

Due to recording failure, the first portion of the meeting was not taped.

Mayor Barbara Larsen called the workshop meeting to order at 6:05 p.m., with the following councilmembers present: Khembar Yund, Greg Marcil, Earl Queen, Jack Reilly and Mike Mask. Department supervisors present included: Police Chief Bob Heuer, Public Works Director David Vorse, City Planner T.J. Keiran and Clerk-Treasurer Ryana Covington.

Covington reported that the Budget Committee, consisting of Mayor Larsen, Councilmembers Marcil and Mask and department supervisors, met on August 5, 2009 to discuss reductions in the General Fund expenses and evaluate revenue resources, with the intent to reduce or avoid the need for an interfund loan to meet current expenses within the General Fund.

Covington distributed a table outlining the committee's recommended reductions, including information based on year-to-date expenditure amounts, as of July, 2009. She stated that the committee based their recommendations on the first two quarters of expenses. Since that meeting, July expenses were approved by council, which in some cases, resulted in areas where current expenditures were more than initially anticipated by the committee. Covington stated that she has evaluated those areas and included an amended recommendation, for council consideration. The outline of recommendations includes:

	2009 Appropriation	YTD Amt Expended	Remaining Balance	Amended Suggested Deduction	NEW Approp For Year	Committee Suggestion
DEPARTMENT						
Executive:						
Phone Rental System	2,050	\$ -	2,050	2,050	\$0	2,050
Travel	750	214	536	536	\$0	536
Hearing Examiner	1,500	\$ -	1,500	500	\$1,000	300
Municipal Court:						
Professional Services	17,000	9,221	7,779	2,000	\$5,779	4,000
Attorney Fees	29,500	7,350	22,150	12,000	\$10,150	12,000
Offender Svc Fee	4,000	896	3,104	1,000	\$2,104	1,000
Board of Prisoners	45,000	11,956	33,044	15,000	\$18,044	15,000
Finance			-		\$0	
Phone Rental System	2,050		2,050	2,050	\$0	2,050
Travel	2,000	800	1,200	500	\$700	1,200
Police						
Phone System Lease	2,050	-	2,050	2,050	\$0	2,050

Building/Planning			-			
Supplies	1,500	899	601	300	\$301	1,000
Land Use Code Update	14,000	6,869	7,131	2,000	\$5,131	2,000
Zoning Regulations	33,000	9,539	23,461	6,000	\$17,461	6,000
Building Inspector Svc	26,100	6,754	19,346	5,000	\$14,346	5,000
Engineer Services	10,000	4,106	5,894	2,000	\$3,894	5,000
Non-Department			-			
Civil Service	1,000	-	1,000	1,000	\$0	1,000
Municipal Vehicle	1,000		1,000	<u>1,000</u>	\$0	<u>1,000</u>

**DEDUCTION
TOTALS**

\$ 54,986

\$61,186

Covington stated the above listing does not include Chief Heuer's estimation for an additional \$30,000 reduction in the police department budget, which includes use of \$11,000 of grant revenues (from ARRA funds to support one police officer position) and a \$19,000 reduction in 2009 operating expenses.

Covington provided an updated estimate of General Fund revenues as compared with remaining appropriations for expenses. (Based on January thru July year-to-date totals)

Revenues (estimate)		Expenses: (remaining from original appropriated amounts)	
Taxes	\$290,487	Executive	\$ 22,091
Licenses/Permits	\$ 11,402	Municipal Ct	\$ 67,769
Intergovernmental	\$ 46,000	Finance	\$ 55,209
Charges For Services	\$ 3,951	Police	\$295,505
Fines & Forfeits	\$ 11,000	Park	\$ 19,589
Miscellaneous	<u>\$ 6,000</u>	Bldg/Plan	\$ 59,053
	\$368,840	Non-Department	<u>\$ 42,000</u>
			\$561,216
		Less Deductions:	<u>\$ 54,986</u>
			\$508,230

Estimated Revenues August - December: \$368,840
Less Expenses: - \$508,230
Subtotal - (\$139,390) General Fund deficit balance

Reducing expenditures by \$84,986 (\$54,986 amended recommendation, plus \$19,000 police department expenditure reduction and \$11,000 grant contribution), would bring the deficit total to - (54,404). Councilmembers could further eliminate the need for an interfund loan by using the \$63,037 identified as non-program income from the CDBG Fund to balance the General Fund. These adjustments would not affect the General Fund

beginning cash balance, nor the estimated ending fund balance.

Covington cautioned that expenses for building inspection, planning and jail costs directly relate to the need for these services. As such, these areas will require close monitoring, and may need to be readjusted at a later date. She stated that developers of the Field of Dreams subdivision intend to submit plans for seven houses within the next couple of months.

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0025 Steve Harvey, Director of the Cowlitz-Wahkiakum Council of Governments (CWCOG) stated that the city receives planning assistance through their organization and noted that city planner T.J. Keiran could offer a summary of the projects being worked on.

In answer to Councilmember Mask's question, Mr. Harvey stated that barring any unforeseen development issues, he felt they still would be able to offer planning assistance to the city, with the proposed reductions.

T.J. Keiran, City Planner stated he continues to work with the city clerks office to invoice applicants for the services provided. He suggested that an analysis be conducted to see if the fee schedule needs to be amended; especially if the council is seeking full cost recovery for planning services. Keiran suggested that staff from CWCOG could work with the clerk's office to compile a comparison of planning fees being assessed in our region. Keiran stated within the next couple of months he will be asking the city council to consider amending certain planning procedure and he felt this might be a good time to also assess the fee schedule.

0613 Councilmember Mask stated that the county has recently decreased property value assessments and he asked how this will affect city revenues. Covington stated these decreases will affect 2010 assessments. The assessor's office has provided initial information that decreases will have a minimal effect. Covington stated she is also concerned with foreclosures resulting from the poor economic conditions. Councilmember Marcil asked Covington to find out how long it takes the city to recoup back taxes after a foreclosure is sold.

0910 Councilmember Marcil suggested councilmembers consider using the clerk's amended recommended changes to balance the 2009 budget deficit. By consensus, councilmembers concurred with this recommendation. Covington stated a budget hearing will be scheduled for the next city council meeting to address these adjustments.

1330 By consensus, councilmembers agreed to schedule workshop meetings to discuss the 2010 budget on September 8th at 5:30 p.m. and on September 14th at 6:00 p.m.

1631 Mayor Larsen adjourned the budget workshop meeting at 6:30 p.m.

Mayor Barbara Larsen

Clerk-Treasurer