

MINUTES

PARADISE TOWN COUNCIL

SPECIAL MEETING - 3:30 P.M. – August 13, 2009

The Special Meeting of the Town Council of the Town of Paradise was called to order by Mayor Rutledge at 3:34 p.m. in the Council Chambers, Town Hall, 5555 Skyway, Paradise, California.

COUNCIL MEMBERS PRESENT: Steve "Woody" Culleton, Joe DiDuca, Scott Lotter, Alan White, and Frankie Rutledge, Mayor.

COUNCIL MEMBERS ABSENT: None.

STAFF PRESENT: Assistant Town Clerk Volenski, Town Manager Rough, Town Attorney Moore, Assistant Manager Ivey, Assistant to the Town Manager/Business & Housing Services Director Gill, Human Resources/Risk Management Manager Farrell, Finance Director Will, Public Works Director Schmidt, Community Development Director McGreehan, Assistant Community Development Director Baker, Police Chief Carrigan, Police Lieutenant Billington, Fire Marshall Jensen and Fire Chief Haunschild.

Mayor Rutledge addressed the audience and stated the value of the employees and recognized the difficulty of budget changes recommended by the management.

2. COUNCIL CONSIDERATION

Town Manager Rough stated that when the Council adopted the 2009/10 budget in June they were aware that there would be additional cost cutting recommendations forthcoming based on the remaining general fund deficit and what was predicted to occur at the State level that would negatively affect funding for cities.

Manager Rough informed Council that he asked the Departments that are funded by General Fund revenues to reduce their budget or provide cost recovery measures/revenue enhancements to alleviate the remaining \$363,206 deficit. He explained that public safety accounts for 71.39% of general fund expenditures and they were asked to provide 60% of the deficit cuts, while non-public safety departments were asked to come up with 40% of the deficit cuts. (Public Safety actually came up with 66% of the budget deficit measures.)

Manager Rough stated that two factors that may increase the deficit are:

- The need to successfully reach agreements with the four remaining employee units relative to the shared sacrifice personnel reductions that are part of the cost saving measures built into the new budget. The adopted budget included an allowance for these meet and confer negotiations to take place without affecting the financial bottom line. However, the longer it takes to reach agreement, the less cost savings will be realized; and,
- The anticipated higher number of property tax reassessments than adopted in the budget and the reduction in property and sales tax revenues.

He also explained additional factors that could negatively affect our budget including:

- 2-3 month deferrals of our gas tax payments
- State's planned taking of RDA funds (this is being challenged)

Manager Rough stated that some good news is the repayment of the Proposition 1A "borrowing" or loan of the \$573,542 of our property tax revenues to the State may be financed by the League of California Cities, California Communities, and the California State Association of Counties.

Manager Rough provided an overview of the recommended changes to the 2009/10 Budget and what the changes entailed:

- Reduction of non-public safety positions from 40-hours to 36-hours per week – Estimated savings-FY 09/10 - \$ 54,644; FY 10/11- \$ 26,529 - for the following positions:
 - Assistant Town Clerk
 - Assistant Community Development Director
 - Assistant Public Works Director
 - Associate Engineer
 - CDD/PW Projects Coordinator
 - CDD/PW Office Supervisor
 - PW Maintenance Supervisor
 - Construction Inspector
 - CDD Planning Technician
 - (3) PW Maintenance Worker II's
- Immediate reduction of the Deputy Town Clerk from 28-hours to 24-hours per week -Estimated savings - \$ 3,838
- No lay-offs of the full-time Environmental Services Specialist (Onsite), part-time Code Enforcement Officer, and two (2) Financial Services Clerk I position. (Estimated Cost Savings that is dropped - FY 09/10-\$31,438; FY 10/11-\$66,250)

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- Reduce hours of the Financial Services Clerk I's from 30-hours to 26-hours per week. (Estimated Cost Savings – FY 09/10-\$5,528 yr; FY 10/11-\$7,371)
- Reduce hours of Human Resources Administrative Assistant II from 28-hours to 24-hours per week. (Estimated Cost Savings – FY 09/10-\$3,806 yr; FY 10/11-\$5,075)
- Consolidating duties within the Town Clerk department including public noticing responsibilities for all departments, Public Information Duties for emergencies, and providing staff to take minutes for Planning Commission, Planning Director Administrative hearings, and Appeal Board hearings.
- Deferral in filling an open police sergeant's position from 10/1/09 to 12/31/09- Estimated savings - \$ 20,833
- Pulling BINTF assigned officer back into patrol from 9/1/09 through 12/31/09 and Lt. Billington will make up for dayshift patrol shortages. Two trainees should clear by early December. Estimated savings - \$ 15,000
- Establishment of a medical call (direct billing) cost recovery program to recover some fire department personnel and equipment usage costs for medical emergency calls that our fire department provides in support of First Responder, the private ambulance service. (Proposed cost recovery program will be submitted to the Town Council at the August 25 meeting for consideration) (Based on average 2,561 medical call-outs per year; Average billing recovery rate – 60%; Our estimates based conservatively on 40% recovery rate - \$ 182,000-\$206,00 per year) – Estimated additional general fund offset to reduce deficit (balance this year) - \$ 105,584
- Reduction of overtime in fire administration – Estimated savings - \$ 10,000
- Reduction of overtime in fire suppression – Estimated savings - \$ 35,000
- Reduction in Police Department maintenance and operation accounts – Estimated savings - \$ 40,167 (balance of \$ 76,000 in total department cuts was already noted above)
- Reduction in Non-Public Safety maintenance and operation accounts– Estimated savings - \$ 46,702

TOTAL AMOUNT OF THE FY 09/10 GENERAL FUND DEFICIT
(\$363,206) REDUCED AFTER THESE REVISIONS - \$ 341,102

Fire Chief Haunschild provided Council an overview and answered questions regarding the proposed medical call cost recovery program. The Town is able to charge for medical calls due to the original Ordinance establishing the Fire Department stating the functions of the fire department is, "To protect life and property by preventing and eliminating fire hazards and by controlling and extinguishing fires."

Agenda item 2(a): Motion by White, seconded by Lotter, Approved the amended recommendation measures amounting to \$341,102 in order to reduce the remaining FY 2009/10 General Fund deficit. Roll call vote was unanimous.

3. ADJOURNMENT

Motion by White, seconded by Lotter, adjourned the Special Council meeting at 4:32 p.m. Council vote was unanimous.

APPROVED: August 25, 2009


FRANKIE RUTLEDGE, Mayor


JOANNA GUTIERREZ, CMO, Town Clerk