

MINUTES OF THE WILLOWS CITY COUNCIL SPECIAL BUDGET MEETING
HELD May 3, 2010

The City Council of the City Of Willows met in Special Budget Session on Monday, May 3, 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 Holvik led the Pledge of Allegiance at the opening of the session.

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

ABSENT: None

PUBLIC COMMENT: None

CONSIDER APPROVAL OF CHANGING HOURS OF OPERATION AT THE CITY POOL:

Recreation Director Carol Lemenager explained that presently the pool hours are Monday, Wednesday Friday and Saturday 1:10 p.m. to 4:50 p.m. and Tuesday and Thursday from 1:10 to 4:50 and 6:10 p.m. to 7:50 p.m. The evening swims are historically low in attendance. Due to the current economy and to help maximize use of the pool, staff coordinated with our local swim team to accommodate their use, keeping in mind public use. This concept will benefit our community, as the swim team reimburses the City for their time of pool use. The reduction to public pool hours would be merely two hours per week.

Brief Council discussion ensued and it was **moved** by Council Member Holvik and **seconded** by Council Member Hansen to approve the new swim pool hours for Monday, Tuesday, Thursday, Friday and Saturday 1:10 p.m. to 4:50 p.m. and Wednesday 1:10 p.m. to 4:50 p.m. and 6:10 p.m. to 7:50 p.m. The motion was unanimously passed.

CONSIDER APPROVAL OF AN INCREASE OF THE DAILY ADMISSION FOR THE CITY POOL FROM \$1.50 TO \$2.00:

The Recreation Director explained that at a prior City Council meeting Council directed staff to conduct a review of the swimming pool daily admission fees. A fee survey was completed in March and a copy of the survey given to the Council. Based on the survey results it is the Recreation Director's recommendation that the Council approve an increase in the daily admission. It was then **moved** by Council Member Towne and **seconded** by Council Member Holvik to increase the daily admission to the City swim pool from the current \$1.50 per day to \$2.00 per day. The motion was unanimously passed.

FY 2010/2011 BUDGET UPDATE:

Finance Director Tim Sailsbery presented the Council with a revised copy of the targeted budget levels for the FY 2010/11 General Fund Budget. He gave the Council an update on some items that were discussed at their March 22 Budget Meeting along with some new items that have come to light since that time.

Management is still working with the Employees' and Public Safety Associations on their willingness to continue to defer their contractual increases for an additional year. He also is working with the unrepresented employees on their willingness to continue the 10% wage decrease that they agreed to in FY 2009/2010. All Employees at this time have verbally confirmed their willingness to continued deferrals and continued wage concessions for an additional Fiscal Year.

At the direction of the Council on March 22, Management has proposed a 2 year service credit as a retirement incentive for those employees who qualify and are willing to retire voluntarily. At this time, there has been no employee interested in the two year service credit as a retirement incentive.

The County has proposed an increase from \$52,000 for FY 2009/2010 to \$82,682 for 2010/2011 for animal control services. The County Finance Director has offered to schedule a discussion regarding this topic with staff from both Cities and County officials, but at the time of the meeting a date and time had not yet been confirmed. The Council suggested that they would not be willing, nor could they afford to pay \$82,000 for animal control services and if the County couldn't adjust the amount back to around \$52,000, perhaps the City could provide its own animal control through the Police Department. There was some questions raised as to what services actually are provided to the City through animal control that would justify the \$52,000 that we currently pay, let alone a \$30,000 increase. The monthly animal control reports are somewhat generic and don't provide a lot of specific information about the services provided. The consensus of the Council was to have City staff meet with the County and the City of Orland and report back to the Council, at which time this item could be discussed further to determine whether or not the City should provide their own animal control services or perhaps look into a private contractor providing the service.

The projected cost for dispatch services is reduced for 2010/11 by \$2452. The combined effect of the proposed changes in animal control and dispatch are reflected in the revised budget projection for the police department

The Finance Director pointed out that franchise revenue to date is about \$6000 below projections, and as such, the projected General Fund revenues have been revised downward for both 2009/10 and 2010/2010 to reflect this.

As a result of the items noted by the Finance Director, the revised 2010/11 General Fund deficit now stands at \$328,150. He also noted that the City still has several items for which staff does not have final information, including health insurance costs. Staff has

heard a wide array of range of cost increases, some as much as 30%, however at this time, staff has utilized a 7.5% cost increase factor (effective 1/1/2011) in calculating the projections.

At this time staff requested that Council provide consensus direction regarding a General Fund expenditure level so that further budgetary action, if appropriate, may commence.

Council discussion ensued and Mayor Baker stated that she would like to see a deficit which would not exceed \$150,000. Council Members Holvik, Yoder, Towne and Hansen stated that they would be agreeable to a deficit to \$300,000, however with the condition that there be a six-month review after budget adoption, and if it appears as though the deficit will be greater than \$300,000, personnel would be need to be laid off because there are no other areas where we could cut costs.

LAMB DERBY PARADE DISCUSSION:

This is an item that Council Member Hansen requested to be placed on the agenda during the last regular City Council Meeting. He wanted to poll the Council to see if anybody had an interest in participating in the Lamb Derby parade. Due to other obligations which each of the Council Members have already committed to, it was decided that they would not participate in the parade this year.

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

ADJOURNMENT: The meeting was adjourned at 3:49 p.m.

Dated: May 3, 2010

NATALIE BUTLER

City Clerk