

**MINUTES OF THE CITY COUNCIL
SPECIAL MEETING
Monday, January 26, 2009**

CALL TO ORDER/ROLL CALL

Council Member Cooper called to order the special City Council meeting of January 26, 2009 at 6:17 p.m.

Present: Vice Mayor Scherman, Council Members Cooper and Detrick

Absent: Mayor Hume and Council Member Davis

PRESENTATION – Receive public input on Fiscal Year 2009-10 City Budget

Council Member Cooper welcomed attendees to the special meeting, which was held at Todo Un Poco Restaurant, 9080 Laguna Main Street, in Elk Grove. He noted that it was the first of five such meetings, held at various locations within the City to solicit public input regarding the City's 2009-10 budget. He acknowledged that the current fiscal situation is difficult, due to the overall decline in the economy and expected it to further worsen before it improved. He pointed out that the City of Elk Grove is in a better position than many other cities in the State, due to its contract model which has allowed for staffing flexibility. He gave examples of budget cutbacks taking place in other government agencies, the results of which are significantly reduced services and programs.

Finance Director Rebecca Craig gave a brief presentation regarding property tax distribution and 2008-09 General Fund revenues and expenses, which included the following statistics:

City of Elk Grove General Fund Revenues:

40% – Property Taxes	3% – Franchise/Business/Vehicle License Fees
36% – Sales and Use Tax	2% – Hotel / Motel Tax
6% – Utility Users Tax	1% – Real Property Transfer Tax
6% – Departmental Revenue	1% – Investment
5% – Other	

City of Elk Grove General Fund Expenses:

52% – Police	5% – Quality of Life
18% – Support Services	2% – Debt Service
14% – Revenue Neutrality	1% – Increase Reserves
8% – Policy Direction / Execution	

City of Elk Grove Property Tax (breakdown per \$1.00)

38.2 cents – Sacramento County
25.5 cents – Elk Grove Unified School district
22.1 cents – Cosumnes Community Services District
4.8 cents – Revenue Neutrality (City of Elk Grove to Sacramento County)
3.6 cents – Los Rios Community College
2.9 cents – Other agencies
2 cents – Library Authority
0.9 cent – City of Elk Grove

City Manager Laura Gill reported that revenue projections are currently being updated. Sales tax has declined this year and the downward trend is expected to continue next year. The City organizational structure is being analyzed to determine how best to streamline operations. She explained that the budget is based on City Council priorities, which are derived in part from public feedback. All public input will be compiled and presented to the City Council for consideration at a budget retreat scheduled for the end of February.

PUBLIC COMMENT:

The following suggestions were made relative to the City's budget:

- Aggressively seek and apply for grants;
- More closely monitor and enforce regulations pertaining to maintenance of foreclosed properties;
- Provide economic incentives for businesses seeking to locate in Elk Grove;
- Educate the public about benefits to the community as the result of shopping at local businesses;
- Increase communication to the public about the status of the Promenade Mall;
- Do not cut quality of life programs because the result is increased crime, which is expensive to deal with;
- Concerns regarding increasing student bus fare and monthly transit passes; recommended delaying student fare increase until the beginning of the next school year with tiered increases over time starting at \$25 and in six month increase to \$30;
- Partner with private businesses to sponsor and advertise for bus passes;
- Encourage students to walk or ride bicycles to schools and educate them about health benefits;
- Increase Code Enforcement on sign violations, e.g. garage sales, multiple signs for one business, on sidewalk, banners, etc.;
- Look at other possible revenue sources for the City;
- Purchase the old Brewery's parking lot and create public parking for old town;

- Commercial building landlords should do more to obtain and retain tenants by offering incentives and improved signage; and
- City should be proactive about planning for new businesses to take the place of retail companies that have vacated buildings so that high standards are maintained for the community.

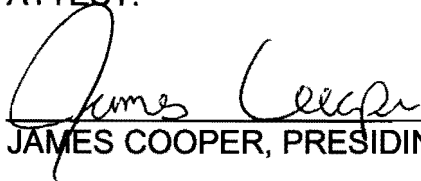
ADJOURNMENT

With no additional business to conduct, the January 26, 2009 Special City Council meeting was adjourned at 7:55 p.m.



SUSAN J. BLACKSTON,
CITY CLERK

ATTEST:


JAMES COOPER, PRESIDING OFFICER