

MINUTES

**McCall City Council
Special Meeting
Legion Hall - McCall City Hall (Lower Level)
July 13, 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 9:10 a.m. Council Member Aymon, Mayor Bailey and Council Member Scott, and Council Member Witte answered roll call. Council Member Swanson was absent.

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; David Simmonds, Information Systems Manager; Anne Kantola, Library Director; and BessieJo Wagner, City Clerk.

FY13 BUDGET WORK SESSION

FY13 Budget Work Session

Lindley Kirkpatrick, City Manager, opened the meeting by stating that the purpose of the work session was to review and adopt the FY13 Tentative Budget. He also stated that the final budget could be smaller than the adopted Tentative Budget, but could not be larger.

Personnel costs

Mr. Kirkpatrick updated Council on what the proposed FY13 reflected in personnel costs stating that there would be no market adjustment in FY13, and a recommended 2% market adjustment in FY14. He also stated that up to a 3% merit increase would be available in FY13 & FY14. Mr. Kirkpatrick stated that the Health Insurance Renewal would be 7.6% and 1/3 of the increase for dependent care would be paid by the employee, 1/3 paid through the general fund, and 1/3 paid with health costs savings from fund balance.

Council reviewed the following departments' budget for FY13 with each Department Head.

Airport Fund	Community Development
Golf Fund	Police
Mayor and Council	Grants
Information Systems	Library Fund

City Manager
Administrative Costs
Finance
City Clerk

Recreation Fund
Streets/Public Works Fund
Water Fund
Sewer Fund

Council Member Swanson joined the meeting at 11:58 a.m.

Dispatch costs

Chief Summers gave a brief overview of the costs related to 911 dispatches and what was mandated to the County to maintain. Council reviewed correspondence from Valley County regarding the costs of 911 Dispatch.

Public Comment

The Mayor called for public comment on the proposed Tentative Budget.

Hearing none Mayor Bailey closed the public comment.

FY13 Local Option Tax

After a detailed review of the Local Option Tax Commission recommendations for FY13 the Council developed an amended list of projects to be funded. Council had much discussion on whether to fund the direct cost of administering LOT with LOT funds or continue to cover those costs with property tax funds. The Council's general consensus was to fund a small portion of the direct costs and requested that the Clerk supply a more accurate accounting of the true costs of administering LOT for the FY14 budget for consideration. There was a general consensus from the Council on the projects to be funded.

Property Taxes

The Council discussed the FY13 estimated levy rate at the 3% increase and foregone amount. The Council weighed the possible impact of the proposed property tax increase on the estimated levy rate.

Council Member Aymon suggested taking the foregone amount for streets.

Council Member Witte was not interested in taking any foregone amount. She suggested using the health costs savings be used for 2/3 of the health increase, and then use that savings to cover chip sealing.

Mayor Bailey suggested taking \$33,000 of the foregone for chip sealing.

The Council took a break from 2:08 p.m. to 2:26 p.m.

City Council Deliberation

The Council continued their deliberations of the FY13 Tentative Budget. There was some discussion regarding the funds for the employee holiday party. Mr. Kirkpatrick stated that some of those funds were redirected into the employee recognition line in each department. The Council was concerned that staff would not have the opportunity to all be together and Mr.

Kirkpatrick stated that they could still get together, however the funding for that gathering would be different and possibly the venue. He also stated that each department head would be encouraged to recognize their staff in some way throughout the year.

The Council resumed their discussion regarding the foregone amount and the costs for chip sealing. Council also discussed the importance of vehicle replacement in the Police department and was it necessary to replace 2 vehicles a year. Chief Summers reiterated the need of having a set replacement schedule that would assure that the vehicles were reliable and up-to-date. He also clarified that the Police Department had not purchased any vehicles in two years and now they were playing catch-up. The Council recognized the need for public safety.

After much discussion Chief Summers suggested that they reduce the Police budget by one car and redirect that money to chip sealing, and make a provision that if there would be sufficient savings in the overall general fund at the end of FY13, those funds would be used to purchase the second police vehicle.

Adopt FY13 Tentative Budget

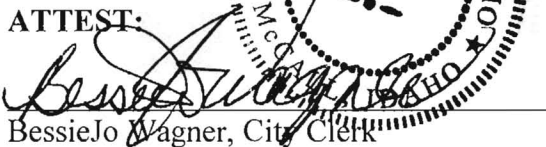
Council concluded their FY13 tentative budget discussion with the conclusion that the FY13 tentative budget would reflect the 3% increase in property tax but not the foregone amount.

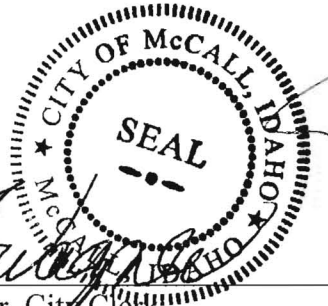
Council Member Witte moved to adopt the FY13 Tentative Budget in the amount of \$17,173,530. Council Member Scott seconded the motion. In a roll call vote, Council Member Witte, Council Member Scott, Mayor Bailey, Council Member Aymon, and Council Member Swanson all voted aye and the motion passed.

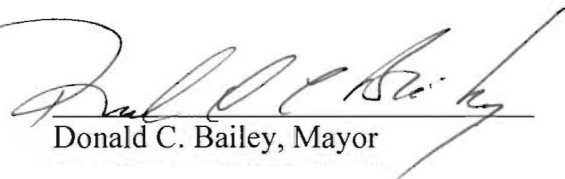
ADJOURNMENT

Without further business, Mayor Bailey adjourned the meeting at 4:00 p.m.

ATTEST:


BessieJo Wagner, City Clerk




Donald C. Bailey, Mayor