

Council accepts city, redevelopment budgets

Contributed by Elizabeth Larson
Saturday, 25 October 2008

CLEARLAKE – Following a discussion punctuated by occasional sharp clashes of opinion, the Clearlake City Council – sitting jointly as the Clearlake Redevelopment Agency Board of Directors – accepted budgets for both the city and agency.

Combined, the two budgets total just over \$12.5 million, as Lake County News has reported.

City Administrator Dale Neiman said council and city staff spent eight hours going over the budgets line by line, which took place over two council workshops earlier this month.

He said if the state had followed through on some of its proposed cuts, the general fund would have had a negative balance of \$5,000. The fund's cash balance as of July 1 was more than \$422,000.

Neiman suggested that the city needs to develop a larger reserve in order to weather tough times. He also explained that the city is now working on a cash basis.

"It's important that you know exactly where we are financially," he said.

If the council adopted staff recommendations in the budget, Neiman said the general fund would have an \$85,000 surplus. There also is \$2.5 million in the budget for capital projects and half a million dollars budgeted for street maintenance.

Councilman Roy Simons objected to the use of \$121,000 in redevelopment funds for a street overlay, saying it wasn't an acceptable use of the money.

Council member Joyce Overton asked if it was legal to use the funds that way. "There's a gray area and you can pick either side," responded Neiman.

Overton asked if the city was going to consider doing its own animal control because of cost. Neiman said he had suggested that last year. He said a shelter facility should be co-located with a public works yard, but they need property for a new yard once the airport property sells sometime this next year.

"We could do it for substantially less," he said, and it will be reconsidered again in the future.

Overton insisted that the city's travel and training expense budget for the council and staff wasn't enough. "I cannot believe we would take that out of our budget," she said.

She suggested taking \$5,000 out of the council's budget for the purpose. That is money usually used for the annual Bluegrass Festival, but Overton said that because of tough times the council can't plan on making donations this year.

Mayor Curt Giambruno in turn suggested taking the \$5,000 carried over from the previous year for the PEG Channel.

Overton, who sits on the PEG Committee, responded, "Don't attack me on this."

Giambruno said he wasn't, and was only suggesting other possibilities since the city is having to lay people off.

Neiman said during the meeting that two parks maintenance personnel are being let go, and that between last year's budget and this year's, a total of eight positions were eliminated.

Overton said she wouldn't vote to support a budget if training wasn't bulked up. She said the city has made "some detrimental mistakes" over the last four years due to lack of training.

Simons agreed with her, and Thein said she did, too, "in a perfect world." But Thein didn't want to sacrifice services.

Overton said she wanted other council members to attend training. "I'm tired of having the knowledge and no one ever listening to me."

She added that without that essential knowledge, the council will begin to depend too much on staff again. "That's how we faltered before."

Community member Rick Mayo agreed with Simons about the \$121,000, and also insisted that every City Council meeting should be attended by an attorney working on behalf of the city. Neiman said the city saved \$425,000 over the last year by only having the city's Sacramento-based attorney attend meetings on an as-needed basis.

Finance Director Michael Vivrette said he wanted to address the perception that staff is untrained, and said they actually were doing just fine. Last year city staff pitched in to give up their training allowance, and being able to help in that way was a morale booster, he said. Vivrette supported the council increasing its own training budget.

Neiman added that he's not concerned about the staff's level of training, because department heads like Vivrette have experience and can help train staff.

Thein told Overton she was willing to work to move together funds around in the council's budget to get more training money.

The council accepted the city's \$5 million budget 4-1, with Simons voting no.

During discussion of the \$7.4 million redevelopment budget, Neiman noted that the agency must repay its housing fund before they can do any infrastructure projects. He said the agency will spend \$825,000 on a first-time homebuyer program in which the agency plans to build four to six homes.

Simons called for taking away the \$20,000 the agency pays to the Clear Lake Chamber of Commerce as one way of saving money.

Leonard, referring to past statements by Simons, said the council always is hearing about the need for tourism, yet Simons was suggesting cutting money to the chamber, which works to attract tourism. "Obviously, that doesn't make any sense."

Thein said the suggestion had come up during the council's budget hearings but nothing came of it. "There was no objection then."

Overton said the chamber hasn't done enough in her opinion and that of many city businesses, and that if the chamber

isn't doing better next year, they shouldn't continue to fund the group.

Giambruno said he didn't know what businesses Overton was talking to, but that was the opposite of what he was hearing.

Overton said she and Thein had originally run on keeping the chamber accountable, and suggested they should offer the council a quarterly report.

The redevelopment budget was accepted on a 4-1 vote, with Simons again being the lone dissenter.

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