



MINUTES
SPECIAL MEETING OF THE
DIXON CITY COUNCIL
DIXON REDEVELOPMENT AGENCY
DIXON PUBLIC IMPROVEMENT CORPORATION
DIXON PUBLIC FINANCING AUTHORITY

MAY 31, 2011

7:00 P.M.

Closed Session

The Special Meeting of the Dixon City Council was called to order at the hour of 6:00 p.m. to meet in Closed Session in the Council Chambers Conference Room on May 31, 2011, by Mayor Jack Batchelor, Jr. to discuss the following:

0. CONFERENCE WITH LABOR NEGOTIATORS

(Pursuant to Government Code Section 54957.6)

City Negotiators: Nancy Huston, Steve Johnson, and Michael Dean
Employee Organization: Dixon Professional Firefighters Association
Dixon Police Officers Association
Dixon Senior Management Association
Public Employees Union, Local One
Non-Represented Management Unit
Non-Represented Non-Management Unit

Present: Councilmembers Dane Besneatte*, Thom Bogue, Rick Fuller
Vice Mayor Michael Ceremello, Jr., Mayor Jack Batchelor, Jr.

Absent: None

*Councilmember Besneatte arrived at 6:07 p.m.

There were no public comments.

The City Council convened into Closed Session at 6:01 p.m.

Closed Session recessed at 6:48 p.m.

1. CALL TO ORDER

Mayor Batchelor convened the Special Budget Workshop Meeting at 7:00 p.m. and announced the City Council had met in Closed Session for a conference with labor negotiators and there was no reportable action.

2. **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Mayor Jack Batchelor, Jr.

3. **ROLL CALL**

Present: Councilmembers Dane Besneatte, Thom Bogue, Rick Fuller
Vice Mayor Michael Ceremello, Jr., Mayor Jack Batchelor, Jr.

Absent: None

4. **AUDIENCE/PUBLIC COMMENT (NON-AGENDA ITEMS)**

There were no public comments.

5. **PRESENTATIONS/PROCLAMATIONS/RECOGNITION**

5.1 Presentation of Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.

Mayor Batchelor presented Jeremy Craig, Finance and Technology Director, with the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association to the City of Dixon, commended Mr. Craig and Finance Department staff for attaining such a high level of recognition and expressed his appreciation for excellent organization of the financial records.

6. **ITEMS FROM THE CITY COUNCIL/REDEVELOPMENT AGENCY**

6.1 Mayor Batchelor reported that he would be conducting interviews for annual vacancies on the City's Planning Commission, Parks & Recreation Commission, and Transportation Advisory Commission on Thursday, June 2, 2011, will report his recommendations back to Council at the June 14, 2011 meeting, and submit appointments for approval at the June 28, 2011 meeting that will be effective July 1, 2011.

7. **NEW BUSINESS**

7.1 Discussion of the Consolidated Budget for Fiscal Year (FY) 2011-12. The budget workshops will focus primarily on the following funds:

- **General Fund**
- **Redevelopment Agency**
- **Enterprise**
- **Special Revenue**
- **Capital Improvement**
- **Assessment Districts**
- **Landscape and Lighting**
- **Debt Service**

Jeremy Craig, Finance and Technology Director, noted that this first of two budget workshops would focus on the General Fund and Redevelopment Agency budgets. He discussed the economic outlook, key budget decisions and processes, budget assumptions, five year forecasts, fund highlights, debt service, personnel changes, property taxes, capital assets, impacts of the State budget, and the possible elimination of Redevelopment.

Mayor Batchelor asked for public comments.

Mr. Craig noted year-end projections are better than budget projections due to staff budgeting and cost containment measures by the management group, General Fund expenditures decreased 18% in two years, the proposed FY2011-12 deficit will be just under \$650,000, and he responded to Council questions.

Councilmember Besneatte preferred to keep the Reserve Fund at 10% rather than allowing it to decrease to 6%. Mr. Craig responded that adjustments can be made as the year progresses.

Vice Mayor Ceremello asked why dues and subscriptions increased from \$18,000 to \$31,000, and whether the City needs to belong to agencies such as ABAG, LAFCO, Travis Consortium, Solano Water Authority, and League of California Cities.

Mr. Craig responded the increased expense is for the Granicus subscription that will enable paperless packets.

Councilmember Bogue asked about the salary reduction of \$148.00 for the City Manager, consolidation of the City Clerk functions into Human Resources and Administrative Services, and whether subscriptions and group associations are all necessary.

Nancy Huston, City Manager, noted the City does need associations to be part of a regional effort with other cities, some are required, and ABAG currently hosts the City's website.

Councilmember Ceremello asked about the benefits of membership in the Solano EDC, and whether the money could be better spent elsewhere.

Mark Heckey, Economic Development Director, noted the Solano EDC dues have been reduced to \$8,500 from \$10,000, the Solano EDC was instrumental in marketing and bringing and/or retaining significant business in the City.

Mayor Batchelor noted the Solano EDC assisted with bringing Gymboree and Cardinal Health to the City, is working on filling the Kragen building, and the 100 jobs brought to the City more than covers the cost of membership.

Councilmember Besneatte asked about consolidation of Community Development with the Building inspection, overtime budgeted for the building inspector, and increases in communications and training costs.

Dave Dowswell, Community Development Director, responded that the inspector is obtaining training on ADA laws, the Director will be attending the APA Conference in order to retain his certification, and the phone costs result from combining two departments.

Councilmember Bogue questioned mileage reimbursements when City vehicles are available.

Ms. Huston noted that a part-time, temporary, City Engineer is under recruitment, preferably a retired Public Works Director with a P.E. Engineering designation, but a City Engineer will need to be hired in the long run to handle sewer issues, mandates from the State, and transportation projects.

Mr. Craig noted that five divisions of Public Works have been consolidated down to two divisions.

The City Council recessed for break at 8:45 p.m.

The City Council reconvened at 8:57 p.m.

Ms. Huston reported the Director of Public Works is listed but not funded for the year, Recreation is being run with very few staff, the pool costs \$200,000 per year but generates only \$20,000 in revenue and is subsidized by the General Fund, the basketball program does not break even, but the programs are teaching life skills that are important.

Councilmember Bogue questioned phone expenses and thought a computerized system would be a better alternative.

Mr. Craig explained the complexities of integrating a phone system between buildings, the need to install fiber optic cable, and the prohibitive cost.

Councilmember Fuller suggested the City connect with the County phone system at the Corporation Yard and discuss upgrades with the County.

Mr. Craig noted the suggestion was a good option to explore.

Councilmember Ceremello discussed what he viewed as pay discrepancies between a Recreation Manager and Police and Fire personnel.

Councilmember Bogue asked about the efficiency of using radios, cell phones, and pagers for emergency services.

Councilmember Besneatte noted officers are not utilizing the radio system sufficiently given the cost, and questioned whether \$100,000 in overtime is necessary. Aaron McAlister, Fire Chief, responded and noted that projected reductions of \$100,000 are the result of two vacant positions.

Mr. Craig discussed Redevelopment Agency funds that show no significant changes since elimination of Redevelopment by the State is still pending, two scenarios are presented which would require budget decisions, and the scale of impact would be manageable for the City of Dixon, but other cities will be seriously impacted.

The discussion of the General Fund and Redevelopment concluded and Mayor Batchelor continued the Budget Workshop to Tuesday, June 6, 2011.

7.2 Discussion of Public Agency Retirement Services (PARS) Early Retirement Program for Miscellaneous Employees.

Steve Johnson, Human Resources Director, discussed the Public Agency Retirement Services (PARS) Early Retirement Program for Miscellaneous Employees that is proposed to complement the Public Employees Retirement Services (PERS) Early Retirement Program used successfully last year as a cost containment strategy. He noted the differences in the PARS plan are future costs and method of payout are known in advance, flexibility of choices, it incentivizes employees to retire early, would be available to Maintenance Workers to Department Heads, the City pays rather than the employee, and it would be a win-win for both. He requested Council support to explore the program further to possibly return with a resolution to proceed at the June 14, 2011 Council meeting, which would enable employees to retire by the end of September.

Councilmember Bogue asked if eligible employees would need to be replaced.

Nancy Huston, City Manager, noted the City can tailor the classifications to whom the program is offered and take advantage of opportunities to redistribute the workload rather than replace.

Mayor Batchelor felt the advantages of the program should be explored and the City could look at shared services with other cities.

Vice Mayor Ceremello noted, if direction is given to move forward, specific details on anticipated savings should be presented at the next meeting.

Councilmember Bogue requested feedback from other cities on how it has impacted their budget and the reaction of employees.

Councilmember Besneatte asked if up-front costs are required prior to a decision.

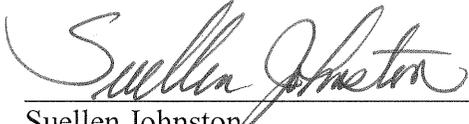
Mr. Johnson noted the cost is \$5,000 to implement and \$5,000 per year for at least five years in administrative costs if the City proceeds.

Councilmembers Fuller and Besneatte noted it impacts the budget and should be considered.

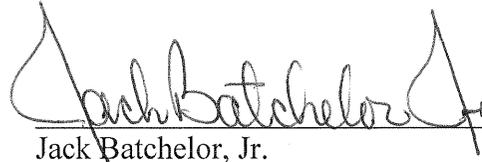
Mayor Batchelor supported moving forward with a formal presentation on June 14, 2011, and directed staff to proceed with the next step.

8. ADJOURNMENT

The Special Meeting of the Dixon City Council was adjourned at the hour of 10:18 p.m.



Suellen Johnston
Acting Deputy City Clerk



Jack Batchelor, Jr.
Mayor