

ATTACHMENT 1

“Excerpts from the Minutes of the June 16, 2009 City Council Meeting”

4. PUBLIC HEARING: City Budget for Fiscal Year 2009-2010.

[(a) deleted]

(b). A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, ADOPTING A BUDGET FOR THE FISCAL YEAR 2009-2010.

[(c) and (d) deleted]

Budget and Research Officer Bobby Young presented the staff report for the purposed budget.

City Manager Allan Roeder commented on the budget preparation and noted the state requirement for budget adoption date was by July 1st, that eight of the ten point plan, previously approved by Council, was still in need of action and implementation; and advised that it may be necessary with the coming budget year to come back on a monthly basis regarding this budget. They responded to questions from the City Council regarding anticipated grant money, the use of fund balance which was estimated to be upwards of \$6.6. Million dollars, sales tax, projected revenues, costs savings from the closure of the Downtown Recreation Center (DRC) pool, reductions in departmental operational costs, and the Public Employees Retirement System (PERS) early retirement incentive. Mayor Pro Tem Leece inquired as to the cost savings in reducing the length of time for the proposed pool closure from 24 weeks to a suggested ten (10) weeks; commented that she would not like to see any of the playground sites closed and felt that it was important to also maintain the after-school programs.

Council Member Monahan suggested consolidation of the after-school programs of Davis School with that of the Ranch program and the Pomona School would be consolidated with Rea School and the Save Our Youth (SOY) program.

Discussion ensued amongst the Council and staff regarding the various programs, their differences and what they offer.

Mike Berry, Costa Mesa, felt that the money in operating reserves belong to the residents of the city. He commented that 90 percent was spent on compensation in the last month suggesting "either pay people less or to pay less people."

Judi Berry, Costa Mesa, pointed out that the last time City's revenues exceeded the expenses was in 2007. She commented about the budget shortfall and the impacts of not approving the proposed Fire Department fees, the State seizing local funding, and the implementation of salary and benefit reduction would create over a \$9 Million budget shortfall. She asked the Council to consider not spending more than the City's annual revenues.

Kirk Bauermeister, Principal, TeWinkle Middle School, expressed concern of cutting the budget for the after-school program, the Teen Center Program, noted that the program had over 60 participants a day in the program and was considered an incentive and a selling point for the school; and encouraged keeping the program. He responded to questions from the Council regarding the possibility of funding by the Newport Mesa School District. Mayor Pro Tem Leece and Council Member Foley commented that they would not be supportive of

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eliminating funding for the program as children would be terribly effected; informed of the attributes of the program which includes a Zero Tolerance Club that provides an environment for participants to complete homework.

Terry Shaw, Costa Mesa, inquired as to the suggestion of the combining of the Planning Commission and the Parks and Recreation Commission.

Beth Refakes, Costa Mesa, felt that staff reduction should be done now, before the union negotiations as it would provide the city time to reorganize, that nonessentials should be eliminated or reduced and property taxes should cover the cost of necessary services. She suggested reducing City Hall hours, Concerts in the Park should be reduced as well as the Green Incentive Program and the Residential Rehabilitation Incentive Program (RRIP), to charge a fee for lighting of the playing fields, review the watering in the parks and to eliminate the council dinners.

MOTION: Approve the ten week closure of the community pool at the DRC (from mid-November to the end of January); and for staff to work with the lap swimmers and others to review all suggestions for increased facility use and revenue.

Moved by Mayor Pro Tem Wendy Leece, seconded by Council Member Katrina Foley.

Council Member Bever requested that the maker of the motion to add an increase of the use fee to \$5.00 per swim. It was agreed to amend the motion.

The motion restated:

MOTION: Approve the ten week closure of the community pool at the DRC (from mid-November to the end of January); increase the use fee to \$5.00/per swim; and for staff to work with the lap swimmers and others to review all suggestions for increased facility use and revenue.

Moved by Mayor Pro Tem Wendy Leece, seconded by Council Member Katrina Foley.

The motion carried by the following roll call vote:

Ayes: Mayor Allan R. Mansoor, Mayor Pro Tem Wendy Leece, Council Member Eric R. Bever, Council Member Katrina Foley, Council Member Gary Monahan

Noes: None.

Absent: None.