

**THE REGULAR MEETING OF THE CITY COUNCIL OF THE
CITY OF DEL REY OAKS CONVENED AT 7:00 P.M. ON
TUESDAY, SEPTEMBER 16, 2008 IN THE CHARLES BENSON
MEMORIAL HALL, CITY HALL**

Present: Council Members Clark, Edelen, Cecilio, Allion and Mayor Russell

Absent: None

Also present: Assistant City Attorney Buchert and Deputy City Clerk Carvalho

Meeting came to order at 7:00 p.m. and roll call was taken.

Preliminary Fiscal Year 2008-2009 City of Del Rey Oaks Budget Workshop.

CITY MANAGER EVANS: Stated that we should be very proud because you have a balance budget and you have a surplus of \$257,494.84. There is also another amount in contingency reserve fund of \$736,743.

Preliminary Budget (revenue) Fiscal Year 2008-2009:

There will be a property tax increase this year from last year and this is because there is an approximately 2 year lag in payments. Other Taxes are all the sales tax which is the City's major source of income. The City gets back gets back 1% of the 7.25% sales tax and the residents voted to increase the sales tax by 1 cent and that amount is approximately \$410,000. Licenses and Permits: He stated that you will see a large fluctuation in the sales tax because of the delayed opening of Safeway. Other agency Revenues: which includes the COPS grant. Current Services: Under PD Services you will notice a change because we will be increasing the amount charges for events. Other: He talked about the capital improvements that are planned and that TAMC, Prop 1B and MPRPD have all earmarked funds for specific projects. These include Portola/Carlton overlay, Portola/Work Walkway, Stream Blockage, Portola/Work Street Projects, and park bond grants. Property Tax: If you add up the totals of all the departments you will see that this equals 2.7 million which is 82% of the cities revenue. Expenses by Class: He went over the salaries, benefits, reserve officers and stated that the fringe benefits account to 43% of the cities expenses. Contractual services: You'll notice that the fire contract expenses will be going down for several reasons, number of calls have decreased and we only have 1 payment in this fiscal year for the Monterey Fire contract. The payment to the attorneys was significantly higher because of unforeseen legal issues and the fees should be back to normal. Capital Outlay: He brought up the need to replace the computers in the clerks

office and received a suggestion to lease computers instead of purchasing. He said that the monument signs are also in the process and very close to being completed. He talked about the differences between what other cities and what Del Rey Oaks pays in salaries and benefits. He also went over the Police Chief salaries and how he wants to increase the duties and salary of our chief and also raise his salary up to slightly match other cities. He stated that the city is in the best financial shape it's been in since the incorporation in 1953. He stated we have the largest budget we've ever had and the largest surplus we've ever had.

Comments:

Kathi Smith: Stated that the announcement of the workshop should have been on the website and published in the paper.

Edelen: Stated that the city is in great financial shape.

Allion: Stated that if you take out the capital outlay we are still very low on the salaries in comparison.

7:44 p.m. Adjourned to next regular meeting.

The Council did not have a closed session this month.

Next meeting: Tuesday, September 23, 2008 at 7:00 p.m.