

## City Council Governance Committee Meeting Minutes

A meeting of the City Council Governance Committee was held on Wednesday, March 22, 2006 at 2:00 p.m. in the Media Briefing Room with the following present:

**Council Present:** Mayor Phil Hardberger  
Councilmember Richard Perez, District 5  
Councilmember Delicia Herrera, District 6  
Councilmember Art Hall, District 8  
Councilmember Kevin Wolff, District 9

**Staff Present:** Sheryl Sculley, *City Manager*; Edward Belmares, *Management and Budget*; Michael Bernard, *City Attorney*; Dennis Campa, *Director, Community Initiatives*; Daniel Cardenas, *Director, Environmental Services*; Ramiro Cavazos, *Director, Economic Development*; Sharon De La Garza, *Director, Human Resources*; Pat DiGiovanni, *Deputy City Manager*; Frances Gonzalez, *Assistant City Manager*; Pat Major, *City Auditor*; M. Bernadette McKay, *Deputy City Attorney*; Robert Salinas, *Human Resources*; Erik J. Walsh, *Assistant City Manager*; Leticia Vacek, *City Clerk*; Tom Wendorf, *Director, Public Works*; Peter Zandoni, *Director, Management and Budget*; Leticia Callanen, *Performance Analysis Team*; David Casas, *Assistant City Attorney*; Leslie Haby, *Assistant City Attorney*; Trey Jacobson, *Assistant to the Mayor*; Camilla Kunau, *Assistant City Attorney*; Yolanda Ledesma, *Assistant City Clerk*; Lisa Lopez, *Office of the City Clerk*; Bob Nordhaus, *Assistant City Attorney*; Larry Orsak, *Human Resources*; Patrick Poloskey, *Development Services*; Martha Sepeda, *Assistant City Attorney*; Krystal Strong, *Management Assistant*; Stephen Whitworth, *Assistant City Attorney*; Melody Woosley, *Community Initiatives*; Hollis Young, *Assistant City Attorney*

**Also Present:** Orden Chamberlain, *SEIU*

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### CALL TO ORDER

Mayor Hardberger called the meeting to order.

#### I. Approval of minutes from the February 22, 2006 meeting.

Councilmember Perez moved to approve the minutes of February 22, 2006. Councilmember Hall seconded the motion. The motion carried unanimously.

#### II. Agenda Planning Related Items

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**A. Consideration of a request regarding direction to start to bring forward an item to City Council establishing requirements for Refund Anticipation Loan Disclosures as requested by Councilman Roger O. Flores, District 1. [Dennis Campa, Community Initiatives Director; Frances A. Gonzalez, Assistant City Manager]**

Mr. Campa provided a report on the Refund Anticipation Loans (RAL), offering general background, the target markets, descriptions of the average borrower, cost to borrowers, regulatory information, and information on implementation, compliance and funding commitments for a City consumer awareness initiative and lender obligations.

Councilmember Perez asked of the relationship of the Volunteer Income Tax Assistance (VITA) program and the disclosure initiative. Mr. Campa responded that VITA will be promoted only as a tax preparation alternative to private tax preparers, but otherwise the disclosure requirements are intended to impact commercial tax preparers, who must provide bilingual, simple, and straightforward written and verbal disclosure of RAL fees and refund alternatives.

Councilmember Perez moved that the item be placed on the March 23, 2006 City Council agenda. Councilmember Wolff seconded the motion. The motion carried unanimously.

**B. Presentation of recommended changes to the Employee Management Committee in joint effort with the five registered employee associations (unions) as stipulated in Ordinance #99630, section 2-241. [Presented by Sharon De La Garza, Human Resources Director; Frances A. Gonzalez, Assistant City Manager]**

Ms. De La Garza stated that there are no recommended changes at this time. She added that the City is informally meeting in consultation with the associations during the week of March 27, 2006, to solicit comment and feedback from the employee groups. She stated that Human Resources will return to the Governance Committee in May to report on the outcome and to seek recommendations to proceed.

**C. Annual review of the following boards: Affirmative Action Advisory Committee and Tax Phase-In Advisory Committee. [Presented by Leticia Vacek, City Clerk]**

Ms. Vacek provided a brief report on the aforementioned boards' activities and recommendations for these and other City boards and commissions, as required annually by the City Code. She also discussed the number of vacancies of the At-large boards and mentioned challenges in filling available positions and with conducting business at meetings when a quorum is not present. She also

discussed the number of inactive boards and fielded questions about steps necessary to dissolve inactive or unnecessary boards and committees.

Pertaining to the Affirmative Action Committee, Mr. Salinas and Ms. De La Garza also spoke to matter of attracting individuals to sit on boards and difficulties that arise from absenteeism by board appointees.

The possibility of eliminating and/or combining inactive boards for the purpose of efficiency was discussed by the Committee. Councilmember Perez recommended to sunset the Affirmative Action Advisory Committee and the Tax Phase-In Advisory Committee. Ms. Sculley advised a slow and methodical implementation of such measures, in consideration of possible community sensitivities. Mayor Hardberger directed the City Manager to review the existing committees and make a recommendation for possible mergers or disbandment.

**D. Staff presentation on Two Year Budget alternatives and recommendations as requested by Councilman Art A. Hall, District 8. [Presented by Peter Zaroni, Budget Director; Erik J. Walsh, Assistant City Manager]**

Mr. Zaroni presented policy analysis findings related to the possibility of introducing two-year budget planning to the City. He reported on the pros and cons of such an approach. He also referenced other governmental bodies using a multi-year budget, sample fiscal forecasts and strategies, staff recommendations for implementing such practices, and potential actions required to begin such a practice, such as creating new funds and who would have access to such finances.

Councilmember Hall stated that such budgeting practices would allow the City to anticipate expenses, establish reserve funds, and invest in the City's contingency fund.

Mayor Hardberger stated the best case scenario for such a concept would be the creation of a short-term extended vision for the City budget. Ms. Sculley noted that such a budget would allow the City to anticipate expenditures for the following year, but that there are many considerations for adopting a two-year budget. She added that such forecasting is sound fiscal policy as it allows for planning and establishes greater financial reserves.

Councilmember Perez stated concerns with creating additional and reserve accounts.

Councilmember Hall moved to forward said item to a future (June 2006) "B" Session. Councilmember Perez seconded the motion. The motion carried unanimously.

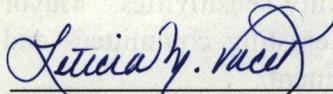
**III. Consideration of items for future meetings.**

Councilmember Herrera expressed a desire to meet with the City Auditor and her request was acknowledged.

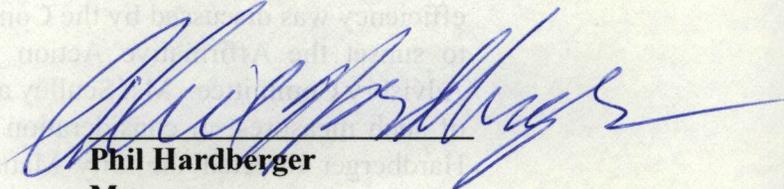
**There being no further discussion, the meeting was adjourned at 2:55 p.m.**

Copies of these presentations are made part of the file and are available upon request

**ATTEST:**



**Leticia M. Vacek**  
City Clerk



**Phil Hardberger**  
Mayor