

MINUTES

**McCall City Council
Special Meeting
Legion Hall - McCall City Hall (Lower Level)
April 20, 2012**

Agenda

Call to Order and Roll Call
Work Session
Adjournment

CALL TO ORDER AND ROLL CALL

Mayor Bailey called the special meeting of the McCall City Council to order at 2:04 p.m. Council Member Aymon, Mayor Bailey and Council Member Scott, Council Member Swanson, and Council Member Witte answered roll call.

City staff present was Lindley Kirkpatrick, City Manager; Linda Stokes, City Treasurer; Dennis Coyle, Parks and Recreation Director; Peter Borner, Public Works Director; Jerry Summers; Chief of Police; Eric McCormick, Golf Superintendent; John Anderson, Airport Manager; Michelle Groenevelt, Community Development Director; Anne Kantola, Library Director; and BessieJo Wagner, City Clerk.

WORK SESSION

FY13 Budget Work Session

The Council discussed the following FY13 revenue forecasts, prepared in 2011 and updated by staff in April, 2012.

	First Request	Revised
General Fund	\$4,844,297	\$4,829,328
Library Fund	\$365,936	\$361,855
Recreation Fund	\$863,316	\$845,149
Airport Fund	\$1,942,202	\$1,940,432
Golf Fund	\$901,020	\$803,088
Streets Fund	\$1,793,625	\$2,072,705
Water Fund	\$1,940,856	\$1,968,728
Sewer Fund	\$2,026,783	\$2,051,930
Total	\$14,678,035	\$14,873,215

Lindley Kirkpatrick, City Manager, presented the following assumptions used in the development of the FY13 budget, stating that only Revenues, Personnel costs and related assumptions have been updated at this point.

- A. Growth & Development Property Taxes: \$26,744 (based on recorded annexations, no estimation of additional growth)
- B. New Building Permits Equal to FY12 Estimates (15 EDUs)

- C. New Connections: Water estimates 15 connections and Sewer estimates 5 connections
- D. Inter-Fund Transfers: not re-calculated yet
- E. Personnel Costs *have been updated for FY13*

The Personnel costs were determined with the assumption that there would be no Market Adjustment and Merit Increases would be up to a 3% increase. Mr. Kirkpatrick gave a brief explanation as to how the 3% was calculated, stating that the evaluation process had been updated to reflect three steps in the "meets" category to more accurately evaluate employees and base their merit pay on that performance. He stated that staff had found the process more productive. Mr. Kirkpatrick also clarified that due to little turnover in staff in the general fund, salaries are budgeted at 100%.

There was general discussion regarding the possible 9.22% increase in health costs and that those costs would be passed onto the employees. However, the City would pay the 9% increase for dental and the 10% increase for vision coverage.

There was a brief mention of the COPS grant position and that 8 months of that position for FY13 would be City funded.

The only change in FTEs from FY12 would be 0.11 FTE (229 hours) added to the GIS seasonal position.

Mr. Kirkpatrick presented consideration of fee increases for the following:

- A. Airport Fees
- B. Streets Banner Hanging Fees
- C. Parking Fee in Boat Parking Lot (added)

Mr. Kirkpatrick presented and reviewed the FY13 Capital Improvement Plan with Council.

- A. Seven Year CIP: FY13 through FY19
- B. Includes revised Capital Projects and New Capital Projects:
 - 1. Parks: Toolcat Attachments (FY13)
 - 2. Parks: Dock Replacements (FY13)
 - 3. Clerk: Laserfiche Upgrade (FY13)
 - 4. Golf: Equipment Storage Building (FY13)
 - 5. Police: Radio Repeater (FY16)
- C. Assumes 3% Increase and all available Foregone Amount in FY13 to fund CIP projects
- D. Not yet balanced

Mayor Bailey commented that there may be some surplus, City-owned land that could be sold for revenue. He requested that staff look at property values.

The Council had much discussion on several CIP projects and ways to fund them. The Council requested a training session to understand the differences between a Local Improvement District (LID), Business Improvement District (BID) and a Community Improvement District (CID). Mayor Bailey opined that there should be a way to fund the issue of sidewalk maintenance and snow removal by other means than taxes.

Department Head Priorities/Opportunities for Cost Savings

Council reviewed the information provided through a memo dated April 18, 2012, from Lindley Kirkpatrick, City Manager, which outlined staff recommendations for cost saving opportunities for the FY13 budget.

General Fund /Mayor and Council:

- Reduce or eliminate funding for Economic Development Activities

Mr. Kirkpatrick stated that funding for economic development activities was very important; however, there was currently no entity organizing the Economic Development effort.

Mayor Bailey did not agree with the possibility of eliminating funding for economic development activities. He stated that the issue was would McCall act on their own or act with the County.

Council Member Aymon wanted to know how much the City dedicated to economic development activities and how much were other entities contributing. The answers were unknown.

- Eliminate Full-Time Benefits for City Council

There was a general consensus that the benefits for City Council Members remain unchanged.

General Fund /Information Systems:

- Extend the Replacement Schedule for some desktop and laptop computers
- Reduce computer cost of ownership, including eliminating computers

Generally the Council agreed that there may be some flexibility with the replacement schedule of computers. Council also agreed that public access computers were important to maintain.

General Fund /Community Development:

- Reduce or eliminate funding for the Downtown/Public Art Master Plan
- Eliminate funding for the implementation of web-based GIS

The Council's general consensus was to not make any changes.

General Fund /Police Department

- Reduce funding to MCPAWs

The Council was supportive of MCPAWs; however, the Council requested some additional information and clarification on how many animals come from McCall to MCPAWs prior to making a determination on staff's recommendation to reduce funding.

- Eliminate one part-time Code Enforcement position

Mayor Bailey did not think that eliminating one part-time Code Enforcement position was worth considering.

- Eliminate one full-time Support Services position

The Council would consider eliminating one full-time Support Services position, although the Council did not like the idea of cutting any personnel. The Council requested clarification for the need of three Support Services positions. Chief Summers responded, stating that the Police Department needed Support Services coverage 6 days a week, and that a Support Services position is someone who enters evidence, which cannot be done by a sworn officer.

Recreation Fund /Recreation

- Eliminate the Boating Ambassador positions (900 hours, worked by two seasonal employees)

The Council's general consensus was that the Boating Ambassador positions were too valuable to lose.

Recreation Fund /Parks

- Eliminate funding for flowers downtown

Council had much discussion on the value of the hanging flower baskets in downtown. There was also discussion on possibilities of alternative funding sources.

Library Fund

- Cancel membership in a world-wide cataloging company called OCLC and Eliminate Inter Library Loan service

The Council felt that these were valuable services and would not consider cutting the OCLC membership or the Inter Library Loan service.

- Eliminate up to three public access computer

It was clarified that a fee was charged for anyone who did not have a library card and wanted to use the public access computers at the Library. There was general consensus from the Council that the public access computers provided a valuable service to the community.

Golf Fund

- Eliminate Clearing Cart Paths of Snow for Walkers

The Council felt that the clearing of cart paths at the golf course provided a valuable service to the community and should not be eliminated.

Projects in the draft FY13 Budget, to be funded by property tax increases

General Fund/Information Systems:

- Eliminate the Wide-Area Network Extension planned for FY13

Recreation Fund /Parks:

- Eliminate the mower/snow-blower planned for FY13

Council Priorities for FY13 & FY14

Council had much discussion regarding projects that would be considered high priority projects. The Council was in agreement that street improvement was a high priority. Council also agreed that they would need more time before determining other high priority projects for the FY13 budget. The Council was appreciative of the Airport Manager, John Anderson's, approach to identifying possible opportunities to add revenue to the City. The Council was particularly in favor of the diesel storage tank idea. The Council requested some additional information to assist with determining whether or not the project was feasible. The Council also liked the idea of T-Hangars for a possible revenue source at the airport. The Council requested additional information on the feasibility.

Mayor Bailey asked the Council if they were ready to discuss whether or not to take the 3% property tax increase. Council Member Swanson requested that the CIP be completed prior to

making a decision on the 3% increase. Council Member Witte was open to the 3% increase; however, would need convincing prior to agreeing to the forgone amount. Council Member Aymon was inclined to support the 3% increase; however, was unsure on the foregone amount. In general the Council agreed that at the June 1, 2012, budget meeting the Council would give direction regarding the possible 3% increase for property tax.

Mr. Kirkpatrick asked Council what the top priority was for the FY13 budget. The general consensus from Council was that street maintenance was highest priority. Mayor Bailey stated that maintenance of City buildings should be a priority as well as transit operations. Council Member Aymon stated that anything that makes the down town core revitalized, such as streets, flowers and clearing pathways should be priority.

Council Member Scott thought that they should look at staffing levels, realizing that it was difficult to cut personnel; however, staffing levels should be looked at.

Council Member Witte stated that maintaining the core functions of the City prior to taking on any new functions should be priority. Council Member Swanson agreed and also stated that it was necessary to continue to look at the need for wastewater treatment facility improvements.

Mr. Kirkpatrick asked the Council what were the lower priority projects for the FY13 budget. Council did not have any specifics. They recognized that it was difficult to identify any particular project.


Mr. Kirkpatrick outlined the following as the next steps in the budget development for FY13:

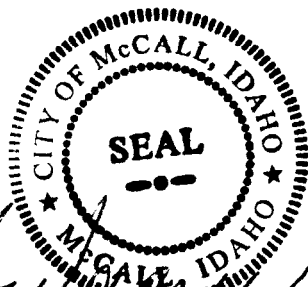
- Council Work Session on April 27, 1:00-5:00
- Council Work Session on June 1, 10:00 am – 5:00 pm
- Public Open House (conducted by staff) on July 11, 6:00 pm
- Council Work Session on July 13 (& July 16 if necessary), 10:00 am – 5:00 pm
- FY13 Budget Public Hearing on August 9, 6:00 pm
- FY13 Budget Adoption on August 23, 6:00 pm

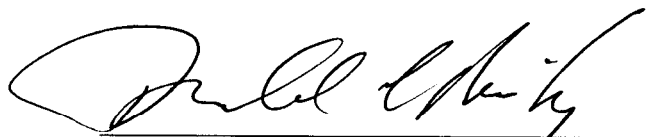
ADJOURNMENT

Without further business, Mayor Bailey adjourned the meeting at 4:51 p.m.

ATTEST:


BessieJo Wagner, City Clerk




Donald C. Bailey, Mayor