



MINUTES
CITY OF NORCO
CITY COUNCIL
SPECIAL MEETING

Friday, March 7, 2014

Norco City Hall Conference Rooms A & B
2870 Clark Avenue, Norco, CA 92860



CALL TO ORDER: Mayor Hanna called the meeting to order at 8:05 a.m.

ROLL CALL: Berwin Hanna, Mayor, **Present**
Herb Higgins, Mayor Pro Tem, **Present**
Kathy Azevedo, Council Member, **Present**
Kevin Bash, Council Member, **Present**
Greg Newton, Council Member, **Present**

PLEDGE OF ALLEGIANCE: Council Member Bash

1. PRE-BUDGET – GOAL SETTING DISCUSSION AND WORKSHOP.

City Manager Okoro presented an updated “report card” of the suggested priorities and goals as discussed on March 5, 2010 for the City Council’s review. He stated that this workshop would be an interactive process with an open discussion regarding the items and information presented. The City’s *Mission Statement* and *Vision 2020 Statement* were reviewed, noting the importance of these statements. The City Manager stated that staff will not be recommending new programs or expansion of existing programs for FY 2014-2015 unless it is cost neutral to the overall budget, or a new funding source is identified. He noted that he will be recommending a “Status Quo General Fund Budget” that would include pass-through contract rate increases such as police, fire, pension, health, contracted services, insurance, and other personnel costs. The Status Quo General Fund Budget would still be underfunding the required contribution to retiree healthcare liability by \$300,000, with a new actuarial report to be updated by June 2014. There is projected to be a slight increase in revenues, but not sufficient to offset the projected increase in expenditures. The summary of the Status Quo General Fund Budget revenues and expenditure was presented with estimated revenues of \$15,072,493 and projected expenditures of \$15,550,384, with a projected deficit of \$477,891. Projected FY 2014-2015 revenues by source and expenditures by program were presented and reviewed followed by discussions regarding the FY 2014-2015 *preliminary* summary of the General Fund Budget. There was a strong consensus from the City Council that one of the priorities is to add a Patrol or Motor Officer to the Norco Sheriff’s Department staff, with the funding for that added staff being the question. Lt. Hedge confirmed that the 7% increase in the Sheriff’s Department contract amount will be the same for all jurisdictions. Discussions also took place regarding the possibility of sharing a Motor Officer with another jurisdiction.

RECESS: Mayor Hanna recessed the meeting at 9:20 a.m.

RECONVENE: Mayor Hanna reconvened the meeting at 9:30 a.m.

City Manager Okoro presented the Capital Improvement Program infrastructure maintenance and replacement funding goal to “*protect the City’s investment in infrastructure assets by developing a long-term financial plan to manage maintenance and replacement.*” He stated that the reasons for this need is due to many factors, including the fact that these funds take time to accumulate, the existing General Fund revenues are not sufficient to meet operating needs with the redevelopment funding gone, the funds on hand have diminished to very low levels to support a reasonable capital replacement and maintenance program, aging City infrastructure, lack of new development, and the need to preserve the animal-keeping lifestyle in the City. The schedule of the City’s investment in governmental infrastructure (excluding water and sewer) was presented and addressed.

Five-year capital needs for the trail system, streets, storm drains, buildings and parks were presented and discussed. Each individual section has present and future needs, accompanied by lack of funding sources. The challenges and concerns regarding these infrastructure needs were discussed. One of the results of the discussion will be an updated Pavement Management System developed for street projects and completed by the City Engineer.

City Manager Okoro stated that he is pleased that the City Council has had a productive discussion on the City’s infrastructure funding needs. He further stated that these needs are critical and that time is of the essence. These are the discussions that needed to be held in order to move forward, as time is of the essence in order to make some decisions in regards to funding sources for these critical infrastructure needs. He recommended that the City Council support the creation of an ad-hoc committee consisting of two City Council Members, City commission members and residents to address these needs and develop through discussions a recommendation of future funding sources to the City Council. He added that it is important for the community to take ownership of this issue.

M/S Azevedo/Hanna to appoint an Ad-Hoc Committee to address the infrastructure needs of the City and develop a future funding source for recommendation to the City Council. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

2. PUBLIC COMMENTS:

Vern Showalter: Mr. Showalter thanked the City Manager for the informative presentation.

3. ADJOURNMENT: There being no further business to come before the City Council, Mayor Hanna adjourned the meeting at 11:50 a.m.