

**TOWN COUNCIL MINUTES**  
**SPECIAL MEETING – 3:30 PM – July 31, 2012**

**1. OPENING**

The Special Meeting of the Town Council was called to order by Mayor Culleton at 3:30 pm in the Town Council Chambers located at 5555 Skyway, Paradise, CA. Mayor Culleton led the pledge of allegiance to the flag of the United States of America.

**COUNCIL MEMBERS PRESENT:** Joe DiDuca, Scott Lotter, Tim Titus, Alan White and Steve “Woody” Culleton, Mayor.

**COUNCIL MEMBERS ABSENT:** None.

**STAFF PRESENT:** Town Clerk Gutierrez, Town Manager Rough, Town Attorney Moore, Assistant Town Manager Gill, Finance Director Will, Community Development Director Baker, Interim Fire Chief Cone, Acting Police Chief Tazzari, Assistant Town Clerk Volenski, Building Official/Fire Marshal Lindsey, Public Works Manager Derr, HR/Risk Management Analyst Peters.

**2. FY 2012/2013 BUDGET OVERVIEW**

Town Manager Rough presented his annual budget message wherein he highlighted the historical shift by the State legislature of revenue from the cities which include the shift of property tax revenue from cities into the Educational Revenue Augmentation Fund (ERAF) which began in 1994 and continues today; the Triple Flip sales tax for property tax swap in 2004/05; deferring animal control mandate reimbursements in 2004/05; deferring Gas Tax funds; borrowing of property tax monies as part of Proposition 1a, Supplemental Educational Revenue Augmentation Funds (SERAF); ERAF property tax shifts on redevelopment; the Motor Vehicle In Lieu fees for COPS grant; and, the elimination of redevelopment agencies in 2012, for a combined revenue loss of \$2.52 million. Manager Rough reviewed in detail past and current actions taken by Council to reduce operating costs, cut spending, and consolidate services; and, explained actions taken that were necessitated by the Governmental Accounting Standards Board (GASB 45) legislation that mandated cities fund their unfunded medical liabilities which, for the Town, was an amount of \$45 million. Actions to reduce this liability include vesting of benefits for future hires; salary and medical cap concessions by four employee groups; and, pending negotiations with two employee groups to cap the employer share of medical premiums. Finance Director Will presented a power point and discussed with Council financial trends, economic effects on the various funds, and resulting effects on services provided within the Town; and, the Town Council reviewed the individual budgets presented for each Town department's operation.

### **3. COUNCIL CONSIDERATION**

Council concurred to amend the Town Council budget by eliminating certain allocations for LCC expenses and increasing the total amount in the League of California Cities line item 4000.5220.1000 to \$12,000 for an overall reduction in the amount of \$524.

**Agenda Item 3a:** **MOTION by White, seconded by Lotter** adopted the following resolutions by unanimous vote: (340-10-33)

(1) Resolution No. 12-23, A Resolution of the Town Council of the Town of Paradise, California, Adopting the Final Budget for the Town of Paradise Including All Attachments, Appendices and Other Related Documents for the 2012-2013 Fiscal Year Ending June 30, 2013. (Total amount: \$16,477,330.00)

(2) Resolution No. 12-24, A Resolution of the Town Council of the Town of Paradise, California, Approving and Adopting the Annual Appropriation Limit (Exhibit A) For Fiscal Year 2012-2013. (Total Appropriations: \$12,812,300)

(3) Resolution No. 12-25, A Resolution of the Town Council of the Town of Paradise, California, Relating to the General Fund Reserves for Fiscal Year 2012-2013. (Total amount: \$1,232,627.)

(4) Resolution No. 12-26, A Resolution of the Town Council of the Town of Paradise, California, Rescinding Resolution No. 11-30 and Adopting the Amended Salary Pay Plan for Town of Paradise Employees for the Fiscal Year 2012-2013.

(5) Resolution No. 12-27, A Resolution of the Town Council of the Town of Paradise, California, Approving and Adopting the Town of Paradise Capital Improvement Plan.

At 7:05 pm Mayor Culleton adjourned the Council Meeting to hold the Successor Agency Meeting to consider adoption of resolutions relating to the Successor Agency budget; and, reconvened the Council Meeting at 7:10 pm after completion of the Successor Agency meeting.

### **4. ADJOURNMENT**

The Special Council Meeting at adjourned at 7:10 pm.

**DATE APPROVED:** September 11, 2012

By:

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Steve "Woody" Culleton, Mayor

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Joanna Gutierrez, CMC, Town Clerk