

# COUNCIL



# MINUTES

## **City Council Budget Workshop** *October 13, 2010*

### **Call to Order / Pledge of Allegiance**

Mayor Jon Nehring called the October 13, 2010 Budget Workshop of the Marysville City Council to order at 5:35 p.m. at Marysville City Hall. He led those present in the Pledge of Allegiance.

### **Roll Call**

Chief Administrator Gloria Hirashima gave the roll call. The following staff and councilmembers were in attendance.

**Mayor:** Jon Nehring

**Council:** Councilmember Carmen Rasmussen, Councilmember Jeff Seibert, Councilmember John Soriano, Councilmember Jeff Vaughan, Councilmember Donna Wright, Councilmember Lee Phillips, and Councilmember Michael Stevens

**Absent:** None

**Also Present:** Chief Administrator 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, Judge Gillings, Court Administrator Suzanne Elsner, and Administrative Services Director Tracy Jeffries

Mayor Nehring recessed at 5:36 p.m. for dinner. He called the meeting back to order at 6:00 p.m.

### **2011 Preliminary Budget:**

Gloria Hirashima discussed the difficult budget situation, noting that they are not being overly optimistic with revenues and have had to make cuts for both 2010 and 2011. The directors have tried to look conservatively at the year ahead basing the revenue projections on this year. She indicated that this is a very conservative budget and a huge recovery is not anticipated. They are also looking at ways to increase revenue and

hope to see results of this next year. She also expressed a goal to get reserves back up to around 6%. Mayor Nehring commented that if they ever need to deplete their reserves again they are looking at a policy of replacing it the following year.

The directors proceeded to review their preliminary budgets with Council.

#### Council Discussion:

Councilmember Rasmussen asked about the \$6,000 increase between the 2010 Estimate for City Council and the 2011 Estimate for City Council. CAO Hirashima explained how they arrived at those numbers. There was consensus to reduce the 2011 Estimate for City Council by \$6,000.

Councilmember Rasmussen suggested looking into the City maintaining its own Human Services Department that could seek and administer funding that is available. CAO Hirashima explained that the current contract is a 3-year contract that goes through June of 2012. We would need to give the County one year notice if we decide we want to run our own program.

Councilmember Seibert asked for an example of Miscellaneous Non-Departmental which totals \$250,000. CAO Hirashima explained that it was primarily dues. Councilmember Seibert requested a more descriptive label for this category.

Sandy Langdon summarized that they are looking to fall of 2013 as the beginning of economic recovery. They hope to work towards the 10% reserve, but the economy makes this difficult. At a minimum they hope to maintain their current revenues with the current expenses until there is some economic recovery.

Carmen Rasmussen asked if the 5% telephone tax should be 6%. Sandy Langdon said that after a year it goes to 5% and hopes Council will take that under review. There was some discussion about taxing limits and permitted uses.

Councilmember Seibert asked about the status of previous discussion regarding formation of a Transportation Improvement Board. CAO Hirashima discouraged this in the current economic climate.

Councilmember Seibert commented on an earlier discussion regarding MaryFest sharing in more of the costs. He recommended notifying MaryFest if there will any changes to their financial responsibilities.

Councilmember Rasmussen asked when they would have more information about the additional personnel reductions. CAO Hirashima stated that they would have that information within a week.

Sandy Langdon informed Council that the budget public hearing will be November 8<sup>th</sup>.

Councilmember Rasmussen requested that staff bring back a proposed ordinance regarding the telephone tax.

Public Works Director Nehring thanked the finance department for their hard work. CAO Hirashima concurred.

Councilmember Seibert recommended that staff provide the full impacts on the budget of any proposed tax increases.

Mayor Nehring thanked the directors, finance department and Gloria Hirashima for all the hard work that went into this difficult budget year and for planning for the future.

### **Recess**

Council recessed at 8:37 p.m. into Executive Session which began at 5 minutes to discuss a collective bargaining agreement with no action expected. It was expected to last five minutes.

### **Executive Session**

One item – Collective bargaining Agreement

### **Adjournment**

Seeing no further business, Mayor Nehring adjourned the workshop at 8:42 p.m.

Approved this 8<sup>th</sup> day of November, 2010.

  
\_\_\_\_\_  
Mayor  
Jon Nehring

  
\_\_\_\_\_  
Deputy City Clerk  
April O'Brien