

WALLA WALLA CITY COUNCIL
Work Session Minutes
October 26, 2015

1. CALL TO ORDER

Mayor Cummins called the meeting to order at 4:00 p.m.

Present: Councilmembers Barbara Clark, Dick Morgan, Chris Plucker, Allen Pomraning and Mayor Jerry Cummins

Absent: Councilmembers Jim Barrow and Mary Lou Jenkins.

City staff in attendance: City Manager Nabel Shawa, Deputy City Manager Tim McCarty, Finance Director Jean Teasdale, Development Services Director Elizabeth Chamberlain, Communications Manager David Brauhn, and City Clerk Kammy Hill.

2. ACTIVE AGENDA

City Manager Shawa introduced David Brauhn, Communications Manager, to the City Council.

- A. 2015-2016 Mid-biennium general fund and streets budget review and modification.

City Manager Shawa reported this is the mid-biennium budget update for the general and street funds. These updates have been reviewed by the Finance Committee. The utility funds are scheduled for review at the November 9 Work Session.

Finance Director Teasdale reviewed:

- City's Mission, Vision and Values.
- Major funds in the City budget.
- Strategic plan.
- General fund administrative services.
- General fund citizen services.
- General fund expenses and revenues as percentage of the budget.
- General property tax levy trend.
- External utility tax revenue trend.
- General sales tax trend.
- 2006 through 2014 general fund revenue and expense trend.
- 2015-2016 proposed expenditure budget modifications:

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- Backfill for school resource officer funding eliminated by the school district.
- Hire an additional police officer in 2015.
- Replace a half-time public services specialist position at the library with a full-time reference librarian.
- Liability insurance increase of \$58,000.
- Increase in annual maintenance costs of \$90,100 for upgrading the records management and reporting system for the Police Department.
- \$100,000 increase in court appointed indigent defense.
- \$50,000 City comprehensive plan update.
- \$100,000 for traffic planning.
- Increase in street funding.
- Set aside \$200,000 for purchase of a fire truck.
- \$100,000 towards local match for the Mill Creek channel study.
- Maintain a fifteen percent fund balance, a AA bond rating, and pursue economic development activities.
- Proposed 2015-2016 revenue modifications:
 - 2016 sales tax increase by two percent from 2015 - \$185,000.
 - Property tax increase: Assumes a one percent increase of \$54,444 based on a super-majority vote of Council; along with increases for annexations (\$1,000) and increase in property values and new construction (\$69,905).
 - Increase in liquor excise taxes of \$86,050.
 - Decrease in revenue for fire inspections of \$141,000.
 - Increase in funding from other governmental agencies for law enforcement records management system (pass-through) of \$103,780.
 - Increase in building permit fees of \$100,000 for 2015 and \$125,000 for 2016.
- Estimated ending fund balance for 2015 is \$4,419,334 (16.8 percent); for 2016 it is \$4,057,470 (14.7 percent).
- Continuing unresolved general fund challenges include:
 - Over 30 aging bridges with no financial plan for repair or replacement.
 - Sidewalks.
 - Fire inspection of commercial buildings.
 - Fire truck.
 - City Hall structural issues: fire, seismic, HVAC.

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- Swimming pool operating expenses.
- Upgrading the City's comprehensive plan.
- Street trees.
- Backfill of numerous positions eliminated in 2011-2012 budget.
- Code enforcement issues.
- Street fund budget, projects and continuing challenges.

Development Services Director Chamberlain reviewed the need and approach for the statutorily required Comprehensive Plan update and development of a traffic plan over the next two years. Total estimated cost is approximately \$300,000.

There was discussion on:

- Need for additional police officers and strategies to fight the rise in violence.
- Comprehensive plan and development of a transportation plan. The transportation plan will be coordinated with all adjacent jurisdictions.
- Matching funds for Mill Creek channel study if funding is approved in the President's budget.
- Funding for a public bathroom in the downtown area year-round.
- Impact on City's bond rating if the ending fund balance is reduced and whether Council should update its current policy of having a minimum five percent ending fund balance.

3. OTHER BUSINESS

No other business was discussed.

4. ADJOURNMENT

There being no further business, the meeting adjourned at 5:08 p.m.