

City of Rainier
Work Session Council Minutes
May 7, 2013
Rainier City Hall
106 West "B" Street
6:00 PM

Mayor Cole called the meeting to order.

Council Present: Mayor Cole, Judith Taylor, Scott Cooper, William Vilaridi, Steve Massey and Sloan Nelson.

Council Absent: James Bradfield and David Sills.

Staff Present: Debra Dudley, City Administrator/Finance Director/Recorder; and Kevin Patching, Public Works Foreman.

Agenda:

a. Capital Improvement Discussion –

Cooper said the City is getting ahead on the office side but there is no real backup of data regarding the police, the same device that does the production data also has the backup data so if the device fails the backup will not be useable. Also the server for the camera system isn't satisfactory. Once this is complete there will be a safety net and everyone will be able to work at a reasonable speed and start budgeting to cycle out some of the older computers and can purchase terminals instead of PCs.

Nelson asked if road repairs and maintenance were capital improvement and Dudley replied it depends on the project and will be a part of the next work session. Patching is working on prioritizing the streets as far as repair. Nelson added he wanted to know what it would take to get the dam dug out. Dudley said Patching is working on a scope of work. Nelson stated maybe the streets need to be chip sealed.

Dudley said she will continue to fine tune the numbers and making sure there is funding.

Taylor asked about the library situation and Dudley stated they have applied to receive electronic books and by doing so will be joining the consortium beginning July 1st. Dudley said she believed the start up fee was \$2500 and \$1500 annually thereafter.

Taylor said she would like to see salaries and compensations in the budget and Dudley said it will be on a separate sheet. Cooper said he would like to meet with Michael Carter and a couple of council members to discuss the library services. Vilaridi said he would like to see the library statistics from last year and Dudley said she would ask the librarian to attend the next council meeting to answer questions. Dudley stated every year the summer the library hosts a summer reading program and there has been discussions regarding expanding the program to include more activities during the summer. Dudley said the summer reading program is funded by a grant and originally there was talk with the school district to

expand the city and the school program because currently they feed school age children during the week and being able to incorporate the lunch time activity with a library activity had been discussed previously. Mayor Cole said it would be educational for the Council to know what the library usage hours are. Dudley said the library board recommended changing the hours in the summer from two evening to one evening.

Dudley explained the packet budget information stating it was a review of this year's budget vs. last year's budget, the general government expenditure has decreased significantly because of the USG settlement; city building maintenance is a significant increase because of the anticipated capital improvement for City Hall; land use and development has an increase because of the building inspector which is a pass through; the library has a reduction and there will be more discussion regarding library services provided, the decrease on the library is specific to the change made in health insurance that is now prorated depending on hours worked; the attorney line item indicates a decrease of \$5,000 since there hasn't been as much need for legal services; finance and administration indicates a small increase; a small decrease in municipal court; small increase in public properties because of correction crew utilization; and the police department has an increase due to the purchase of a car in capital improvement and one of the biggest changes is the increase in overtime. Dudley stated a goal is to be sure to live within our means which is to recognize what revenues are generated per year, the expenditures need to equal the revenue and for the most part that has happened in the general fund and the only difference is a significant capital improvement this year so it is estimated we will have to use some of the cash carryover to satisfy that capital improvement and it is somewhat less than what the capital improvement is so the general fund with the reductions made last year and this year, there is additional revenue from tax receipts and when that is factored in it is estimated that after \$117,000 to satisfy the capital requirements there still should be a significant cash carryover. Dudley added the reduction to cash carryover is specific to capital improvement, not operational. Dudley agreed with Vilardi stating the longer the facilities deteriorate the more it is going to cost for repairs. Dudley added the Council and staff has committed to living within our means, not spending more than we generate in revenue. We have reduced any excess expenditure and there are additional reductions this year from last year that will be in the budget. Dudley added there is money in the contingency fund this year.

Dudley said last year there were significant reductions to municipal court and this year the small percentage is related directly to the prorated health insurance.

Nelson clarified with Chief Griffith if part of the overage was due to the vehicle and Chief Griffith said the last car was on a three year lease and they were able to recycle all the equipment from another car and this time the car will have to be "built" and they want to do a two year lease because a three year is costly in regard to maintenance. Chief Griffith added as far as overtime he took 85% to 90% of the on call and call outs last year to keep the police clerk's position and he is now trying to get that back to where he is not the only person on call. Chief Griffith stated he added \$2,000 to the police training line

item for the reserves and last year this line item was supplemented approximately \$20,000 from citations Dudley stated currently it was \$9,900 and anticipates \$14,000. Nelson stated he wanted to clarify that the vehicle and the I.T. was included in the budget.

Dudley said there was a 2% increase for the public properties for maintenance.

Dudley said the sewer fund revenue for the FY 2013/2014 budget there is an estimate of approximately \$104,000 cash carryover and at the end of this year the estimate is approximately \$339,000 because we took in significant more sludge and do not expect the high trend to continue and we had \$83,000 in contingency but did not spend any of it. Dudley added the estimates reflect this cash carryover which will help provide capital improvements to the wastewater treatment plant; the overall expenditure is up 2.9%. The sewer loans are shown as debt service and the smallest loan is the 1st engineering phase and it will be paid off in 2014 and it could be paid off early. Dudley added that during the last budget year maintaining cpi increases was discussed and she would like the Council to consider the cost of doing business continues to increase and if we don't do at least some type of cpi the City will be in the position we were five years ago. Nelson said if we have money and pay off a debt it would not go up that much and Dudley agreed. Nelson added that if the loan was paid off just not having the residence have to pay that \$42,000 saves every resident. Dudley added the sewer EDU committee recommended to eliminate the EDUs and go to a consumption base rate and explained the sewer billing rate comparisons in the packets. Dudley said they attempted to generate the same amount of revenue as was generated with the EDUs which was option #6. Dudley identified the information is for commercial users, residential users were not effected. Per Nelson's question, Dudley said the current multi-family EDU rate structure will not exist. Commercial users will pay one base rate and a consumption rate based on how much water is used. Dudley stated the names and account numbers were removed for the tests and the advantage of the formula is the consistency, the more water used the more you pay and at a higher rate. Dudley asked Council to review the information and get back to her and if it is the avenue they wish to take the EDU resolution needs to be rescinded and a new resolution passed to adopt a new rate structure for the commercial users. Nelson added that as part of the process all the commercial customers on the list need to be contacted and notified the rate structure is being reconfigured. Dudley said she would like to send out a letter to all the commercial customers stating there is a proposal for a rate structure and invite them to come and ask questions.

The meeting was adjourned.

Mayor Cole

Attested: _____
Debra Dudley, City Admin./Finance Director/Recorder