

RICHMOND, CALIFORNIA, June 18, 2014

The Richmond City Council Evening Open Session was called to order at 6:43 p.m.

ROLL CALL

Present: Councilmembers Butt, Myrick, Rogers, Vice Mayor Beckles, and Mayor McLaughlin.
Absent: Councilmember Boozé arrived at 6:47 p.m. and Councilmember Bates arrived at 7:08 p.m.

STATEMENT OF CONFLICT OF INTEREST

None.

COUNCIL AS A WHOLE

The review of the current status of the operating budget, revenue estimates, and preliminary expenditures for Fiscal Year 2014-15, and direct the city manager to develop recommendations for modifications to this preliminary operating budget that will establish structural balance, with cash reserves within adopted policy levels, for adoption on July 1, 2014 was presented by City Manager, Bill Lindsay. The operating budget is not balanced for FY 2014-15, with at \$7.6 million deficit. There is a projected fiscal year 2014-15 General Fund revenues of \$133.3 million and expenditures of \$140.9 million. The preliminary budget shows an ending cash reserve as of June 30, 2014 at \$10.3 million, which is approximately \$1.2 million above the minimum amount required per the City Council's reserve policy. This is one-time non-recurring revenue which does not eliminate the existing structural budget gap. Staff is requesting that the Council direct the City Manager to develop recommendations for further operating budget amendments that will eliminate the FY 2014-15 deficit in order to have a structurally balanced budget for adoption on July 1, 2014. If the proposed tax measure passes in November 2014, the anticipated amount would be \$1.5 Million in FY 2014-15, and \$7.5 Million in FY 15-16. The following individuals gave comments: Jackie Thompson, Millie Cleveland, Stacy

Wilborn, Rosanne Rylan, Don Gosney, Julian Cotton, Mike Parker, and Loch Sekona. Councilmember Rogers stated that the City should wait to see if the tax measure passes before people are laid off. Vice Mayor Beckles stated she does not support decreasing services or personnel in the Code Enforcement Department. Councilmember Bates stated that the City Manager should proceed with recommendations to balance the budget even if it means employee lay-offs. Mayor McLaughlin suggested that the \$1 million extra in reserves should be used to offset possible service cuts; the Fire Department overtime costs need to be thoroughly examined; that the proposed sales tax increase should be promoted well to the community; and that cutting the salaries from top staff should be an option also.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:47 p.m., to meet again on Tuesday, June 24, 2014, at 6:30 p.m.

City Clerk

(SEAL)

Approved:

Mayor