



CITY OF NEWARK CITY COUNCIL

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City Administration Building
City Council Chambers
5:30 p.m.

Minutes

Thursday, May 22, 2014

Special Meeting

A. ROLL CALL

Mayor Nagy called the meeting to order at 5:39 p.m. Present were Council Members Collazo, Freitas, and Marshall.

Vice Mayor Apodaca was noted absent.

B. Work Session to discuss the 2014-2016 Biennial Budget and Capital Improvement Plan.

City Manager Becker outlined the ongoing budget balancing measures: flexible hiring freeze, no non-essential budget increases, conservative labor contract, no management merit increases, the use of Gas Tax funds to offset the budget and conservative Capital Project Funding.

He gave an overview of the issues impacting the budget: The Utility User Tax Sunsets on December 31, 2015, the PERS rates will increase, local business gains and losses, and State of California actions. He noted that the State budget projected a surplus so they were not looking at any takeaways from the City at this time.

The proposed additions to the 2014-2016 budget included a police lieutenant position, expansion of the Police Reserve program, continuation of Neighborhood Watch and Raven, Fire contract (expires May 2015), staffing for development services, increased street/landscape maintenance, and an Internal Controls Analysis. Major projects included the Central Avenue Overpass and the Finance Software System.

Administrative Services Director Woodstock reviewed the Biennial Budget and Capital Improvement Plan. She stated that the only increases, other than the ones outlined by the City Manager, were contractual or regulatory obligations, PERS rate increases, and equipment replacement.

For the 2014-2015 Budget, Administrative Services Director Woodstock projected \$40.9 million in revenues and \$40.4 in expenditures resulting in a small surplus to be transferred to the Reserves Fund. The Utility User Tax will expire in December 2015. This will result in the 2015-2016 budget to be forecasted with both revenues and expenditures at \$41 million.

The City Council reviewed the 2014-2016 Biennial Budget and Capital Improvement Plan by sections.

Brian Edwards, Acting Branch Manager, Newark Library, stated that a rain storm in March clogged a drain pipe resulting in damage to a room in the library. He stated that City staff has been working to repair the damage.

City Manager Becker stated that the 2014-2016 Biennial Budget and Capital Improvement Plan would be scheduled for the June 12 City Council meeting for approval.

C. ORAL COMMUNICATIONS

No one came forward to speak

D. ADJOURNMENT

At 6:37 p.m. Mayor Nagy adjourned the meeting.

SHEILA HARRINGTON
City Clerk