



CITY OF WILLIAMS

Council Minutes

810 E Street/P.O. Box 310, Williams, CA 95987

SPECIAL COUNCIL MEETING

COUNCIL CHAMBERS
THURSDAY MAY 30, 2013

CLOSED SESSION

3:30 P.M.

CLOSED SESSION

At 3:30 p.m. Council held a conference with Legal Counsel regarding one case of Anticipated Litigation, Significant Exposure to Litigation pursuant to Government Code Section 54956.9(d). Present at this session were Mayor Ash, Mayor Pro Tem Boes, Council Members Plachek-Fulcher, Sellers and Troughton, City Administrator Bergson and City Attorney Siprelle.

REGULAR SESSION

CALL TO ORDER

At 3:45 p.m., Mayor Ash called the special meeting of the Council to order.

ROLL CALL:

COUNCIL MEMBERS PRESENT:	Patricia Ash, Kent Boes, Angela Plachek-Fulcher Alfred Sellers, John Troughton
COUNCIL MEMBERS ABSENT:	None
STAFF MEMBERS PRESENT:	Charles Bergson, City Administrator Ann Siprelle, City Attorney Rex Greenbaum, Finance Officer Jim Saso, Police Chief



Greg White, Interim Public Works Director
Sue Vannucci, Deputy City Clerk

OLD BUSINESS

BUDGET WORKSHOP – FISCAL YEAR 2013-14

Mayor Ash said she had invited employees to attend so that they could be informed about the budget and provide input. City Attorney Siprelle reminded the Mayor and Council that there should be no discussion on any items under discussion in the current negotiations process.

Council went through each of the Department/Program Detail Sheets for the General Fund which indicated the adopted Budget for Fiscal Year 2012-13, the year-to-date for 12-13 through Proposed Budgets 2014-15.

City Administrator Bergson said the comments and suggestions received this evening would be taken under consideration, adjustments or rationale would be identified and the results reported back to Council.

Fund 501 – City Council

Mayor Ash asked about the Contractual Fees (7321) of \$156,000 and Finance Officer Greenbaum said they are allocated to the City Attorney's budget.

Mayor Ash asked about Travel/Conferences/Meetings (7333) allocated at \$3,000 and has not been utilized. Council would like to see that budget reduced significantly or eliminated as only \$1,200 has been used thus far this year. It was suggested by City Administrator Bergson that this amount be reduced for Fiscal Year 2013-14.

Council Member Plachek-Fulcher raised the question regarding the budgeted Professional/Specialized Services (7324) at \$5,000 this year but the year-to-date is over \$10,000. Finance Officer Greenbaum will check this issue and return to Council with clarification.

Council Member Plachek-Fulcher asked about the \$6,000 budgeted with \$2,535 spent in Special Event Expense (7331). Mayor Ash said it was to the Citizens for a Better Williams, one-time expense and could easily be reduced to \$5,000. City Administrator Bergson said last year there was a City donation to CBW for Christmas lights and Council Member Plachek-Fulcher suggested reducing the budget down to \$2,000.

Council Member Boes asked about Insurance/Surety Bonds (7215) as they are on every page of the budget. Finance Officer Greenbaum said



those expenditures will all be fully utilized by the end of the Fiscal Year and as they are charged out to each Department. Many of the expenditures budgeted are not actually spent until year end.

Council Member Boes asked about the Publication Costs (7318) and Deputy City Clerk Vannucci indicated that legal publications are charged out of various areas depending upon the nature of the publication.

Council Member Boes asked about the Economic Development (7338) and Abatement Fund (XXXX) and Mayor Ash said Economic Development is gone and the account balance is empty. Chief Saso said when the Abatement process began, funds were utilized for those properties that were in great need of abating. Finance Officer Greenbaum said those items would be removed from the Program Detail sheets. The City usually get refunded on these abatements by the property owner. Manager Maxey said it was originally part of City Council budget.

Fund 502 - City Clerk

Mayor Ash why there is a \$7,000 increase in Salaries/Benefits. There is \$288,000 increase in salaries and benefits shown in the General Fund across all areas in the next year without the inclusion of safety. Finance Officer Greenbaum said that increase for this Division is from Fiscal Year 2012-13 to 2014-15, so a span of three years. The base budget for the allocations of the positions is included and some is based on the work effort. There is another position allocated to the Division besides the City Clerk. Pete Garcia said the Office Assistant does not receive pay out of this Division entirely but is charged to Water and Sewer as well. Finance Officer Greenbaum said there is a budget allocation for an annual salary included for the City Clerk even though City Clerk Bergson does not take the pay.

Council Member Troughton asked if public the notices are out of this Division (7318) and Deputy City Clerk Vannucci indicated to the positive.

Council Member Plachek-Fulcher asked if the Travel/Conferences/Meetings (7333) could be dropped from \$4,000 to \$1,000. She asked about Professional/Specialized Services (7324, and why there were expenditures that had not been budgeted for. Finance Officer Greenbaum said there was a change in the method of payment for the Deputy City Clerk position from Contract Employee to Temporary Part-Time and this figure reflects that change.



Council Member Sellers said the \$288,000 increase to Salaries/Benefits is over a two year period for an across the board for all units. Mayor Ash said it was an increase in salaries over the next two years without Police and Fire. Finance Officer Greenbaum said those are year-to-date figures only as of March 31st. Mayor Ash said she used the adopted Budget of 2012-13 to the proposed for 2013-14.

Fund 503 – City Administration

In relation to City Administration, Mayor Ash asked about Phones/Radios at (7334) at \$3,300 and what kind of phone system costs a total of \$20,000. Deputy City Clerk Vannucci, said fax and data lines come through the City Clerk and City Administration Divisions. City Administrator Bergson said specifics will be determined and provided to Council on this issue.

Council Member Plachek-Fulcher said Salaries/Benefits for the City Administrator are shared with other Funds in the City. Finance Officer Greenbaum said this budget is pretty small. Mayor Pro Tem Boes asked for clarification on which individuals receive pay from this budget or is it just a portion of the City Administrator's salary. There is an \$8,000 increase shown from last year to this year. Finance Officer Greenbaum said a portion was allocated to Development Impact Fees. Those allocations should be zeroed out because they are now being moved back to the General Fund.

Mayor Pro Tem Boes asked for a statement of the difference between Telecommunications (7308) and Phones/Radios (7334). Manager Maxey said computers are telecommunications and the office phones and radios fall under the other classification. (Chart of Accounts definition, "Telecommunications: Computer hardware, software, maintenance, and support costs.")

Fund 504 – Finance

Mayor Ash said there is a \$13,515 salary increase shown in Salaries/Benefits and who does that cover. Finance Officer Greenbaum Rex said those figures are for portions of the Accounting Specialists and the Finance Officer. Some portion of the Accounting Specialists salaries and benefits are allocated to Impact fees and the Landscaping and Lighting District. As those funds are no longer able to support these salaries, their costs have been allocated back into the Finance Department



budget. City Administrator Bergson will check to see if any portion of these salaries are paid from the Sewer Fund.

Council Member Troughton asked if these are cuts that Mayor Ash, Mayor Pro Tem Boes and Council Member Plachek-Fulcher are recommending are to be removed from the budget permanently or moved to other areas of the budget that are not part of the General Fund. If these are simply moving from the General Fund they will not be eliminations and will still be spent by the Departments. Next year if a shortfall in funding is found there will be less General Fund monies to cut or move to other non-General Funds. Mr. Garcia said he disagreed and said in the last three or four years the City has spent money on junk. If the City tightens the General Fund we will be ok. The Police Department is not having an issue. In Parks and Streets there are too many people handling the funds resulting in a negative balance? One person should be monitoring these budgets and be responsible for them.

Council Member Troughton said if the cuts are being made to reduce waste we should allow for some carryovers. Mr. Garcia said if the contract for the Landscaping and Lighting District is \$67,000, but there is still a shortage of \$13,000 because City staff are still working in those areas. Finance Officer Greenbaum called his attention to Exhibit E that clearly identifies the Fund full-time equivalents in each of the Funds.

Mayor Ash said in regard to the contract for the L & L, a Request for Proposal was issued and two contractors responded, Ismael and Sons and Cardoza's Concrete. This is in fact the same company with two different names. She felt it was misleading and they should not be submitted two bids. Nick Thompson, said Ismael and Sons is no longer handling this. Rene Arana is the contractor now (Rene Arana is Ismael and Sons). City Administrator said a Request for Proposal has been issued and the current contract will be terminated effective June 30, 2013. The City has not had adequate staff to do properly handle the District needs, but the work that is being done has not been adequate. There will still have a shortfall of L & L funds and there will be a need to cover those expenses with General Fund monies. Additional properties had been found to have been omitted from the District, which were added in increasing the revenue, but the revenue is still short. There is need for takes more than one or two bodies to properly operate the District maintenance needs. With the outside contractor in place, complaints have decreased.

Mayor Ash feels the City could handle the District but at least one more staff member would be required. Mr. Garcia said the past Council minutes indicate that said an additional 1.5 persons would be necessary to adequately cover the L & L maintenance needs. He feels that Lourdes



Hernandez should be the one to handle the L & L. Ms. Hernandez said she feels there are more people needed to properly take care of the parks and suggested that she and Mr. Thompson be assigned to them full time. Mayor Ash feels the City should fund the parks with our own staff. Council Member Troughton said this will be a new expense.

Mr. Garcia said he has been talking about moving Maintenance Worker Bill Bowen into the Sewer Maintenance position. They are currently utilizing a temporary part-time worker they would like to hire to back fill in Mr. Bowen's position when he is moved. Council Member Troughton said there is one opening and Mr. Garcia said there are two. The salary for Mr. Bowen would go into the Sewer Fund and the salary and PERS for a replacement would be less. A little money would be saved. Deputy City Clerk Vannucci reminded the Council that this is a personnel issue and the proper procedures must be followed for Staff before considering Mr. Bowen for the position.

Mayor Pro Tem Boes said in Staff Development (7332) and Contractual Services (7321) there are high balances with Staff Development unused. Finance Officer Greenbaum said the Contractual Services is for the audit, some of which has been completed with the year-end services for last year just completed. In regard to Staff Development, he has been here for 3 years and there has been no training. There are specialized software programs used in the Department that are held throughout the Country. Last year the training was in Utah and he did not feel the cost for the travel was warranted. This year the training will be held in Reno so the Department has held their funds to attend the training at that site, which will be a substantial savings over the out of state sites.

Mayor Pro Tem Boes asked about Interest and Penalties (7344). Finance Officer Greenbaum said in years prior to his tenure, there had been inconsistency in the payment of payroll taxes and such, for which the City had been penalized. These funds were for that purpose and are a contingency line item. There is no specific allocation to that account. Mayor Pro Tem Boes wants to eliminate this item at \$3,000. Council Member Plachek-Fulcher suggested that a cushion be left in place, but the amount be reduced.

Mayor Pro Tem Boes asked about the Recruiting Costs (7708). Manager Maxey said all City-wide recruiting is funded through this account and she feels it should be left in place. Chief Saso agreed in that they have been recruiting consistently for Police Officers and these funds are vital.



At 4:30 p.m., Council Member Plachek-Fulcher left the Chambers.

Fund 505 - Police Services

Chief Saso said since the Department has had difficulty recruiting Officers, the that we have had difficulty recruiting Grant has been pushed back during the time the School Resources Officer position is not filled. Salaries have always been underfunded. In Vehicle Maintenance the Department is spending \$45,000 but just \$9,000 in maintenance alone. The Officers are driving the older vehicles but plan to replace two per year over the next few years.

At 4:32 p.m. Council Member Plachek-Fulcher returned to the Chambers.

Manager Maxey said the Department has been over budget due to high of fuel costs. Council Member Troughton said most of the budget in this area caused by the use of the older vehicles that require more maintenance. Chief Saso said the second half of the contract for dispatch fees has not been received and it is anticipated that the cost will increase. A correction has been requested. The Department is spending only approximately about \$3,000 on office supplies. Mayor Pro Tem Boes asked what is included in contractual services and Chief Saso said that is for the animal control contract and it appears there will be little to no increase to the flat fee portion.

Fund 506 – Fire District

City Attorney Siprelle said that with further research, it has been determined that Mayor Pro Tem Boes has a conflict of interest via Section 1090 of the Government Code. She had first researched her concern under the Fair Political Practices Commission and felt secure that there were no conflicts under that Act. However, a separate section of the Code came to light that does indicate a possible conflict of interest so she has advised that he recuse himself from discussion on the Fire Department budget issues.

Mayor Pro Tem Boes said as he is a Volunteer Firefighter and does participate as such on Strike Team activities for which he receives pay and as that compensation is issued through the contract with the Williams Professional Firefighters Association he cannot be part of the discussion in relation to the Department budget.

At 4:39 p.m., Mayor Pro Tem Boes left the Chambers.



Council Member Plachek-Fulcher said the budget for Contractual Services (7321) is set at \$24,000 and in Fiscal Year 2013-14 it shows \$265,000 and asked it went up. Finance Officer Greenbaum the funds were allocated as if they were getting receiving a percentage of the Transient Occupancy Tax (TOT). The City switched to the percentages as it had been a flat amount. Mayor Ash said in 2014-15 the Fire Department does not receive the TOT portion. Chief Saso asked whether the contracted money had been separated from the TOT and Proposition 172 but for the current and next two years the contribution is at \$7,000 and Finance Officer Greenbaum said that will be kept the same because the City has the discretion to keep the City from being down another \$7,000. The City can determine how they would like to fund. It is the City's portion of the Proposition 172 and Council can determine how they want to spend it.

Mr. Garcia said with \$7,000 from the Water Fund and \$13,000 from the Sewer Fund it indicates that collections is paying the full \$13,000 and the Treatment Plant should be paying for some of these services. Finance Officer Greenbaum said that would create another line item because it is out of the same Fund. The Treatment Plant is an expense, is not a function of City expenditures and he is unsure what the correlation to the Treatment Plant would be. Mr. Garcia said it is coming out of the one Fund and Council Member Plachek-Fulcher said it is the same Fund. If we take part from Sewer and part from Treatment it would be the same. Mr. Garcia said there is a \$100,000 contract for the Treatment Plant with some of those funds unused and the excess should be utilized elsewhere. City Administrator Bergson said the \$13,000 needs to show nexus and it is the amount for the Fire Department. Mayor Ash feels Water and Sewer Funds are restricted. City Administrator Bergson said the Fire Authority protects the Plant and these are the Funds to do so. Council Member Plachek-Fulcher said the \$13,000 is for the Treatment Services and the Fire is contracted to protect that facility so it could fall under Contractual Services and use some of that money for that purposes. Finance Officer Greenbaum said that is an acceptable use but he feels it should be kept at as small a portion as possible. The rates for the Sewer Fund are flat and the City will not have any increase. Staff is attempting to set funds aside for future needs. Should a catastrophic need arise the City should have adequate funds set aside to consider those repairs or improvements that may be needed. Council Member Plachek-Fulcher said the allocation under Contractual Services could be used for that purpose. Finance Officer Greenbaum said that money could be put into a Capital Improvement Fund. Manager Maxey said there are some legal specifics regarding allocation and the City should be utilizing a formula to consider those contingency needs. Mayor Ash asked for input on these discussions from Greg Endeman, Supervisor of the Water Treatment Plant, and he



indicated he has no input at this time. City Administrator Bergson suggested allocating a few thousand dollars to this fund.

At 4:48 p.m., Mayor Pro Tem Boes returned to the Chambers.

Fund 507 – Planning Division

Mayor Ash asked if there is only one salary charged to this Division and Finance Officer Greenbaum indicated to the affirmative. Council Member Plachek-Fulcher asked about the Contract with Price Consulting and City Administrator Bergson said that Contract is charged to the projects he supports. Council Member Plachek-Fulcher asked about the Highway 20 costs and City Administrator Bergson said that is a Capital Budget charge. Mayor Ash said there appears to be another \$13,000 increase and asked for clarification on that increase. Mr. Garcia asked what the \$3,000 for equipment relates to. Mayor Plachek-Fulcher said it is for equipment and capital improvement. City Administrator Bergson will investigate and report back to Council.

Mayor Pro Tem Boes asked about the Travel and Conference costs. Council Member Sellers asked about the \$11,000 increase in salaries. Finance Officer Greenbaum said the actual salaries at the end of the Fiscal Year 2012-13 and the budget for next year the increase is \$6,000 and Mayor Pro Tem Boes said with another increase of \$4,000 for 2014-15. Council Member Sellers asked if there is an assumption these increases will go forward. Is that a definite figure or an assumption? Finance Officer Greenbaum said the figures are included as potential negotiated increases, longevity and/or step increases. Historically there have been 3 year Memoranda of Understanding with a need to include those potentials for increases in the projected budget. Mayor Pro Tem Boes asked if these include benefits and Finance Officer Greenbaum said it includes medical benefits, dental, retirement and such. Mayor Pro Tem Boes asked about the charges for phones and radios and Finance Officer Greenbaum will check on the specifics.

Fund 508 – Building

Mayor Ash asked about the \$18,000 increase in salaries. These funds are for the Building Official only. City Administrator Bergson said this is for potential increases related to the MOU and for the longevity step. Mayor Ash asked if the Division was busy and City Administrator Bergson said that Division is extremely busy. This item will be discussed separately at a future time.

Fund 509 – Parks



Mayor Ash asked about Professional and Specialized Services (7324) and who that includes other than our own people. Mr. Garcia said this is for tree trimming or professional services to come in handle projects like repair of the playgrounds. The sidewalks are included in this section but current staff could be utilized for this type of project. Council Member Plachek-Fulcher asked about Contractual Services (7321) and Mr. Garcia said if we were to sign a contract with the tree trimmer it would be included under this section. Council Member Plachek-Fulcher said \$30,000 between Professional Services and Contractual Services could nearly fund another employee. Finance Officer Greenbaum said Staff has been searching all budgets to determine areas where cuts could effectively be made. City Administrator Bergson said as these budgetary areas cover tree trimming and it is not clear whether the current staff has the level of expertise held by Arborists.

Mayor Pro Tem Boes asked about Staff Development (7332) usage and Mr. Garcia said they have not used the training and but City Administrator Bergson said the City has some liabilities and responsibility to provide specific training for Staff.

Council Member Plachek-Fulcher asked about Rental Expense (7343) and Mr. Garcia said that is for equipment, such as heavy equipment for specific needs.

Mr. Garcia said there is nothing showing the budget for vacation, sick leave, overtime. Mr. Greenbaum said those aspects of the benefits are included in the Salaries/Benefits category and as employees can buy back vacation time funds need to be held to cover the potential of that liability. As well, there are vacancies for which funds need to be held. Mayor Pro Tem Boes said the Police Department has opted to show the benefits as a separate line item. Mr. Garcia said it shows a negative and Finance Officer Greenbaum said the separate line item would need to be calculated and should it change he would the movement of the figures. Council Member Plachek-Fulcher said that it appears the total budgets are within the allocation. The City does not know how many vacation or overtime hours will actually be utilized so we budget for them to be prepared. Manager Maxey said in the past the budget did have these benefits separated and shown in each area... City Administrator Bergson said Finance will separate out those costs. Mayor Pro Tem Boes asked about Equipment Purchases (7805). This piece of equipment was purchased following the budget development.

Fund 510 - Recreation



Finance Officer Greenbaum said this includes some City funding for the pool and most of these funds are expended during the summer months. Mayor Ash said there is \$4,000 for supplies. Council Member Plachek-Fulcher said there is no staff shown and what fund is the Recreation Supervisor paid from. Finance Officer Greenbaum said the Supervisor is paid out of Community Development Block Grant Funds.

Fund 512 – Building and Grounds

Mayor Ash said Professional/Specialized Services is \$50,000 and Council Member Plachek-Fulcher asked if that was for the person who does the lawns. Director White said that is for the plumber, generator needs, wiring, and maintenance. Council Member Plachek Fulcher asked if the City would paint this building would the funds be out of this budget and Director White indicated to the affirmative. The \$52,000 is all for buildings. Manager Maxey said this also includes the pest control. Mr. Garcia ask why there is a personnel line item of \$64,000 budget with no funds spent. Finance Officer Greenbaum it is for a vacant but frozen position. Council Member Plachek-Fulcher Angie asked why Maintenance Worker Lourdes Hernandez is not paid from this fund. Finance Officer Greenbaum said a percentage of her salary allocated toward the General Fund and this is the frozen position allocation fund. Mayor Ash asked from what other portion of the General Fund is she paid. Council Member Plachek-Fulcher said if Ms. Hernandez is doing the position should she should be paid from that fund. City Administrator said he will research this issue. Mayor Pro Tem Boes said the allocations of employees indicates that 1.85 persons are from the General Fund and Finance Officer Greenbaum said all of the budgets positions under discussion this evening are General Fund budgets. He

referred to Exhibit E of the budget document. Council Member Plachek-Fulcher wants the spread sheet to show exactly where each employee is working.

Fund 513 - Public Works

Finance Officer Greenbaum said this budget includes all of the temporary employee salaries and at present there are 3.0 in the Public Works Department. These are full time temporaries except for Mr. Alvarnez. They have been calculated as 1000 hour employees. Council Member Plachek-Fulcher asked why Professional/Specialized Services (7324) is \$6,000 over budget. Finance Officer Greenbaum said he will check on this issue and report back to Council. He said there is a salary savings due to unfilled positions. There was only one frozen position.



Fund 514 - Pools

Council Member Troughton asked if there were to be a problem with the pool what fund would the money to address problem come from. City Administrator Bergson said Staff would need to present a request to Council to authorize the funds from contingency. Council Member Plachek-Fulcher asked if CDBG funds could be used for issues such as this and City Administrator Bergson said as this is a special grant it cannot be utilized for Capital items. Director White said the pool is still losing a lot of water that is likely seeping out of the tile that was not properly done during the last repair.

Fund 515 – Storm Drain

Mayor Pro Tem Boes asked if the loss indicated was a repayment. City Administrator Bergson said the City had to respond to the State for the \$400,000 that was unfunded and the City is paying that off.

Fund 500 - Vehicle Internal Service Fund

Finance Officer Greenbaum \$50,000 has been included in the budget and funds set aside that has not been included as an ongoing obligation. Mayor Pro Tem Boes asked if this is part of the \$220,000 deficit and the Finance Officer indicated it was not.

Fund 500 – Insurance Internal Service Fund

Finance Officer Greenbaum said this is the City's Worker's Compensation Liability Fund and he has kept the fund flat. There may be some increases in the future. When the City was part of SCORE we were paying \$70,000 more than this at present. There has been some utilization this year that may cause it to increase next year. They do give us advance notice when it becomes necessary to increase. Chief Saso asked if this fund is to service the City and Finance Officer Greenbaum said this Fund is for the entire City. Chief Saso said there are insurance items in each Department but the line item feeds the revenues and then goes into the revenue for this fund. City Administrator Bergson said it indicates the expenditure and what each Department is incurring. Finance Officer Greenbaum cited Exhibit B of the budget document providing a summary of the Revenue and the Internal Service Fund 030 shows the negative.

Fund 250 – CDBG Grant – Recreation Division



Mayor Ash said the CDBG fund indicates salaries and benefits, asked if we are paying for our Parks and Recreation employees and if so, how many employees are there. City Administrator Bergson said the program has two temporaries at 1000 hours per year. Mayor Ash said this is for the referees, timekeepers and scorekeepers and asked why they are paid. City Administrator Bergson said soccer fees offset some of those fees. The City will be running the soccer program this year during the summer months. Basketball and Zumba are not subsidized. The CDBG program had a high balance and the State allowed us to utilize those funds for these programs. The City has applied for three more years of funding and it is believed the funds will be renewed. If not, the programs will be terminated. Finance Officer Greenbaum said with the revenues being received these programs can continue going a bit longer. City Administrator Bergson said the programs generate \$20,000 to \$30,000. Council Member Plachek-Fulcher asked what those revenues are used for and wants an accounting. Mayor Ash said from inception, these programs were to be self-supporting within two years. City Administrator Bergson said the programs are generating money and there was a surplus of the CDBG funds that were to be expended. Finance Officer Greenbaum said the City is still generating funds. Council Member Plachek-Fulcher said if a new business wanted to start we would not be able to help them because these funds are being utilized elsewhere. Mr. Garcia asked what fund pays for the Antique Show. City Administrator Bergson said Concerts in the Park are paid by donations including, staff wages. Mayor Ash said we have Zumba and a Wrestling Coach and asked if the City is paying a Parks person to open and close the facilities. City Administrator Bergson stated to the affirmative. Mayor Ash asked if we could have the instructor to open and close. Mr. Garcia asked who pays the Recreation Supervisor when he covers the phone in Administration and City Administrator Bergson said that person volunteers his time to assist Administration as needed. The person in the office is out of program revenue. Mr. Garcia asked if the pool cost could be offset with CDBG funds. Finance Officer Greenbaum said as this was an existing service previously provided and the City cannot offset that cost at this point.

Fund 260 - Development Fee Fund

Mayor Ash said Professional/Specialized Services (7324) is listed at \$50,000 and Council Member Plachek-Fulcher asked who that covers. Finance Officer Greenbaum said this is for running the program and capital related costs. Mayor Pro Tem Boes said there is \$13,830 for this year and a projected of \$50,760 for next year. Finance Officer Greenbaum said this is a capital related expense and not salaries. Council



Member Plachek-Fulcher said if the Highway 20 project goes through and we need to hire Engineers would the funds come from this area. Finance Officer Greenbaum said this is where the expenditure would be charged. Council Member Troughton asked whether there is a legal requirement to expend these funds from this revenue source and Finance Officer Greenbaum indicated that they must be spent in this same area. Mayor Pro Tem Boes asked why this fund is increasing so dramatically and Finance Officer Greenbaum said the City has \$1.4 million that has been allocated for potential future projects and but that could be zeroed out and return to Council to request funds should the need arise. City Administrator Bergson said it could be used for a capital expenditure for the Water Tank (CIP 11-06) and other Capital Projects. It is not part of the proposed deficit.

Fund 270 – Water Enterprise Fund

The Salaries/Benefits are for administrative fees. Mayor Ash asked for clarification on PW 601 and Finance Officer Greenbaum said it is for various Public Works salaries and a portion of Planning, Finance, an Accounting Specialist, and the City Administrator.

At 5:40 p.m., Mayor Pro Tem Boes left the Chambers.

Council Member Troughton asked if the money in 270 would be used for such things as the recent broken pipe in the alley that Staff repaired. Director White agreed and said this Fund needs to be kept whole for such infrastructure needs. Council Member Troughton said these funds are needed due to the condition of our infrastructure and the City to make a loan to Water, get a grant, secure some other source of funds, or set aside funds to be prepared for these inevitable future problems.

At 5:42 p.m. Mayor Pro Tem Boes returned to the Chambers.

Fund 271 – Sewer Enterprise (Exhibit F20)

Mayor Ash said salaries from \$145,000 to \$214,000 and why is that go up so high. Mr. Garcia said there was more allocated to the Sewer and Water Funds that should be moved elsewhere and Finance Officer Greenbaum said some of these funds had been previously allocated to the Landscaping and Lighting District. Mayor Pro Tem Boes said \$40,000 each was for Professional/Specialized Services (7324) and Contractual Services (7321). Mr. Garcia said Contractual Services is when a contract is approved for a vendor to routinely provide services and the other is for as needs come up from time to time. (Chart of Accounts definitions:



"7321 - Contractual Services: Includes general contracts for recurring equipment costing under a designated amount, and other office related expenses", and "7324 – Professional and Specialized Services: includes services rendered by outside parties whether on a fee for service or retainer basis, the type rendered by professionals and consultants; legal, engineering, administrative, architectural, actuarial, data processing, auditing, investigative services, and similar devices.")

Fund 280 – Landscaping and Lighting District

Mayor Ash asked if this Fund is not adequately funded is it necessary to go back to the voters. City Administrator Bergson said the City will only provide the basics and will not ask for more than 2.7 % increase as per the CPI. The City will attempt to put additional existing staff on the needs of the District. The current level of service is acceptable but the contract is to be terminated. The Request for Proposals is out and once received, the City can determine what direction to go. Mayor Pro Tem Boes asked about the previous question on the figures and City Administrator Bergson said that clarification will be presented at the next regular Council meeting. An attempt will be made to fund within the \$90,000 revenue.

Fund 290 Street Fund

Finance Officer Greenbaum said the City will have reduced funding in the coming year because the contribution from the County diminished. City Administrator Bergson said there may be some additional funds from the Local Transportation Funds (LTF) and some additional allocation is needed as the City does not receive adequate funding here. Mayor Ash asked about trucks utilizing City streets and could that become a source of funding. City Administrator Bergson said the City Managers' level of the League is considering bringing some legislation forward in an attempt to receive funding to help address City streets. As Morning Star is considering expansion there may be some funding opportunities through the CEQA process.

Fund 320 - Capital Projects

Finance Officer Greenbaum said these funds are a place holder but the HOME funding has been moved. It is unclear whether there will be capital projects arising. However, if there are employees on staff and projects are not in place to cover their costs, the City should have the appropriate budgeting in place to cover them. City Administrator Bergson



said there should be an additional section in Capital budget and it can stand by itself. That addition will provide a more clarity regarding this fund.

Fund 340 - Local Sales Tax Fund

Finance Officer Greenbaum said Council had asked for a means to track these funds, thus this Program Detail Sheet meets that request and the offset accounts are in the General Fund.

Fund 350 - Traffic Safety Fund

Chief Saso said this is a restricted fund. Some of these funds were utilized to purchase one of the new Police vehicles and the Department is considering the same for next year.

Fund 370 – Supplemental Law Enforcement

Chief Saso said this is an ongoing fund. Finance Officer Greenbaum this Fund and Fund 505 provides the \$100,000 transfer and is an offset to the General Fund expense. This kept us from an additional \$100,000 deficit.

NEW BUSINESS

PROJECT 12-01 - HIGHWAY 20 AND MARGURITE STREET INTERSECTION-

City Administrator Bergson said this items had been included on the Special Meeting Agenda as the City is starting process to apply for the USDA loan for the intersection. There are two parts, Community Facility funds pays for road and the Water and Sewer Funds pay for the infrastructure. The USDA, as a condition of the loan, require that we provide budget projections for the next 10 years, including those of the Fire Authority. He would like to meet with the Fire Authority to see how far out they can project. This will be a General Fund mortgage and it is vital that the City completely understands the Fire Authority budget to be able to provide those projections as the loan condition demands. Council concurred to authorize a letter to Williams Fire Protection District Board to request such a meeting for the purpose of complying with the United States Department of Agricultural (USDA) Rural Development Loan Application: Community Facilities Program, Water and Environmental Program for a ten year projection of the Williams Fire Protection Authority to coordinate fiscal planning in support of City Loan Applications.



ADJOURNMENT

At 5:55 p.m., Mayor Ash adjourned the Special meeting of the City Council.

APPROVED:

Patricia Ash, Mayor

ATTEST:

Susan L. Vannucci, Deputy City Clerk

Adopted by Council: