

COUNCIL



MINUTES

City Council Budget Workshop *November 4, 2009*

Call to Order / Pledge of Allegiance

Mayor Dennis Kendall called the November 4, 2009 Budget Workshop of the Marysville City Council to order at 5:49 p.m. at Marysville City Hall. He led those present in the Pledge of Allegiance.

Roll Call

Chief Administrator Mary Swenson gave the roll call. The following staff and councilmembers were in attendance.

Mayor: Dennis Kendall

Council: Councilmember Jon Nehring, Councilmember Carmen Rasmussen, Councilmember Jeff Seibert, Councilmember John Soriano, Councilmember Jeff Vaughan and Councilmember Donna Wright, Councilmember Lee Phillips

Absent: None

Also Present: Chief Administrator Mary Swenson, Community Development Director Gloria Hirashima, Finance Director Sandy Langdon, Public Works Director Kevin Nielsen, Parks and Recreation Director Jim Ballew, Police Chief Smith, Community Information Officer Doug Buell, Financial Planning Manager Denise Gritton Asst. Human Resources Director Kristie Guy, Court Administrator Suzanne Elsner, and City Clerk Tracy Jeffries

Employee Service Awards:

June Roylance presented Roberta Schneider, UB Accounting Technician, with her 15-year service award.

2010 Preliminary Budget:

Mary Swenson reminded council of the budget adjustments that have already been made this year in response to the poor economy. The proposed budget continues those same assumptions.

Sandy Langdon went through the different funds in the 2010 Preliminary Budget Summary as contained in the packet distributed to council members.

Mary Swenson commented that they are prepared to work with this very lean budget until things begin to improve. Also, if the economy gets worse they will have to react at that point. She discussed the difficulties of planning this budget during a down economy while also preparing for a 20,000 person annexation.

Mary Swenson and Sandy Langdon discussed the 2010 Preliminary Budget Requests for the Annexation as shown in the council's packet. She explained that they would not receive property taxes until 2011 and sales tax credits until September 2010. Utilities taxes and the county road tax will be received the first year. Chief Smith reviewed impacts to the police department. Kevin Nielsen discussed anticipated impacts to public works.

Suzanne Elsner discussed the annexation budget requests, the first being to reclassify the Commissioner to a Judge. The second request is to add a probation officer to handle the increased caseload. She explained the necessity of both of those positions.

Kristie Guy explained that the software requested will help them handle the workload. Mary Swenson explained the second request is for a floater position that can float within the different departments as needed.

Sandy Langdon explained the requests for Finance and Legal to include:

- PO/Requisition Implementation
- System Analyst
- Program Specialist (0.5 FTE)

Gloria Hirashima explained the Community Development requests to include:

- Electrical Inspector
- Associate Planner
- E-Gov My Building Permit
- ScanPro 400 Reader/Printer & Scanner
- Annexation Census
- Wide Format Digital Copier
- Temporary Help

Chief Smith explained the requests to include:

- Police Officer
- Patrol Lieutenant
- Community Service Officer
- Program Specialist in 2011
- Custody Officer
- Overtime

- Additional Expenses with Hiring
- Jail Van in 2011

Jim Ballew explained the requests to include:

- Maintenance Worker I(0.75 FTE)
- Online Registration System
- Seasonal labor
- Additional Supplies

Kevin Nielsen explained the requests to include:

- Maintenance Workers
- Temporary Labor
- Supplies
- Road Upgrades
- Tractor Mower
- Sidewalk Replacement
- Reclassification to Lead Position
- Various Equipment
- Maintenance Worker
- Surface Water Inspector
- Surface Water Interns
- Program Clerk

Mayor Kendall recessed for a short break at 7:12 p.m. The meeting was called back to order at 7:30 p.m.

Mary Swenson stated there are three areas of taxes they are looking at: property tax, admissions tax, and utility tax. She first discussed the admissions tax. She explained that Marysville's movie theater charges the same price for a ticket that is charged in Everett and other cities that do have an admissions tax. She informed council that they could set the parameters as narrow or broad as they wanted to and that they could exempt certain types of businesses.

Mary Swenson and Sandy Langdon next discussed utility tax. This is currently at 5%; council has the ability to go to 6%. Increasing it to 6% could bring in an estimated \$750,000 per year. The council has the ability to approve the increase this temporarily with a sunset clause or could approve with the condition that it would be reviewed at budget time. It can also be raised a full one percent or a partial percent. She looked at scenarios for the average homeowner.

Mary Swenson and Sandy Langdon then discussed options for the property tax. She stated that with the annexation area considered they will have 50% rentals. This puts the city in the position of providing services to renters who studies have shown require more services than property owners. She reviewed the top property tax payers in the city. There was discussion about projected payments of current rates versus a 1% rate

increase. They then reviewed how Marysville compares to other cities. Of 280 cities surveyed, 215 take the 1% or above. Estimated property tax income at the different levels was also reviewed. Mary Swenson pointed out that the City has not increased property taxes for the last eight years.

Mary Swenson encouraged Council to consider increases in two areas and that this increase should be designated specifically for streets. Questions and answers followed.

The Business and Occupation (B&O) tax was also briefly addressed as a tax option available to cities.

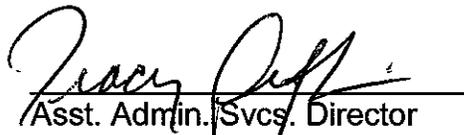
Adjournment

Seeing no further business, Mayor Kendall adjourned the workshop at 8:15 p.m.

Approved this 14th day of December, 2009.



Mayor
Dennis Kendall



Asst. Admin. Svcs. Director
Tracy Jeffries