

CITY OF POLSON CITY COMMISSION PRELIMINARY BUDGET WORKSHOP MEETING

Commission Chambers

August 24, 2015

6:00 p.m.

ATTENDANCE: Mayor Heather Knutson, Commissioners Campbell, Erickson, Siler, and Southerland
City Manager Mark Shrives, City Clerk Cora Pritt

ABSENT: Commissioners Donovan and Turner

OTHERS PRESENT (who voluntarily signed in): Elsa Duford, Bonnie Manicke

CALL TO ORDER: (00:15) Mayor Knutson called the meeting to order. The Pledge of Allegiance was recited. Roll call was taken.

APPROVAL OF PROPOSED AGENDA (00:57) - Commissioner Southerland motion to approve the proposed agenda. Commissioner Campbell second. City Commission discussion: none Public comment: none **VOTE: Unanimous Motion carried**

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC **NOT ON THE AGENDA (1:24)-none**

FISCAL YEAR 2016 PRELIMINARY BUDGET WORKSHOP (1:44) -City Manager Mark Shrives and City Finance Officer Cindy Dooley presented this agenda item. Prior to the Budget Workshop beginning, City Manager Shrives introduced the new City Planner Kyle Roberts.

The following power point presentation was presented by City Finance Officer Cindy Dooley:



THE BUDGET CALENDAR

- Meet with Department Heads to formulate budget
- Develop Budget
- Meet with Department Heads to refine budget
- Hold a budget workshop with the Commission
- Hold a Preliminary Budget Hearing
- Pass Final Budget

SPECIFIC BUDGET DATES

- The DOR provides Certified Values by the 1st Monday in August to local governments
- The Preliminary Budget Hearing requires a two week advertising period prior to the hearing
- The final budget is passed by the later of:
 - 30 days from receipt of Certified Values
 - The 1st Thursday after the 1st Tuesday in September
- Special District resolutions will be passed on September 3rd

BUDGET PACKAGE

- 2015 Certified Valuation Information (DOR)
- MCA 15-10-420 Tax Levy Calculation
- Permissive Medical Levy Calculation
- Permissive Levy Options
- Revenues Compared with Expenditures (Cash Reserve Report)
- Detailed Revenue Report – all funds
- Detailed Expenditure Report – all funds
- Preliminary Budget presented by line item
- Final Budget passed at the Fund level

TAX REVENUES

City of Polson Mill Levy History

Year	Total Market Value	Total Taxable Value	Millage Rate
2007-2008	7,235,440	7,985,000	11.8%
2008-2009	7,800,000	8,300,000	11.8%
2009-2010	8,484,197	8,700,000	11.8%
2010-2011	8,750,000	8,700,000	11.8%
2011-2012	8,987,261	8,700,000	11.8%
2012-2013	9,247,000	8,700,000	11.8%
2013-2014	9,411,000	8,700,000	11.8%
2014-2015	9,700,000	8,700,000	11.8%
2015-2016	9,898,000	8,700,000	11.8%

TAXABLE VALUE ISSUES

	2014	2015
Total Market Value	411,606,950	601,583,737
Total Taxable Value (T.V.)	10,114,730	8,898,026
T.V. of Newly Taxable Property	305,061	17,071
T.V. Less Incremental Value	9,795,099	8,770,665
TIF Increment (Growth)	319,631	127,361

- 2015 is a Reappraisal Year – going to a 2 year vs. 6 year cycle
- DOR says land values have dropped over 50% in Lake County
- DOR says improvements values have gone up
- **KRMC has not been appraised yet by DOR:**
 - Could add about \$79,000 in Taxable Value
 - Would translate to about \$10,000 in additional tax for G.F.

PERMISSIVE LEVY CALCULATION

- Maximum Mills = 14.91 for FY16
- Levied 9.5 mills in FY15 raised \$93,053
- 9.5 mills in FY16 would decrease amount \$9,728
- Each mill worth \$9,795 in FY15
- Each mill worth \$8,771 in FY16



INDIRECT COST ALLOCATION

- Indirect Costs are costs that are not directly accountable to a particular cost center or function
- GFOA best practice method:
 - Step 1 – determine costs to allocate
 - Step 2 – determine basis for allocation percentage
 - Step 3 – allocate costs by percentage



SALARY INFORMATION

- Salary Report for FY16
- Police Schedule Handout
 - Steps – Years of Service
 - Lanes – Experience/Training Hours
- COLA (Cost of Living)
 - Between 1.5% and 3.0%

GENERAL GOVERNMENT HIGHLIGHTS

GENERAL FUND

- REVENUES:

- Taxes = \$1,318,577

- Intergovernmental Revenues less Rural Fire
Interlocal revenue

- Entitlement Share Increase = \$15,785

- Court Fines uncollectible approx \$326,467

- EXPENDITURES:

- Capital Projects

- New Flooring for City Hall

- PA System for Council Chambers

PUBLIC SAFETY DEPARTMENTS

POLICE DEPARTMENT

- GENERAL FUND BUDGET =
\$1,183,230

- LEVY FUND REVENUE BUDGET
= \$187,707

- LEVY FUND EXPENDITURE
BUDGET = \$219,354

FIRE DEPARTMENT

- EXPENDITURE BUDGET = \$224,000
- PURCHASE VEHICLE FROM IMPACT FEE FUND = \$58,000

PLANNING DEPARTMENT

- EXPENDITURE BUDGET = \$99,018
- DEVELOPMENT CODE EXTRA \$2,000
- GROWTH POLICY UPDATE APPROX \$5,000 TO FINISH

BUILDING DEPARTMENT

- FUND 2394
- REVENUE BUDGET = \$85,500
- EXPENDITURE BUDGET = \$72,552

PUBLIC WORKS

STREET DEPARTMENT

- GENERAL FUND BUDGET = \$319,359
- PURCHASE F550
- GAS TAX REVENUE BUDGET = \$99,968
- GAS TAX EXPENDITURE BUDGET = \$107,670

WATER & SEWER DEPARTMENT

- CONTINUATION OF WELL PROJECT IN FY16 FOR WATER FUND
- ENGINEERING COSTS ON UPCOMING PROJECTS
- WASTEWATER TREATMENT PLANT COSTS

CULTURE & RECREATION

PARKS DEPARTMENT

- GENERAL FUND BUDGET = \$187,000
- SALISH POINT FUND KIOSK
- INTERPRETIVE SIGN PROJECT FINISHING

GOLF DEPARTMENT

- GOLF CART STORAGE CONTINUING
- GOLF IRRIGATION PROJECT RE-BID
- LOAN PACKAGE

Adjourn. (02:11:41) Commissioner Campbell motion to adjourn. Commissioner Donovan second.
Commission discussion: none Public Comment: none **VOTE: Unanimous Motion carried.**

ADJOURN: 8:12 p.m.

Heather Knutson, Mayor

ATTEST: _____

Cora E. Pritt, City Clerk