

MINUTES OF THE CITY COUNCIL

CITY OF VILLA PARK, CALIFORNIA

The City Council of the City of Villa Park met in a budget study session Tuesday, June 12 2007 at 7:30 p.m. in the City Council Chambers, 17855 Santiago Boulevard, Villa Park, California.

**CALL TO ORDER**

Mayor Ulmer called the meeting to order at 7:30 PM.

**ROLL CALL**

**COUNCILMEMBERS PRESENT**

Rich Ulmer	Mayor
Brad Reese	Mayor Pro Tem
Rich Freschi	Councilmember
Deborah Pauly	Councilmember
James Rheins	Councilmember

**STAFF PRESENT**

Ken Domer	City Manager
Len Hampel	City Attorney
Warren Repke	City Engineer

**FLAG SALUTE**

Councilmember Freschi led the flag salute.

**ORAL COMMUNICATIONS**

None.

**ITEMS FOR CONSIDERATION**

1. **Proposed Fiscal Year 2007-2008 Budget**

City Manager Domer read the staff report stating the Proposed Fiscal Year 2007-2008 Budget recommends a total fund expenditure of \$4,171,794. Of this amount, \$2,888,099 is General Fund. The Proposed Budget is built upon projected General Fund revenues of \$2,649,740 and total revenues of \$3,774,861. Estimated beginning Balance Available to the General Fund is \$770,857 and total funds are \$1,699,204. Taken together, the estimated available revenue for expenditures and reserves is \$5,444,065.

The estimated ending Balance Available as of June 30, 2008 for the General Fund is \$532,497 and for all funds, including the General Fund, the amount is \$1,272,271.

City Manager Domer stated the City of Villa Park is and will be revenue challenged. The City has and will continue to go through periods of "save" years, in which funds are held until projects are undertaken in "spend" years. The City is currently at the end of a "spend" cycle in which many major infrastructure projects have been completed. The Proposed Budget recommends a General Fund Reserve balance of \$ 530,000. The General Fund Reserve is a restricted fund balance to be used only to insulate General Fund programs and current service levels from large and unanticipated one-time expenditure requirements, a revenue reduction due to a change in state or federal legislation, impacts from adverse litigation or environmental occurrences/disasters, or similar unforeseen action and economic uncertainty. The recommended General Fund Reserve balance is 20% of the General Fund Revenues estimated for Fiscal Year 2007-2008.

City Council, staff, and resident discussion relating to City revenues and expenditures ensued. After the Powerpoint presentation, the Council reviewed each section of the budget. Various questions were asked within each department and expenditures were cut or eliminated when possible. Proposed expenditures for election expenses were eliminated and funds transferred to the General Fund Reserve. Council stated that if funding was necessary for election expenses the City Manager could request the funds at that time. Similar shifts from expenditures to General Fund Reserve occurred within the City Manager budget, transferring funds for a proposed fire and public safety review. The City Manager was directed to conduct an assessment in house prior to requesting additional fund if needed. All together, the Council was able to shift over \$140,000 in additional expenditures into the General Fund Reserve and directed the City Manager to individually review training and development, office supplies, and Public Works expenditures in order to reduce spending and increase the General Fund Reserve.

City Council requested staff to incorporate amendments into a proposed Budget document for final consideration on June 26, 2007.

### **CLOSED SESSION**

None.

### **ADJOURNMENT**

It was moved by Mayor Ulmer and carried unanimously to adjourn at 12:34 AM.

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W. Richard Ulmer, Mayor  
City of Villa Park

**ATTEST:**

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Kenneth A. Domer, City Clerk  
City of Villa Park