

**MINUTES OF THE CITY COUNCIL
SPECIAL MEETING
Wednesday, February 4, 2009**

CALL TO ORDER/ROLL CALL

Mayor Hume called to order the Special City Council meeting of February 4, 2009 at 6:16 p.m.

Present: Mayor Hume and Council Member Detrick

Absent: Vice Mayor Scherman and Council Members Cooper and Davis

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

Mayor Hume welcomed attendees to the special meeting, which was held at Vince's Restaurant, 8901 Elk Grove Florin Road, in Elk Grove.

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 (distribution 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

In answer to citizen inquiries, Ms. Craig reported that Elk Grove's bond rating is A -. For the past eight years, revenue has exceeded expenditures and the City's reserve fund now totals \$16 million. She acknowledged that the overall economic situation was worsening; however, the City has not yet had to use its reserve funds. Ms. Craig noted that there were no discussions occurring about salary increases for next year.

In reference to Community Service Grants, City Manager Gill explained that none are guaranteed and they will be more greatly scrutinized in the future with mid-year and year-end reports being required. Ms. Gill noted that all public comments received during the five special budget meetings will be used during two City Council strategic planning sessions scheduled for February 27 and 28.

PUBLIC COMMENT:


The following suggestions were made relative to City services and the budget:

- The library late fee fines are too high;
- Everyone should share in cuts at an equal level (percentage increases are unfair because it more significantly burdens lower salaried employees);
- Do not cut programs that are self sufficient, or take funds from them to cover other shortfalls;
- Do not use reserve funds unless absolutely necessary;
- Look for efficiencies in the Police Department because it is the largest portion of the City's budget;
- All City positions (at all levels) should be frozen;
- All governmental agencies should meet and determine if there are duplications of services and operations should be streamlined;
- Employee tuition reimbursement benefit should be eliminated;
- Streets are being paved that do not appear to be in need of it;
- Inquired whether the Youth Services Manager position was needed;
- The City's Newsletter is very expensive and could be published in the newspaper for a savings of \$500,000;
- Three e-tran buses are inoperable; reliability of bus service for senior citizens has diminished;
- Do not renew employee benefits such as consultant services for health and fitness program;
- Economize by printing in black and white instead of producing glossy colored brochures;
- Preventative maintenance should be done, as the cost would be less in the long run;

- There are no sidewalks in some areas of the City (e.g. 8900 Elk Grove Florin Road), which creates a safety hazard for pedestrians and children walking to school;
- The School District should reimburse the City for providing student transportation;
- Eliminate bus routes to schools;
- Students should walk or bike to school;
- Eliminate e-tran and return to Regional Transit;
- Commuter bus routes are effective and should be maintained;
- The multi-modal transit center project should be shelved until sufficient funds are available;
- Lifetime retiree healthcare benefit is above the norm and could be too costly over time;
- Charter Commission: 1) What would the cost be of a seven member City Council; 2) Is the public outreach consultant firm contributing a value of \$6,500 a month; 3) the City Council should consider what the Charter Commission has drafted in its first six months and provide direction to ensure it is meeting its intended purpose, or disband it; and
- Do not retain as many consultants in the City (*particularly for facilitating meetings*) and use in-house staff to a greater degree.

ADJOURNMENT

With no additional business to conduct, the February 4, 2009 Special City Council meeting was adjourned at 8:10 p.m.


SUSAN J. BLACKSTON,
CITY CLERK

ATTEST:



PATRICK HUME, MAYOR