

**LODI CITY COUNCIL  
SHIRTSLEEVE SESSION  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, MAY 6, 2014**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, May 6, 2014, commencing at 7:00 a.m.

Present: Council Member Johnson, Council Member Mounce, and Mayor Pro Tempore Hansen

Absent: Council Member Nakanishi, and Mayor Katakian

Also Present: Interim City Manager Schwabauer, Interim City Attorney Magdich, and City Clerk Johl-Olson

B. Topic(s)

B-1 Receive Presentation Regarding Fiscal Year 2014/15 Budget (CM)

Deputy City Manager Jordan Ayers provided a PowerPoint presentation regarding the Fiscal Year 2014/15 budget. Specific topics of discussion included general economic conditions, General Fund revenue, fund balance, housing, employment, labor relations, Public Employees' Retirement System (PERS) projections, top ten revenue sources, sales tax, property tax, in-lieu transfers, operating transfers, and reserve status.

In response to Council Member Johnson, Interim City Attorney Schwabauer stated that, with respect to property tax allocation, he is doing some research to see what is being paid, what the agreement is, and what is permissible by law.

In response to Mayor Pro Tempore Hansen, Mr. Schwabauer stated that, with respect to the new development on Sargent Road, the developer will put in the new park and the community facilities district will be put toward the maintenance of that park.

In response to Council Member Johnson, Mr. Schwabauer stated the City has not received the specific numbers for the mortality rate adjustment although it is expected to be approximately one to two million dollars in excess of the 2014/15 numbers.

In response to Council Member Mounce, Mr. Ayers stated from a budgetary perspective the late payment adjustment numbers show a decrease based on actuals.

In response to Council Member Johnson, Mr. Ayers stated business licenses are compared to the County list of fictitious business names and the Franchise Tax Board list for businesses with a Lodi address.

In response to Council Member Mounce, Mr. Schwabauer stated if PG&E were in Lodi the City would receive a fee and in Stockton it also pays an additional franchise fee. Council Member Mounce requested information on what fees would be paid by PG&E to the City of Lodi if the City were with PG&E versus having its own utility.

In response to Council Member Johnson, Mr. Ayers stated the primary reason for phasing in the fee study is to avoid rate shock to the General Fund.

In response to Council Member Johnson, Mr. Ayers stated only \$245,000 is truly available from the \$545,504 figure listed on the reserve status slide.

In response to Council Member Johnson and Council Member Mounce, Parks, Recreation and Cultural Services Director Jeff Hood provided an update on DIVCA funding related projects, including video and broadcast enhancement projects, and stated he is continuing to review options for Spanish broadcast of the City Council meetings.

Alex Aliferas spoke in regard to his concerns about the increase in CalPERS projections for the future and the related impact to the City's budget.

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 7:35 a.m.

ATTEST:

Randi Johl-Olson  
City Clerk