal unanimously adjourned the meeting at 7:33 p.m. seconded by Council Member Rios.

**PASSED** and **APPROVED** this 16<sup>th</sup> day of April, 2019.

  
\_\_\_\_\_  
María Belén Bernal,

ATTEST:

  
\_\_\_\_\_  
Carmen Avalos, City Clerk