

**CITY COUNCIL STUDY SESSION
MINUTES**

May 26, 2015

5:37 P.M. Mayor Vierra called the May 26, 2015 Study Session with the following in attendance:

ROLL CALL Council Members Durossette, Kline, Ryno, Mayor Vierra

EXCUSED Council Member Lane

CITIZEN COMMUNICATIONS - None

DISCUSSION ITEMS

1. Introduction of the draft Fiscal Year 2015-15 proposed budget.

City Manager, Toby Wells presented the staff report, explaining that this is the first look at the draft budget. He further explained that this was the first time that Suzanne Dean has prepared the budget as the Finance Director, and his second time, having stepped into the City Manager role last April. He reviewed the process that he and City staff follow in preparation of the budget, noting that this proposed budget is not in its final form. He gave special recognition to Ms. Dean and her staff for the many hours spent and a fantastic job.

Mr. Wells gave a PowerPoint presentation, explaining an overview, historical revenue and expenditures from the past eight years, proposed budget revenues and expenditures, Fiscal Year 2014/15 Actuals through April 30, 2015, and Fiscal Year 2014/15 Carry Over to Fiscal Year 2015/16.

Mr. Wells reviewed policy considerations to contemplate as we move forward for Fiscal Year 2015/16:

- Safer Grant – In September Council approved and directed staff to move forward with the Alternate Staffing Plan, through June 30, 2015, enabling the retention of six firefighters, hired under the Safer Grant. As part of this budget, staff requests Council direction on what they'd like to do with that process. The understanding of the Safer Grant process is that announcements of awards are scheduled to begin June 1 through September 30. Staff recommends continuing with the Alternate Staffing Plan, utilizing Measure H funds for Fiscal Year 2015/16 for budget purposes, and then returning to Council when the Safer Grant status is determined and amending the budget as necessary.
- Staffing Changes – The format of the Approved Position Report was changed for ease of understanding. Council Member Kline noted that he would like to see two previous years' information included for comparison. A brief review was given of the proposed staffing changes noted below:
 - One new Street Maintenance Operator (Gas Tax funds)
 - Additional Lieutenant (freeze Sergeant)
 - Recreation Manager (freeze 1 Recreation Supervisor)
 - Public Works Administrative Analyst (multiple funds)

- Public Works Director (freeze Deputy Public Works Director)
- Other Considerations
 - Measure H – Some minor changes were incorporated in the proposed budget, including moving the funding for the Crime Analyst position from Measure H to the General Fund. The Expenditure Plan for Measure H will have to be updated by 12/31/2015. The presentation to the Measure H Oversight Committee on 5/20/15 was well received.
 - Community Center – We plan to complete a new 5-year plan by March 31, 2016.
- Direction – Staff requested direction on the following:
 - Minimum Reserve; either percentage or hard number
 - Budget workshops; potential dates: June 1, June 2, June 3, with proposed approval June 8
 - Fire Alternate Staffing Plan

Council and Staff discussion ensued. After a lengthy discussion, the Council provided the following direction:

- Revise the Draft Budget to provide for the minimum reserve to end the FY 2015/16 at no less than 18% of expenditures.
- Conduct another public workshop at the Study Session on June 8, 2015 at 5:30 p.m. Staff is encouraged to attend.
- The Alternate Staffing Plan for Fire to continue until September 30, 2015.

6:54 P.M. Mayor Vierra opened the Public Hearing.

6:54 P.M. There being no comments, Mayor Vierra closed the Public Hearing.

6:55 P.M. There being no further business, Mayor Vierra adjourned the City Council Study Session.

Submitted by: Ann Montgomery, Deputy City Clerk



Chris Vierra, Mayor



Lori Frontella, MMC
Interim City Clerk