

**MINUTES
CITY COUNCIL WORKSHOP
CITY OF ARCADIA
TUESDAY, JANUARY 17, 2012
5:00 PM**

CALL TO ORDER

The workshop session was called to order at approximately 5:00 PM.

Arcadia City Council

Mayor Keith Keene
Deputy Mayor Alice Frierson
Councilman Robert Heine – Absent

Councilman Joseph E. Fink
Councilman Robert Allen

Arcadia City Staff

Asst. City Administrator Judi Jankosky
City Attorney Jason Henbest (Arrived 5:10 p.m.)

City Recorder Virginia Haas
Finance Director Jorge Santana

1. City of Arcadia Budget Workshop
Jorge Santana, Finance Department

Mr. Santana reviewed 3 months of accounting from October 1, 2011 through December 31, 2011.

- General Fund Revenues

Mr. Santana stated that revenues for December were very good as the Tax Collector paid \$619,000 in property tax revenues, which is almost 50% of the ad valorem expected. He noted that January through August 2012 revenues will decrease and expenditures would remain the same. He stated that revenues are where they should be at this time and explained that the electric franchise fees are paid two months in arrears. He continued that each August Business Licenses are collected for approximately \$50,000. Charges for services such as Garbage and Golf Course are where they should be. Fines and Forfeitures are normal. The addition of the School Crossing Guards was not anticipated and therefore not included in the budget. The Police Department will have to do minor adjustments to their budget to cover the additional \$10,000 expense through a budget amendment.

Deputy Mayor Frierson inquired about the sale of surplus material and the \$7,000 line item. Mr. Santana explained that you will see a minus \$5,000 from that line item after the check is disbursed. Deputy Mayor Frierson stated she has received nothing but negative thoughts from Citizens regarding the donation of the \$5,000 to the Homeless Coalition and indicated that she felt misled that this money was available above and beyond the budget. Mr. Santana responded that with nine months of surplus sales left that the City should reach its project budget of \$ 7,000 with the remaining surplus.

- General Fund Expenditures

Mr. Santana summarized the general fund expenditures. Legislative is within its budget and insurance has been paid. Deputy Mayor questioned mileage, printing and binding over budget. Mr. Santana responded that potentially the \$48,000 budgeted may not be adequate and the \$12,000 expense allocation is for City Council. He continued that the Executive Department is under budget however registration fees are over budget. Legal Counsel will be accounted for in the next January bill.

Deputy Mayor Frierson expressed concern regarding Health Insurance for retirees and questioned where the \$10,000 insurance credit will be posted. Mr. Santana responded that refund has not yet been received however that would be place in line item 132 reducing insurance costs. Election expenditures are over budget due to the cost of the last election in the amount of \$7,271 when only \$6,000 was budgeted. Law Enforcement expenditures are on point and there will be better figures looking at January through March 2012. For example the Golf Course revenues will be lower from June through September. Fire Control expenditures are within budget. Garbage expenditures are well within budget, Cemetery expenditures are on point, Streets expenditures are under budget. Utility Service expenditures are over budget possibly due to timing issues.

Traffic Control and Vehicle Maintenance expenditures are within budget and Recreation expenditures are under budget. The Golf Course will have to carefully review expenditures each month. Parks, Mobile Home Park and Way Building expenditures are all within budget. Mr. Santana explained that \$175,000 was set aside for a garbage truck and the expenditure (from the local option gas tax) came in at \$110,000, so \$65,000 remains in that account. Mr. Santana responded to Deputy Mayor Frierson that the \$70,000 came from the final payment from Casa Juan Bosco project which will be a budget amendment as well.

There was some discussion regarding the Infrastructure Tax Fund. Deputy Mayor Frierson stated that according to her review and figures the City will be in a deficit of well over \$800,000. She inquired about two account expenditures in the amount of \$7,450 each. Mr. Santana responded this was an equipment expense split between the water and sewer accounts. Mr. Santana responded that Department Heads code the purchase to the appropriate line items.

Deputy Mayor Frierson voiced concern over the business cards costing \$313 per Council Member and it was offered that business cards could be created in house. Deputy Mayor Frierson inputted she was against the City issued cell phones and laptops and suggested all Council turn in their phones and laptops. Mayor Keene agreed with turning in his cell phone however due to work restrictions he must use the City issued laptop. Council was agreeable to turning in cell phones and laptops cutting the costs of monthly cell phone charges and air card charges for laptops.

- Questions

Deputy Mayor Frierson questioned the \$20,000 repair of Nursing Home Drive and repair to City sidewalks on Polk Ave. Mr. Santana stated that some of that funding comes from the renewal and replacement account. Deputy Mayor Frierson asked who decided on moving forward with the sidewalk repair on Polk Ave. Deputy Mayor Frierson stated that the City Council should be notified prior to a project such as this being initiated.

Mr. Gary Frierson inputted that the water and sewer replacement funds were to be used for repairs to underground utilities.

Mayor Keene stated that the City has talked about a priority list each year however he has never seen one.

Deputy Mayor Frierson indicated that there must be a better way to receive the budget information and a way to justify expenses. She passed around an example justification form. Mayor Keene and Councilman Fink both liked the format. Councilman Allen stated he did not want smaller items coming forward for approval to Council however he did not know about the sidewalk project. Councilman Fink stated that it appears the City is addressing problems as they occur which is why he believes the Visioning Workshop is a positive initiative. He continued that this is the budget we have adopted and believes that the City can work within this budget. He stated the main culprit and a bad agreement (Fire Services Merger) does not need to be continued if it is not legally sufficient.

Mrs. Jankosky stated she could create a spreadsheet to include details of expenditures in each department minus the Police Department. Mr. Santana stated his only suggestion is cutting the budget by \$750,000. Mrs. Jankosky inputted that she is working on a schedule of fees for permitting.

Councilman Fink recommended looking at the big offender which he believes is the Fire Services agreement.

ADJOURN

Having no further business, the workshop was adjourned at 6:00 PM.

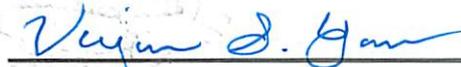
APPROVED THIS 7th DAY OF FEB 2012

By:



Keith Keene, Mayor

ATTEST:



Virginia S. Haas, CMC
City Recorder