

**MINUTES
BUDGET STUDY SESSION
SARATOGA CITY COUNCIL
FEBRUARY 8, 2010**

Mayor King called the Budget Study Session meeting to order at 6:05PM.

ROLL CALL

PRESENT: Councilmembers:
Chuck Page, Susie Nagpal, Howard Miller, Vice Mayor Jill
Hunter, Mayor Kathleen King,

ABSENT: None

ALSO Dave Anderson, City Manager
PRESENT: Barbara Powell, Assistant City Manager
Ann Sullivan, City Clerk
John Livingstone, Community Development Director
John Cherbone, Public Works Director
Michael Taylor, Recreation Director
Mary Furey, Finance Director
Monica LaBossiere, Human Resource Manager

REPORT OF CITY CLERK ON POSTING OF AGENDA FOR FEBRUARY 8, 2010

Ann Sullivan, City Clerk, reported that pursuant to Government Code Section 54954.2, the agenda for the meeting of February 8, 2010, was properly posted on February 4, 2010.

COMMUNICATIONS FROM PUBLIC

No one requested to speak at this time.

AGENDA ITEM:

1. Budget Study Session

STAFF RECOMMENDATION:

Accept report and direct staff accordingly.

Finance Director Mary Furey presented the staff report noting that at the January 29, 2010 Council Retreat, Council reviewed the forecast estimates for Fiscal Year 2010/11 revenues and expenditures, and the recommendation for the use of undesignated funds to bridge the expected gap of projected revenues exceeding projected expenditures. The forecast's use of \$350,000 of undesignated funds included a leftover operational balance of approximately \$75,000 remaining at year end. The elimination of this excess balance left a net proposed use of \$275,000 of undesignated fund balance.

In preparation of this evening’s budget study session, staff compiled the following additional budget cuts which Council could select to use, either in full or in part, as an alternative to the use of undesignated funds:

\$	1,000	Reduce cell phone plans
	500	Eliminate all subscriptions
	25,000	Sheriff’s Office contract cost reduction for 0% COLA
	25,000	CDD Deposit cleanup
	100,000	Internal Service Fund transfers to General Fund
	25,000	Council Contingency reduction
	70,000	Mandatory employee furlough (27 hours/3 days at \$23,400/day)
	40,000	CDD credit card fees reduced – convenience fees
	25,000	Convert Saratogan Newsletter to electronic version only
	25,000	Shift unscheduled signal repairs from GF to Gas Tax
	20,000	Shift road shoulder maintenance (weed abatement) from GF to Gas Tax
	26,400	Voluntary car allowance reduction
	19,600	Reduce Assistant City Manager to 90%

\$ 402,500 Total of alternative options

COUNCIL DIRECTION:

Council discussed the options staff compiled and directed staff to implement the following budget reductions to bridge the gap:

Reduce cell phone plans –	\$1,000
Sheriff’s Office contract cost reduction for 0% COLA –	\$25,000
Community Development Department (CDD) Deposit cleanup –	\$25,000
Internal Service Fund transfers to General Fund –	\$100,000
CDD credit card fees reduced – convenience fees –	\$40,000
Shift unscheduled signal repairs from GF to Gas Tax –	\$25,000
Shift road shoulder maintenance (weed abatement) from GF to Gas Tax –	\$20,000
Reduce Assistant City Manager position to 90% –	\$19,600
	SUB TOTAL \$255,600
Council Contingency Fund or Undesignated Fund (determined at a later date) –	\$19,400
	<u>TOTAL \$275,000</u>

There being no additional business, Mayor King asked for a motion to adjourn.

PAGE/MILLER MOVED TO **ADJOURN THE BUDGET STUDY SESSION AT 7:00PM.**
MOTION PASSED 5-0-0.

Respectfully submitted,

Ann Sullivan, CMC
City Clerk