

1. Call To Order:

The Special Meeting of the Biggs City Council was called to order at 2:00 p.m. by Mayor Frith. Vice Mayor Thompson and Councilmembers Arnold, Bottorff and Sheppard were present. Staff present: City Administrator Pete Carr and City Clerk Roben Dewsnup.

2. CLOSED SESSION: 2:01 p.m.

Closed Session Pursuant to Government Code Section 54957
PUBLIC EMPLOYEE APPOINTMENT
Title: City Administrator (Interim)

3. RESUME SPECIAL MEETING: Special Meeting was resumed at 2:05 with nothing to report.

4. BUDGET STUDY SESSION: City Administrator Pete Carr reviewed with council the Fiscal Year 2012-2013 Draft Budget.

Changes to the budget included:

- Complete allocation of salaries rather than using a double allocation.
- Paying City Attorney a set rate of \$4000 per month – an extra amount would be charged for lawsuits. Council would still like to see a monthly accounting of time spent.
- PMC suggested a \$36,000 budget. Council would like the budget to stay at \$30,000. PMC to seek authorization from Council if more funds are needed.
- Elimination of \$62,000 of PERS expense, which was an employee side fund for retirees.
- Staff payroll salaries were lower due to the assumption the new city administrator's salary would be less than the current administrator's salary.
- Police costs would be 3 percent higher.
- Fund 44 would be closed by a transfer from fund 40.
- Council agreed to put \$5000 a year in the water improvement fund for water meters.
- Funds 107 and 108 would be created for the waste water treatment plant upgrade.
- One large end-of-year transfer from electric fund to general fund would pay up the General Plan Update and provide the desired 40% revenue reserve.

Mr. Carr reviewed assumptions which included:

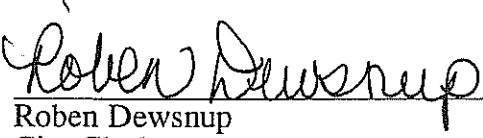
- Stable electric rates
- Sewer utility correction
- Stable water rates
- 2% cost increase to solid waste fund
- Staff to remain as current
- 2.8% cost increase to health insurance
- Construction projects
- General plan update
- Development
- Grant funding for special projects
- Purchase of tablet computers for council

- BCH Project grant application to remain on file at USDA

Council agreed to meet again next week with the time still to be determined.

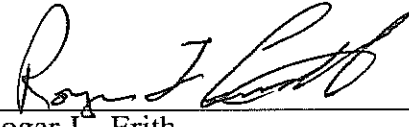
5. **ADJOURNMENT:** Budget Study Session adjourned at 3:50 p.m.

ATTEST:



Roben Dewsnup
City Clerk

APPROVED:



Roger L. Frith
Mayor, City of Biggs