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BUSY WEEKEND FOR MORONGO BASIN FIREFIGHTERS

Staff Writer, Z107.7 FM News

Posted: May 20, 2019



Morongo Basin firefighters were busy this weekend. **County Fire** Battalion Chief Donnie Viloría said there were two unrelated fires about a mile apart in the Yucca Mesa area of Yucca Valley Saturday and Sunday. Just before noon on Saturday, a resident in the area of Indio Avenue and Meredith Court was burning a fire in a pit when embers started vegetation on fire, and the wind rapidly spread the flames. Firefighters from Yucca Mesa, Yucca Valley, and Joshua Tree were able to keep the fire from spreading beyond the property's two acres, and were on scene about an hour.

Then Sunday, Viloría said the strong winds picked up a trampoline and a swing set in the back yard of a home in the area of Indio and Sun Mesa and carried them over the top of the house where they landed on power lines. The sparks started a fire in the dry vegetation, threatening four nearby homes. Firefighters were able to keep the fire from reaching the homes.

Also on Sunday, just before 10 p.m. firefighters were called to an appliance fire in a home in the 6600 block of Split Rock Avenue in Twentynine Palms. The fire was contained to the appliance and the home was saved.

Viloría reminds residents to get a burn permit before burning trash on their property. Residents who do not get a permit or who burn when burning is prohibited could be responsible for reimbursement costs. Burn permits are free from your local fire department.

<http://z1077fm.com/busy-weekend-for-morongo-basin-firefighters/>

COUNTY SUPERVISORS ADD INSULT TO INJURY WITH FP-5 FIRE TAX INCREASE

Staff Writer, Z107.7 FM News

Posted: May 20, 2019



Michel Cicero

Our Morongo Basin shows up multiple times on the agenda at tomorrow's 10 a.m. meeting of county supervisors in San Bernardino. Reporter Mike Lipsitz has the highlights...

In what might best be described as rubbing salt in the wound, supervisors will approve a three percent increase in the new Fire Protection Zone FP-5 special per parcel tax from this year's \$157 to \$162. The higher charge will show up on next year's property tax bills. Supervisors are also expected to allocate \$900,000 to Hi-Desert Medical Center to extend a contract for outpatient mental health services through June 2020;

approve a \$213,000 forgivable loan to cover startup costs associated with homeless bridge housing on Center Street in Joshua Tree; adopt a resolution establishing a 40 mile per hour speed zone on Sunset Road from Alta Loma Drive north to the highway in Joshua Tree—down from 55 miles per hour. Supervisors are also expected to approve the appointment of Michel Cicero to the Morongo Basin Municipal Advisory Council representing Landers.

Tomorrow’s meeting streams online and to the first-floor teleconferencing room in the County Government Center on White Feather Road in Joshua Tree where public comment may be made via live video link.

<http://z1077fm.com/county-supervisors-add-insult-to-injury-with-fp-5-fire-tax-increase/>

Adelanto financial woes resurface during budget talks

Garrett Bergthold, Daily Press

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City financial data shows the city is facing a \$6.5 million budget gap this fiscal year, which ends June 30. The Finance Department forecasts the gap will widen in the coming years, the result of what City Manager Jessie Flores called a “serious financial crisis” last week.

ADELANTO — The city is projected to have spent \$23 million on day-to-day expenses once this fiscal year ends next month.

That’s \$6.5 million more than it earned in revenue, according to city financial data, and a symptom of a structural imbalance that appears to have drained city bank accounts for years.

“The city is in a position where we have to deal with this, and deal with it quickly,” said Finance Director Ward Komers during a hastily-scheduled special workshop meeting last Thursday.

Komers presented a gloomy picture of the city’s finances to the City Council two weeks before the next budget is due, serving as a warning of turbulent financial waters ahead for the newly-seated Council majority.

The \$6.5 million budget gap is a dramatic shift from the \$1.1 million surplus forecast under the prior administration, which means the city continues to dip into its dwindling reserves to provide services.

The numbers forecast for FY 2018-19 include the \$1 million sale of the city’s public works yard, which was finalized in July.

Komers warned that by 2024, the deficit will continue to grow, to \$9.2 million — unless the city immediately begins to slash expenses and finds sources of revenue to replace its reliance on onetime fees and property sales.

Financial data shows that day-to-day general fund spending grew by \$11 million from 2015 to 2019, including a \$3.5 million bump from last fiscal year.

One reason for overspending this year included a series of payments totaling \$1.8 million to the High Desert Mavericks stemming from a March lawsuit settlement for \$3.8 million. The remainder will be paid out over the next two years, Komers said.

The city also spent \$600,000 this fiscal year alone on a “special counsel,” comprised of lawyers charged with handling the barrage of litigation against the city, primarily by ex-city employees, City Attorney Victor Ponto said.

As for revenue, Komers pointed to a \$1 million shortfall in anticipated cannabis tax money, along with a reduction of income from fees and licenses, including building permits and planning fees.

“Construction has basically stopped within the city,” he said, causing a \$1.5 million shortfall in anticipated fees and licenses. “We need construction fees to help generate revenue.”

Thursday’s special meeting came two days after City Manager Jessie Flores sent an email to employees warning that a \$4 million structural deficit could affect departments and individual employees.

A “structural” deficit refers to an ongoing gap between revenues and expenditures. Adelanto’s structural deficit appears to go back to at least 2008 when the Great Recession began hitting the Victor Valley.

Mayor Gabriel Reyes said cannabis operators continue to lack electricity in the city’s green zone, and that the city must provide a solution for them in order to see cannabis tax revenue grow.

“They aren’t bringing in any money,” he said about the city’s cannabis industry. “We need to position them in order for them to bring in money.”

Flores, in a statement he read aloud, placed the blame on unspecified prior administrations for “decades” worth of poor decisions.

“Due to the many years of not having economic development activity within the city, we are now facing a serious financial crisis,” he said.

Flores pledged staff would continue to find more efficient methods to provide the same level of service to residents in the immediate future while the city tackles its structural deficit.

Maggie Airy, a 13-year Adelanto resident, was among the few residents who attended the last-minute meeting. She said the former administration misled residents into believing cannabis would turn the state of city finances around.

“I think we have been lied to for so long,” she said. “I think when (former mayor) Rich Kerr brought cannabis into this city our streets should have been paved in gold by now, the way he talked.”

Mayor Pro Tem Steevonna Evans said during the meeting that one industry cannot save the city.

“Eventually, cannabis operators are going to run out,” she said.

Brad Letner, who served briefly as interim city manager while the budget was crafted, told the Daily Press that this fiscal year's budget was heavily influenced by Flores and Director of Development Services Charles Rangel.

Letner said Flores and Rangel provided estimates of projected income.

Komers said onetime financial boons, primarily from the selling of city-owned property and onetime fees, have enabled the city to operate up until this point without finding ongoing sources of revenue.

These include the 2010 sale of the former state correctional facility for \$28 million, and more recently, the sale of the city's public works yard.

"When the city sold the jail for \$28 million, we basically lived off that cash in the bank and never had to get serious at closing the gap and fixing it," Komers said. "Unfortunately, all that money is gone now."

By June 30, the city is estimated to have \$31 million in the bank, down from \$45 million last year.

Much of those funds are earmarked for other purposes and cannot be transferred to the depleted general fund, Komers said. To continue operations, the city will have to borrow from other funds, including water and sewer funds that total \$15 million.

Komers suggested an array of solutions to turn around the city's finances, including cutting costs, increasing taxes or creating new taxes.

He said increasing the sales tax could generate \$500,000 to \$1 million annually.

City administrators last attempted to implement an 8% utility users tax with Measure O in 2014. The measure, which would have taxed electricity, water and even cable television, was voted down by a wide margin.

Komers suggested several tax-based methods to increase revenue, which would require voter approval and take months to implement, unless the city wanted to fund a special election.

Komers voiced support for the city becoming part of the **San Bernardino County Fire** Protection District, which would save \$2 million a year. Residents would pay for fire protection services through a property-based assessment.

The Council recently approved a \$4,724, 802 proposed budget for city fire protection services next fiscal year by the county, a 5.7% increase from this year.

Fire and law enforcement services equalled about half of the city's general fund spending this year.

But most of the proposals on the table target city employees or their benefits. Komers mentioned possible furloughs, modifying retiree benefits, severance packages and establishing additional contract services, which could mean laying off employees in favor of more contract employees.

Komers' financial report comes after he and other contract staff working for MV Cheng & Associates received across-the-board hourly-rate raises as far back as last December.

The raises happened after Flores and Cheng signed a contract amendment on Dec. 14. The amendment did not come before the Council.

In the agreement, the hourly wages of Cheng's employees were increased while a ceiling was placed on how much she could personally charge the city for providing the contractors. The agreement caps Cheng at \$15 per hour, per consultant.

In March, the Council passed a second contract amendment, raising the "not to exceed" amount by \$300,000, according to city documents.

The March 13 staff report said the firm concluded shortly after starting work that "the city's finances were in worse condition than had been originally contemplated" and additional funds were needed to retain "the current level of effort."

City staff expects to bring the FY 2019-20 budget before Council on July 11, two weeks after it is due before the Council, according to the city charter.

Komers said the Council will need to pass a continuing resolution on July 1 to keep the city funded until a budget is passed, a date pegged for July 31.

Evans said that she, along with the rest of the new Council majority, were aware of the situation they stepped into, and pledged they will continue to work hard to fulfill their campaign promises.

"It's going to be ugly, guys," she said. "I'll let you know now, it's not going to be pretty."

<https://www.vvdailynews.com/news/20190520/adelanto-financial-woes-resurface-during-budget-talks>