

CITY OF MCCLEARY
Regular City Council Meeting
Wednesday, December 4, 2013

ROLL CALL AND FLAG SALUTE	Councilmember's Schiller, Reed, Ator, Catterlin and Peterson.
ABSENT	Mayor Dent was absent. Mayor Pro Tem Ator Chaired the meeting.
STAFF PRESENT	Present at the meeting were Wendy Collins, George Crumb, Paul Nott, John Graham, Randy Bunch, Christiane Mercer, Colin Mercer, Todd Baun and Dan Glenn.
MAYOR'S COMMENTS	Mayor Dent addressed the Council and community by speakerphone. He apologized for missing the meeting again but wanted to inform the Council he is suffering from cancer and is still controlling the government from the administrative side. His memo states he will not cut anything he won't have to. Wendy and George are working as his agents and can be contacted. He is not threatening to close down the police department. He wants everyone to try to relax and have a good meeting tonight. He wished everyone a good meeting.
PUBLIC COMMENT	<p>Helen Lake said she is upset the City didn't know they were in trouble. She questioned the property purchases and the police vehicle purchases. Helen Lake read from a page-long list of questions she prepared. Because the list contained items requiring research, Wendy Collins asked her for a copy of her list so she could research the questions and call her when she is prepared with responses.</p> <p>Megan Wilkerson stated her concerns over a memo Mayor Dent wrote that made drastic statements about closing the library and museum if the levy fails. She wanted to know if those things will really happen. Wendy Collins responded stating the Mayor put out another memo addressing some of her concerns. Dan Glenn explained one of the options for financial relief would be a levy lift and explained the process. Councilmember Catterlin added that he was informed a levy lift is only good for one year and would cost approximately \$1.48 per \$1000. He also commented that nobody wants to close the library or the police department. He believes it's important the community knows what's going on and that we have to look down the road. He feels we need to find what level of service would be offered and at what cost, before making any decisions.</p> <p>Steven Friederich, Editor of the Vidette, stated he was bothered by the Mayor's comment in his last memo about dismantling the police department. He thinks it is ridiculous that the Mayor was not present at the meeting to answer questions.</p> <p>Councilmember Schiller commented that he has been asking what would police contracting for services cost and has not had any response. He has not received any facts about contracting services and the cost for running a levy. Councilmember Catterlin agreed that they wanted to know the contracting cost before asking for a levy.</p>
MINUTES APPROVED	It was moved by Councilmember Catterlin, seconded by Councilmember Peterson to approve the minutes from the November 13, 2013 and November 20, 2013 meetings. Motion Carried 4-0.
CITY ATTORNEY REPORT	Dan Glenn shared his appreciation for MRSC and their support. He briefly described the services they provide. Councilman Catterlin has also found them very helpful.
DIRECTOR OF PUBLIC WORKS REPORT	None.
JANITORIAL CONTRACT	The Council agreed to have staff put the janitorial cost back in the budget and disperse it fairly throughout the funds and not just in current expense.
2014 BUDGET DISCUSSION	Councilman Catterlin explained the budget process and how if one fund goes bankrupt, the whole city goes bankrupt. He said that is why they are very concerned about current/expense. Dan Glenn explained the process of how a city looks for solutions to bring a fund in the red back into the black and avoid bankruptcy. Interfund loans can be made but have to be paid back with interest. City's work hard to find alternatives in salvaging a depleting fund.

Councilman Schiller asked what Dan Glenn considers a surplus. Mr. Glenn responded it is dependent on what is needed in the foreseeable future. Mr. Schiller asked if it is a judgment call and Councilman Catterlin stated he does not know how you could know what is ahead as a foreseeable need. In his opinion, the reserve fund is for capital improvements and emergencies. He added that a fund isn't being managed very well if it has to pull from the reserve account for normal daily operating expenses.

Terry Franklin asked if the line for other utility taxes were from the city utilities and it was affirmed they are. She believes the utility taxes are too high. She made additional comments regarding the high wages of the union employees, especially light and power. She said the City employees are not feeling the pain of other companies like the Simpson Mill. Councilmember Schiller stated the Council does not have the privilege to negotiate union contracts.

Helen Lake stated there are a lot of people losing their jobs

Councilmember Schiller added that this is a bandaid for the 2014 budget. We will still have the same issue for 2015.

The Museum utilities will no longer be paid by the city. The original contract did not include the utilities. Mayor Dent took office, he was approached by Elsie Franklin about the City paying for the utilities because they were struggling. This was a verbal agreement and did not change the original contract. Mayor Dent had to include the cut because it is covered by current expense and two employees were losing their jobs over the state of the fund and another employee is having a stipend cut. Councilman Catterlin spoke to Mr. Carnell and he said if the museum closes, the house would go back to the Carnell family. He added that Tammy Antilla commented they may have to close the museum anyway because they can't find enough volunteers.

Councilman Catterlin asked Wendy Collins if the transfers in to current expense were changed. They now reflect \$55,000 will be transferred from both current expense reserve fund and light and power. Previously, all \$110,00 was budgeted to come out of the current expense reserve fund. Wendy Collins responded by stating the Mayor had originally budgeted \$120,000 to be transferred from light and power to the current expense fund for 2013. This transfer has not been made and may not be needed for the current year. Due to this fact, the Mayor decided to drop the amount of transfer from the current expense reserve fund for 2014 from the original amount in an effort to help sustain the reserve fund.

Councilman Schiller is frustrated over the transfers for the past four years. He also is upset over the purchasing of two police cars last year. He reminded the council the transfers have been budgeted the past few years just to stay afloat. John Graham stated the two cars that were replaced had over 150,000 miles on them and they were originally used sheriff cars. Sergeant Graham did some research and discovered only five police cars have been purchased in the last thirty years.

Chris Mercer asked if the cuts in the budget were to cut one police officer, the police clerk and cut the building official down to 8 hours to be able to balance the budget. The Council agreed. It was also stated the museum utilities were being cut. Helen Lake added the building official hours did not affect Colin's eight hours for his regular job, it only affected the out of class hours he receives for acting building official.

LEMAY CONTRACT

Dan Glenn confirmed the rates will go into affect on February 1, 2015. The item was tabled until the next meeting for Council's review. The City has to publish the rates to give appropriate notice to the residents.

APPROVAL OF VOUCHERS

Accounts Payable vouchers/checks approved were 37273 - 37314 including EFT's in the amount of \$77,157.91

It was moved by Councilmember Reed, seconded by Councilmember Peterson to approve the vouchers. Motion Carried 4-0.

PUBLIC COMMENT

Helen Lake asked if the employees took one day off without pay, would that help? Wendy Collins replied it would be minimal because the majority of the employees are spread out throughout the funds and the employees that would come of current expense, where we are short, are police employees, court and very little from other employees. The other funds are not in jeopardy.

EXECUTIVE SESSION

At 7:57 PM, it was moved by Councilman Schiller, seconded by Councilmember Peterson to go into an executive session to discuss potential litigation for 15 minutes per RCW 42.30.110.

The executive session ended at 8:07 PM. No action was taken.

Jeff Catterlin wanted to acknowledge thanks to Wendy Collins for her outstanding job. A lot has fallen on her shoulders. He has dropped in on her a number of times and she's always been helpful. Brent Schiller stated this fix this year is only a band aid and will not correct the deficit. We need to start working on permanent fixes. Wendy Collins stated we need to promote future business in the City.

Councilman Schiller stated this is a community of 1500 people. When infrastructure goes bad, how does 1500 people pay union contract wages to change a water line. We have to raise utility rates to pay for those fixes and it falls on the residents.

MEETING RECESSED

It was moved by Councilmember Catterlin, seconded by Councilmember Schiller to recess the meeting at 8:15 PM. The next meeting will be December 11, 2013 at 7:00 PM. Motion Carried 4-0.