

CITY COUNCIL BUDGET HEARING

City Council Chambers
Wednesday, December 1, 1971

The meeting was called to order at 7:00 P.M. by Deputy Mayor John Jarstad.

Present on roll call - 5: Egan, Nalley, Schroeder, Sonntag and Deputy Mayor Jarstad. Absent - 4: Herrmann, Maule, Moss and Mayor Johnston.

A brief report on the National League of Cities 48th Annual Congress of Cities recently held in Honolulu, Hawaii was given by Deputy Mayor Jarstad and Mr. Schroeder.

Deputy Mayor Jarstad announced that this is the first meeting on the hearing on the budget for 1972. By law the hearings must start December 1st.

Mr. Donaldson, City Manager, reported that the budget was prepared during the summer months and a preliminary budget filed with the City Clerk on the 1st of October. Copies have been available for the press and the public. He hoped that Council would keep the following points in mind while reviewing the budget:

No. 1. Salaries and Fringe Benefits: The budget shows no increase in salaries or wages other than the normal step increases built into the salary plan. The management team has been meeting with fourteen Unions representing employees of General Government and the Department of Public Utilities. Monday, December 6, he hoped to be able to make a report to Council on recommendations on any salary changes and the status of fringe benefits that would hopefully be incorporated into the budget for 1972.

No. 2. Services, Supplies and Charges: There are some increases as high as 9%. The average increase is less than 2%.

No. 3. Capital Outlay: There are one or two modest increases of almost 10% in capital outlay, but the bulk of capital outlay items are smaller than last year.

Revenue sharing isn't available now nor will it be retroactive. The budget during 1971 barely met the estimates, with no surplus. The proposed 1972 budget is a conservative one.

Mr. Donaldson further reported that the Park Board and Library Board would appear before Council on Monday, December 6. Various employee representatives would also appear December 6.

Mr. C. A. Erdahl, Director of Utilities, reported that the Utility Board has submitted a balanced budget to Council. He introduced his staff members.

Deputy Mayor Jarstad asked if anyone in the audience wished to speak. There were no citizens who had questions of the Council.

Mr. Mittelstaedt, Assistant Finance Director, reported that the budget reflects a small increase in anticipated revenue--\$775,000.00. Charts on increases and decreases in revenue will be shown next week.

Budget Hearing - Page 2 - December 1, 1971

Mr. Donaldson reported the following additional items should be considered next week.

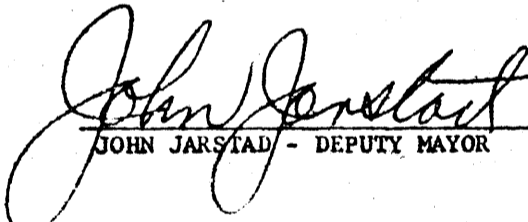
(1) Pooling funds for the Health Department. In the past the ratio has been 60% City and 40% County. Studies indicate that the ratio is incorrect. The preliminary budget shows the position taken is now 50-50.

(2) The City's 10% participating L. I. D. funds have been fully committed. Council should consider whether they wish to continue this program and the Urban Arterial program. If so, how?


(3) Another item to be considered is the obsolete equipment used by the Public Works Department. The maintenance cost is now very high. He suggested consideration be given to leasing some equipment.

Mr. Erdahl suggested that the City Council and Utility Board meet together to consider some of the proposed Legislative tax reforms and additional taxes as there is the possibility the City could lose some money. He asked that some one be appointed to work with Mr. Brenninger, a member of his staff, in keeping a close watch on the Legislature's proposed distribution of funds.

There being no further discussion, Mr. Schroeder moved to recess the meeting to Thursday, December 2, 1971 at 7:00 P.M. Seconded by Mrs. Egan. Voice vote carried. Meeting recessed at 8:25 P.M.


JOHN JARSTAD - DEPUTY MAYOR

Attest:


H. B. Bond, City Clerk