

RICHMOND, CALIFORNIA June 12, 2012

The Special Meeting of the Richmond City Council was called to order at 5:46 p.m. by Mayor Gayle McLaughlin who led the Pledge of Allegiance to the Flag.

ROLL CALL

Present: Councilmembers Butt, Vice Mayor Rogers, and Mayor McLaughlin. **Absent:** Councilmembers Bates, Boozé, and Ritterman. (Councilmember Boozé arrived at 5:48 p.m.)

READING OF THE CODE OF ETHICS

City Clerk Diane Holmes read the Code of Ethics.

STATEMENT OF CONFLICT OF INTEREST

None.

AGENDA REVIEW

None.

COUNCIL AS A WHOLE

The matter to review, discuss, and accept the proposed Fiscal Year 2012-13 Annual Operating Budget and proposed Fiscal Years 2013-17 Five-Year Capital Improvement Budget pursuant to Section 2.61.010 of Ordinance 42-07, and confirm the schedule for final adoption was presented by City Manager Bill Lindsay and Finance Director Jim Goins. The proposed budget has a current deficit of \$2,500,000; the presentation included: The stated of the National economy; State economy; local economy: mortgages underwater, foreclosures in Richmond, average sales price per home, unemployment; Five-Year Financial Plan; budget process; budget calendar for community meetings; City of Richmond's Credit Ratings; general fund projected revenue and expenditure projections; general fund current revenue and expenditure projections; reducing expenditures; FY2012-13 budget adjustments; budget reductions – CIP; post-retirement benefits; general fund and non-general fund grant revenues; recurring grant revenues; Summer Youth Employment Program; Chevron Agreement; Chevron Assessment Appeal Refund; and breakdown of budget reductions by departments. The proposed Fiscal Year 2012-13 Annual Operating Budget and proposed Fiscal Years 2013-17 Five-Year Capital Improvement Budget will be presented to the City Council at the end of June for adoption. Councilmember Butt suggested the City Council meet with bargaining units to discuss salary reductions. Councilmember Booze suggested the City of Richmond terminate contracts with consultants to reduce the deficit. Councilmember Beckles suggested that staff continue to look at creative ways to include the community in the budget process. She also

suggested that the City of Richmond decrease festival funding. Vice Mayor Rogers directed staff to place the following items on the check-list: (1) street repairs; (2) a financial report showing the approximate range of the cost to repair the streets of Richmond in five years; (3) Main Street funding; and (4) the possibility of using the \$3.2 million funding cut from the budget towards the sale of Terminal One. Mayor McLaughlin directed staff to place the following items on the checklist: (1) only match campaign funds that are non-corporate funds; (2) reduce city-festival contributions to \$5,000 or \$7,000; (3) report of the number of city-issued cars, staff and positions cars are issued to, and the cost to the city; and (4) financial analysis that shows the cost savings to the city for a two percent reduction in salary across the board for executive staff; a one and a half percent reduction in salary for staff earning over \$100,000; and a one percent reduction in salary for staff earning \$40,000 to \$100,000. Mike Parker, Tarnel Abbott, and Naomi Williams gave comments.

ADJOURNMENT

There being no further business, the meeting adjourned at 8:50 p.m. in memory of Joe E. Macdonald to meet again on Tuesday, June 19, 2010, at 6:30 p.m.

City Clerk

(SEAL)

Approved:

Mayor