

**JOURNAL OF COMMISSION WORK SESSION**  
**June 29, 2011**

City Commission Work Session

Mayor Winters presiding

**CALL TO ORDER:** 5:15 p.m.

**ROLL CALL:** City Commissioners present: Michael J. Winters, Robert Jones, Bill Bronson, Mary Jolley and Fred Burow. Also present were the City Manager, Deputy City Manager, City Attorney, Directors of Fiscal Services, Library, Park and Recreation, Planning and Community Development, Public Works, the Police Chief, Fire Chief and the City Clerk.

**1. CITY MANAGER'S FISCAL YEAR 2011/2012 BUDGET PRESENTATION**

City Manager Greg Doyon reviewed handouts and provided a PowerPoint presentation on the manager's recommended budget for Commission consideration as follows:

***City Manager Approach for FY 2012 Budget***

- Commission priorities
- Considered current economic conditions
- Continue to move enterprise funds toward self sustainment
- Continue to limit/reduce General Fund subsidies
- Limited program expansion
- City Manager priorities:
  - Service/cost effectiveness
  - Public Safety
  - Department needs
  - Community support

***Budget Overview for Fiscal Year 2012***

- The City has 60 separate funds with their own revenues and expenditures.
- Estimating a taxable value increase for FY 2012 of \$300,000.
- Economic Indicators
  - Building Permits
    - Permit Volume steady
    - Valuation Amounts shifted dramatically
  - Unemployment – Cascade County 6.2%
  - Population Changes (2000 – 56,690; 2010 – 58,505)

***Proposed Budget Highlights General Fund***

- Not recommending using the “inflationary factor” - \$214,120
  - Amount permitted to be raised in new taxes under the state's property tax cap
- Bolstered legal services:
  - Civil Attorney - \$89,300
  - Part-time Paralegal - \$20,500

- Redirected Parking Fines from General Fund to Parking Fund - \$82,000
- Added Volunteer Coordinator for Animal Shelter
  - Position funded through FY 2011 carryover - \$25,000
- Court Improvements
  - Upgrade an existing position to Accounting Clerk - \$11,391
  - Office improvements being funded through FY 2011 carryover - \$10,570

### ***Proposed Budget Highlights Other Funds***

#### **Planning**

- Downtown Master Plan Consultant
  - \$25,000
- N. Garage Structural Study
  - \$10,000
- N. Parking Ramp Structure
  - \$173,300
- Parking Study
  - \$20,000

#### **Library**

- Library Specialist for Kids Place
  - \$22,785

#### **Public Works Admin**

- Cartographer Tech
  - \$76,110

#### **Storm Drain**

- Compliance Technician
  - \$62,420

#### **Engineering**

- Fully Fund a Civil Engineer
  - Funded for half a year last year
  - \$22,346

### ***Summary of Department Requests Not Recommended***

- City Manager reviewed department requests totaling **\$1,688,461**.
  - **Recommending \$169,453 in requests.**
- Recommending that General Fund subsidies remain at current FY 2011 amounts.
- The following items were not recommended for funding this year:
  - Reduce GFDA Support (\$50,000)
  - Police K-9 (\$23,000)
  - River's Edge Trail Maintenance (\$5,000)
  - Parks Division Employees (\$107,574)
  - Parks and Recreation Parking Lot Repaving (requested \$70,631 reduced request by \$65,631 to \$5,000 for repairs)
  - Three Playground Structures (\$115,000)
- Mr. Doyon reviewed graphs of Citywide Revenue, Revenue by Fund, Citywide Expenses, and Expenses by Fund

***Total Proposed FY 2012 Revenue Over (Under) Expenses***

- Proposed Total Revenue       \$93,681,766
- Proposed Total Expenses       \$99,589,543
- Proposed Total Revenues  
Over (Under) Expenses       (\$5,907,777)
- Mr. Doyon reviewed graphs of General Fund Undesignated Fund Balance, General Fund Revenues and General Fund Expenses

***Commission Budget Priorities*** (Retreat January 24, 2011)

- Electric City Power
- Animal Shelter
- Natatorium
- Staffing Levels in Police and Fire
- Minimize New or Expanded Programs
- Begin Process of Long-Range Capital Planning

***Commission Priority - Electric City Power***

- Status
  - City filed a Declaratory Action with District Court on March 16, 2011.
  - Court to review City/ECP's contractual requirements.
- Budget Impact
  - Litigation requires significant legal and city manager time.
  - Significant Rate Increase for various City departments.
- Recommendation
  - Add civil attorney to provide support to city attorney, city departments, and city manager's office (\$84,504).
  - Add part-time Paralegal to assist with litigation preparation and research (\$20,500).
  - Retain consultant on part time basis to manage ECP.

***Commission Priority - Animal Shelter***

- Status
  - RFP process demonstrated little savings with outside shelter management.
  - City was unable to secure a third party manager.
  - Over \$65,000 in shelter improvements were completed this fiscal year.
- Budget Impact
  - Shelter will continue to be operated by the City for the immediate future.
- Recommendations
  - City Manager's Office will supervise shelter staff.
  - Police will continue managing ACO program.
  - City will actively seek strategic partnerships with non profit groups
  - Add part time Volunteer Coordinator - \$24,190
  - Utilize Thorndike Trust for shelter improvements including air exchange system \$25,000 and kennel improvements \$7,800.

### ***Commission Priority - Natatorium***

- Status
  - Extensive engineering study was conducted. City is awaiting a revised report to address groundwater penetration.
  - Study identified significant maintenance and capital needs.
- Budget Impact
  - Pool continues to require significant general fund subsidy to operate.
- Recommendations
  - Continue to operate with available funds
  - Reduce hours of operation during off peak usage.
  - Seek public support to bond critical facility repairs

### ***Commission Priority - Public Safety Staffing***

- Status
  - Departments staffing requests
    - **Police:** Goal 90 – Currently 85
    - **Fire :** Goal 76 – Currently 61
  - GFFR submitted a SAFER grant for additional 8 Firefighters
    - Grant covers 2 years, no equipment.
  - GFPD received a COPS grant to hire 4 officers in 2011
    - Grant funded position for 3 years - \$837,148
    - City required to retain positions for 1 year
    - Impact on budget in 4<sup>th</sup> year is projected to be \$225,401
      - City funding commences around July 1, 2013
  - School funding for portion of SRO
- Budget Impact
  - SAFER Grant Requirement full funding after 2 years \$580,000
  - Equipment cost for equipping FF \$18,000
  - Retaining COPS grant officers in FY2014 \$225,401
  - Additional Funding for SRO \$3,700
- Recommendations
  - Commission has committed to keeping four officers.
  - Revisit Public Safety Levy
  - Reduce General Fund Subsidies
    - Set subsidy amounts by policy
    - Determine funding for P&R funds that will not be self-sustaining
    - Charge adequate fees for funds that should be self sustaining
    - Don't expand service or programs
  - Retain SRO Officer in school - \$3,700
    - *Review annually*

### ***Commission Priority - Minimize New or Expanded Programs***

- Status
  - Volunteer Coordinator at the Animal Shelter
  - Storm Drain Compliance Technician
    - EPA Compliance – Paid with Storm Drain fund

- New World Software Update

### ***Commission Priority - Long Range Capital Planning***

- Status
  - Court Space and Security Needs – alternative location unknown.
  - Additional Fire Station – driven by response time needs, loss ratios and new development.
  - New Police Station – potential to combine Court and address records, evidence and space needs.
  - Civic Center Façade Rehabilitation – Extensive engineering review recently performed - \$4,000,000.
- Budget Impact
  - Court Space and Security Needs – minor renovations will be completed in FY2012.
    - Future needs/costs unknown
  - New Police Station – total costs unknown.
  - Civic Center Façade Rehabilitation – \$4,000,000
- Recommendation
  - Conduct feasibility study for Public Safety Building, which will include City Court.
  - Civic Center Façade Rehabilitation – significant restoration required.
- Capital Expenditures by Category
- Fee Increases
- Electric City Power
  - Commission will adjust rates in July to meet Ordinance 2925 with a modest loss recovery component on former Block 1 & 2 customers.
- Sanitation Fund
  - Convenience Center
    - Keep open or close?
  - Residential 5% increase
  - Commercial 5% increase
- Building Permit Fees
  - Proposal forthcoming (20%)
  - No general fund subsidy
  - Water
  - 5% increase
- Sewer
  - 7.5% increase
- Street Assessment
  - Recommended 0% increase
  - Scheduled 2011
    - \$1,180,000 to be Sub Contracted
  - \$3.8 Million in Cash as of today.

*Next Steps*

- Optional budget discussion with departments at the July 5<sup>th</sup> Work Session.
- July 5<sup>th</sup>
  - Scheduling - Budget Hearing
  - Scheduling - Building Permit Hearing
  - Scheduling - Inflationary Rate Hearing (if taken)
- July 19<sup>th</sup>
  - Budget Hearing
  - Building Permit Hearing
- August
  - Mill Levy

The Commission will have an opportunity to digest this information, and review the fiscal year 2012 proposed budget detail prior to another budget work session scheduled for July 5, 2011.

The proposed budget will be posted on the City's web site tomorrow, June 30, 2011.

**ADJOURN**

There being no further discussion, Mayor Winters adjourned the work session of June 29, 2011, at 6:42 p.m.