

MINUTES OF THE WILLOWS CITY COUNCIL SPECIAL BUDGET MEETING
HELD March 22, 2010

The City Council of the City Of Willows met in Special Workshop Session on Monday, March 22, 2010, in the Council Chambers of the Civic Center. The meeting was called to order at 2:00 p.m. by Mayor Heather Baker.

PLEDGE OF ALLEGIANCE: Council Member Yoder led the Pledge of Allegiance at the opening of the session.

PRESENT: Baker, Yoder, Holvik, Hansen, and Towne

ABSENT: None

PUBLIC COMMENT: None

REVIEW OF PRELIMINARY BUDGET – FY 2010/2011:

Finance Director Tim Sailsbery presented the Council with a revised copy of the targeted budget levels for the FY 2010/11 General Fund Budget, pointing out that the original document that was part of the agenda packet had a few omissions. He then discussed the general budgetary climate of the City. As for projected deficits, he presented two scenarios. Under the first scenario, the assumption is made that all wage concessions established for 2009/10 remain in effect for FY 2010/11. The deferral of contractual increases to the Willows Public Safety Association and the Willows Employees Association that were contractually set to go into effect on July 1, 2009, would remain deferred, and the nine employees who accepted a 10% wage reduction would continue with said reduction. He noted that, to date, the extension of these concessions have not been confirmed by the labor organizations or individuals involved. Under this scenario, there would be a projected deficit of \$295,162. The second scenario presented a preliminary budget with all of the concessions noted above being rescinded. With this scenario, the contractual wage increases (7.5% for WPSA positions and 3% for WEA positions) would go into effect, and the 10% wage concessions would end. Under this scenario there would be a projected deficit of \$471,805.

Mr. Sailsbery also spoke on the effect of outside funding on items presented, explaining that the City relies on a number of outside sources besides the General Fund for day-to-day operations. This preliminary budget assumes all of these items will stay intact; however, decisions by other governmental entities may play a significant role in how the City prioritizes General Fund expenditures. Some examples of outside funding used for City operations include the Gas Tax, Library Funding, Supplemental Law Enforcement Special Funding, Booking Fees, and Willows Unified School District funding a portion of the School Resources Officer.

Mr. Sailsbery pointed out that there are some additional items, totaling approximately \$50,000, not included in the preliminary budget projections report which are considered

safety necessities. These items are for replacement of apparatus doors at the fire station and for the purchase of other fire safety equipment, such as turn-outs. Consideration of these items need to enter the overall budget process.

Council discussion ensued and a few things that the Council brought up that they wished to staff to explore were voluntary early retirements providing two additional years of service credit as an incentive, the possibility of billing Glenn County for fire dispatch services that Willows Fire Department provides to the rural fire districts, and they suggested Management meets with the two Labor Organizations to see if they would agree to another year of holding off on contractual wage increases. There was also a suggestion made that if the County does not agree to fund the full \$50,000 for Library operations that perhaps the City should consider turning over the library branches located in the unincorporated areas of the County back over to the County for them to operate. Lastly, it was discussed that in order to achieve an adoptable budget, there may need to be employee layoffs. Although the Council expressed that this is not their desired preference, they stated that it may be a real possibility.

After discussions concluded, the Council, by consensus, directed staff to continue to research early retirement options and to survey the employees to see if there is an interest in this, to have a discussion with County Officials about the possibility of billing the County for fire dispatch services that Willows Fire Department provides to the rural fire districts, and for Management to meet with the Labor Organizations to see if they would be willing to continue deferring their wage increases for an additional fiscal year.

ESTABLISH DATE AND TIME FOR NEXT BUDGET WORKSHOP:

The Council asked that the establishment of a date and time of the next budget meeting be put on the next City Council regular meeting agenda.

ITEMS TO BE ADDED BY CITY COUNCIL OR ADMINISTRATIVE STAFF FOR DISCUSSION PURPOSES ONLY: None

ADJOURNMENT: The meeting was adjourned at 3:10 p.m.

Dated: March 22, 2010

NATALIE BUTLER

City Clerk