

## PIEDMONT CITY COUNCIL

### Special Budget Work Session Minutes for Saturday, May 22, 2010

A Special Budget Work Session of the Piedmont City Council was held May 22, 2010, in the Police Department EOC Room at 403 Highland Avenue. In accordance with Government Code Section 54954.2(a) the agenda for this special meeting was posted for public inspection on May 19, 2010.

#### **CALL TO ORDER**

Mayor Barbieri called the session to order at 9:10 a.m.

#### **ROLL CALL**

*Council:* Mayor Dean Barbieri, Vice Mayor John Chiang and Councilmembers Margaret Fujioka, Garrett Keating and Jeff Wieler

*Administration:* City Administrator Geoff Grote, City Clerk Ann Swift, Administrative Services Technician John Tulloch and Recording Secretary Chris Harbert

*Police:* Acting Police Chief John Hunt

*Fire:* Interim Fire Chief John Speakman

*Finance:* Finance Director Mark Bichsel and City Accountant Ken Lee

*Public Works:* Public Works Director Larry Rosenberg, Chief Building Official Chester Nakahara, City Planner Kate Black, Parks & Projects Manager Mark Feldkamp and Public Works Supervisor Dave Frankel

*Recreation:* Recreation Director Mark Delventhal

#### **BUDGET OVERVIEW**

The City Administrator stated that while projected revenue for FY 10-11 is sufficient to cover the City's core expenses, the proposed budget is not balanced (an estimated \$315,000 deficit) because of the fulfillment of a 3-year \$1.2 Million commitment to the Piedmont Unified School District for the Havens Schoolmates Facility and Playfield construction. In addition, the Administrator and Mayor reported on recent discussions with the School Board regarding the School District's intention to create a facilities replacement fund, which could have financial implications on the proposed budget. The School Board will consider this issue at its meeting of May 25, with the Administrator encouraging the Mayor and Councilmember Keating (City/School Liaison Members) to support a user fee/participant surcharge approach as the best option for funding facility replacement costs for both entities.

#### **BUDGET REVIEW**

The Council reviewed the proposed FY 10-11 departmental budgets and during the course of discussion requested staff to provide the following:

- As a future planning tool, each department head propose budgetary expenditures reflecting 5%, 7-1/2% and 10% expenditure reductions and include the impact on services of these reductions;
- City Administrator to examine all current and pending open staffing positions and report on possible opportunities for reorganizing and/or streamlining department operations. Staff will notify Council of its intent to fill regular, full-time positions before seeking applicants;

- Determine if prior transfers of General Fund monies to the Sewer Fund can be reversed back to the General Fund;
- Determine if \$20,000 in remaining Congestion Management Agency funding allocated for the Grand/Arroyo/Rose traffic signal can be used to improve landscaping at the signal's location or be transferred into the General Fund;
- Examine imposing a sidewalk repair charge on all property owners;
- As a future planning tool, explore the benefits of creating one central *Management Information Services* function for all departments. Council to consider establishing a Citizens Management Information Systems (MIS) Advisory Committee to propose recommendations for making the City's MIS services more efficient;
- Examine ways to decrease the City's *Health Insurance* costs for all departments;
- All department heads to identify potential cost savings in their proposed budgets;
- Request all departments, except Fire, to utilize Piedmont businesses whenever possible for equipment maintenance services;
- Provide 11-month actual expense information update for each department;
- Provide information regarding what the City agreed to pay the PUSD for construction of the new Havens Schoolmates Facility and Playfield, the actual construction costs for both facilities and whether the City is entitled to a refund;
- Provide an analysis in terms of volume versus rate for *Medical/Dental/Vision* expenses for all departments;
- A review of the Equipment Replacement Fund as part of the next Muni Tax Review Committee

#### **Administration**

- Provide a cost/benefit analysis for the proposed software expenditure related to increasing home occupation permit and transient business license revenue;
- Examine the benefits of reassigning the business license function to the Public Works Department;
- Consider reinstating the \$1,000 expense for *Employee Appreciation Day*;
- Re-evaluate if the proposed \$150,000 expenditure for *Civil Service* can be reduced;

**Public Works**

- Re-evaluate if the proposed \$20,000 expenditure for *General Plan Housing Element* could be reduced by \$10,000;
- Explore requiring homeowners requesting City street trees to share in or cover the cost entirely for the planting of new street trees;
- Examine whether any costs associated with the Piedmont Hills Utility Undergrounding District are included in the proposed *City Engineering Services* and whether the proposed \$75,000 expenditure can be reduced;

**Fire**

- Provide cost estimates for installing a generator as a back-up power source to operate the Corporation Yard's fuel tanks in case of a major disaster;
- Re-evaluate if the proposed \$15,000 expenditure for *Building Maintenance* can be reduced;
- Provide at Mid-Year, a report as to the sufficiency of the \$9,000 expenditure for *Emergency Preparedness* in light of potential recommendations from the newly appointed Public Safety Committee;

**Police**

- Correct the miscalculation regarding proposed *Health Insurance* costs to reflect a \$417,530 figure rather than \$445,800;
- Re-examine potential cost savings if department laser printers are replaced rather than repaired;

**Recreation**

- Re-evaluate proposed *Fee Schedule* in terms of Schoolmates, Tennis and Rental Facility fees. It was suggested that consideration be given to increasing the Schoolmates Aggregate Discount for Monthly Users fee to \$6.50/hr.;
- Compare costs of the department's current registration fee collection provider with service providers such as PayPal or Costco;
- Examine costs associated with hiring a "roving" monitor to oversee tennis court and Dracena Park usage;
- Provide a cost break-out for 09-10 *Information Services* expenses

The Council agreed to resume its consideration of the FY 10-11 proposed budget at its regularly scheduled meetings of June 7 and 21.

**PUBLIC FORUM**

John Latung, a PHS student, inquired re the facility use issues under consideration by the City and School District.

George Kersh requested the Interim Fire Chief to provide the names of Fire Department personnel.

Liz Schultz requested the Council to: (1) conduct a cost/benefit analysis of a 6-member versus 7-member fire shift; (2) examine ways to reduce future employee pension costs; and (3) specifically indicate in the budget the true costs for retired employee medical benefits.

**ADJOURNMENT**

Vice Mayor Chiang adjourned the special budget work session at 1:00 p.m.