

RESOLUTION NO. 10-84

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BENICIA APPROVING A REDUCTION IN THE COMPENSATION PACKAGE FOR CITY MANAGER, CITY ATTORNEY AND CITY COUNCIL**

WHEREAS, the City of Benicia has identified a structural deficit due to the unprecedented economic downturn of the economy and it is anticipated to continue for the next five years; and

WHEREAS, the City has determined that reductions are necessary given the loss of revenues due to the financial crisis in the national and local economy; and

WHEREAS, the City is conducting a smart sizing effort to identify program areas that can be reduced and/or eliminated towards bridging the current budget gap; and

WHEREAS, the City is also currently reviewing its various pension and medical programs currently being offered to determine fiscal sustainability into the future; and

WHEREAS, the City Council, City Manager and City Attorney wish to take this action to assist the City's efforts in making ongoing structural reductions in order to address the City's structural deficit.

**NOW, THEREFORE, BE IT RESOLVED THAT** a reduction in compensation of the City Manager and the City Attorney as recommended as follows:

- 1) Deduct 3.0% in base salary effective 7/1/10 after adoption of this action by the Council.
- 2) Eliminate the automatic increase in the City's contribution toward medical premiums and instead freeze the city's contribution towards medical as a flat rate based on the City's (7/1/10) current contribution to ensure that future increases by the City are considered by the council based on the City's ability to pay and not an automatic increase.
- 3) Direct the City Manager and the City Attorney to return to Council with recommendations on how the 3% base salary reduction listed in one above can be converted to an ongoing permanent reduction in pension or medical reform no later than January 15, 2011.

Additionally, it is recommended that the council direct the City Attorney and the City Manager to return to the Council on July 20, 2010 with a resolution to adopt the corresponding compensation and City paid medical premium reductions for the Council consistent with state and local requirements.

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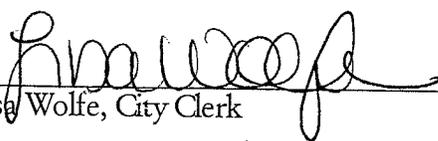
On motion of Council Member **Schwartzman**, seconded by Council Member **Hughes**, the above Resolution was introduced and passed by the City Council of the City of Benicia at a regular meeting of said Council held on the 6<sup>th</sup> day of July, 2010 and adopted by the following vote:

Ayes:

Noes:

Absent:

ATTEST:

  
Elizabeth Patterson, Mayor  
Lisa Wolfe, City Clerk