

CALL TO ORDER:

Mayor Shannon McKay called the workshop to order at 7:00 p.m.

Present: Mayor Shannon McKay; Councilmembers Eleanor Brodahl, Kathy Carlton, Kenneth Caylor, Everett Cole, Marc Spohr, Dale Wyman, and Tim Wilson.

Also Present: Department Heads: Curt Andrews, Mike Bailey, Police Chief Steve Dunnagan, Debbie Kudrna, and Jay VanNess.

REVIEW OF HOTEL/MOTEL FUND APPLICATION REQUESTS

Finance Officer Mike Bailey advised that Council had adopted a policy that provided that all applications for tourism funding shall be reviewed by the City Council. There were ten tourism requests for FY 2007 received. The estimated available funding for FY 2007 is \$31,200, leaving a balance of \$40,000 per the Tourism Funding Policy. The following is a list of the funding requests and calculations of funding:

FY 2007 TOURISM FUNDING REQUESTS

		Estimated Available Fund FY 2007 \$31,200				
	5-Year Average Approved	30% of Avail.	105% of Prev yr	23% Reduction	Maximum Request	FY 2007 Requests
Adams County Fair	\$4,051.00	\$9,360.00	\$4,253.55	\$3,275.23	\$3,275.23	\$3,275.00
All Cities Classic Cars	\$1,894.00	\$9,360.00	\$1,988.70	\$1,531.30	\$1,531.30	\$2,500.00
American Fiesta Amistad	\$2,600.00	\$9,360.00	\$2,730.00	\$2,102.10	\$2,102.10	\$3,200.00
Caboose Project	\$2,293.00	\$9,360.00	\$2,407.65	\$1,853.89	\$1,853.89	\$2,293.00
Chamber of Commerce	\$12,783.00	\$9,360.00	\$13,422.15	\$10,335.06	\$9,360.00	\$9,360.00
Coulee Corridor Project	\$1,339.00	\$9,360.00	\$1,405.95	\$1,082.58	\$1,082.58	\$1,500.00
The Old Hotel Art Gallery	\$2,759.00	\$9,360.00	\$2,896.95	\$2,230.65	\$2,230.65	\$2,920.00
Othello Soccer League	\$1,500.00	\$9,360.00	\$1,575.00	\$1,212.75	\$1,212.75	\$1,575.00
Othello Rodeo Association	\$3,777.00	\$9,360.00	\$3,965.85	\$3,053.70	\$3,053.70	\$5,000.00
Sandhill Crane Festival	\$7,140.00	\$9,360.00	\$7,497.00	\$5,772.69	\$5,772.69	\$7,497.00
Total	\$40,136.00		\$42,142.80	\$32,449.95	\$31,474.89	\$39,120.00

A representative from each organization gave a short report on their application and projects. Councilmember Spohr questioned whether tourism funding could be used to construct a RV dump, as proposed by the Adams County Fair Board. Councilmember Wyman reported that he opposes the contractual arrangement with the Adams County Economic Development, which authorizes them to operate the tourism radio station for the City and stated that the City should take it over. The Clerk advised that the Chamber gave up the operation of the tourism radio station several years ago. She listens to the radio station on a monthly basis to assure that the broadcasts are tourism related and Adams County Economic Development provides the services to the City at no cost. Mayor McKay advised that staff should monitor the broadcasts.

2007 BUDGET REVIEW

Finance Officer Mike Bailey reviewed the various revenues and expenditures in the 2007 proposed General Fund budget. Chief Dunnagan, Jay Van Ness and Mike Bailey reviewed the capital requests in the Police, Parks and Recreation, and General Government funds. The Councilmembers discussed the possibility of utilizing Utility Tax revenues to fund various capital projects. Councilmember Cole advised that a portion of the Utility Tax goes into the General Fund and the three departments are included in the General Fund. Councilmember Carlton asked if the new soccer field fencing would reduce insurance premium costs. Councilmember Caylor advised that there are grants available for some of the proposed projects. Councilmember Wyman suggested that we hire a consultant to evaluate the heating system needs at Public Works. Mr.

Bailey advised that the \$100,000 for the operation of the City pool has been restricted in the Utility Tax fund and appropriated \$10,000 for payment to the Adams County Park District.

Councilmember Carlton asked if they should budget for parking improvements at Lions Park.

Councilmember Brodahl requested an additional \$30,000 for operation of the Boys and Girls Club, noting that the City used to fund a full time recreation department. She advised that it will help keep the club open in 2007 and stated that the board has been requesting local contributions. The club has not raised their annual membership fee. Several Councilmembers voiced their concerns that the organization should help generate local funding and asked for confirmation of the number of children utilizing the club. Councilmember Wyman requested that the Council have walk-in-the-parks in the spring.

Finance Officer Mike Bailey reviewed the transfers out of the General Government fund; Fire Department budget; Planning, Building and Library funds. He advised that the Fire Department budget includes a 2.4% increase. Mr. Bailey advised that staff is researching whether the Adams County Library District could contract directly with the Mid Columbia Library District. He then presented the projected 2007 beginning fund balance; projected revenues and expenditures; and ending fund balance.

Mayor McKay asked the Council to consider reinvesting Utility Tax funds back into the community and utilizing the tax revenue to pay for some of the proposed projects. He recommended appropriating Utility Tax funds for street projects and asked if the Council supported a community center. Councilmember Brodahl suggested that utility tax money be used to upgrade the HVAC system at City Hall.

Councilmember Wyman reviewed the proposed irrigation water line project as reported at the last Council meeting and recommended that when 10th Avenue is under construction, that a storm drain system be installed in 10th Avenue to tie into the existing drain system on 7th Avenue. It would flow through the existing line that will be abandoned with the new project. Mayor McKay advised that another project to consider would be completion of the north side of Olympia Street. Jay VanNess advised that the engineering is being finalized for the walk/bike path and there is \$20,000 requested in the 2007 budget to complete the project. Mr. Bailey explained that the Utility Tax fund is replenished annually and projects should be planned for utilization of the funding. He also explained that the tax funding cannot be used to fund projects within enterprise funds. He advised that utilization of the Real Estate Excise Tax funds are set by State statute and Councilmember Cole suggested this funding could be used for additional parking at Lions Park.

ADJOURNMENT

With no further items to discuss, Mayor McKay adjourned the workshop at 9:27 p.m.

By: _____
SHANNON MCKAY, Mayor

ATTEST:

By: _____
DEBBIE L. KUDRNA, City Clerk