



City of Olympia

City Hall
601 4th Avenue E
Olympia, WA 98501

Meeting Minutes - Draft City Council

Information: 360.753.8447

Tuesday, September 9, 2014

5:30 PM

Room 207

Special Study Session

1. ROLL CALL

Mayor Buxbaum called the meeting to order at 5:30 p.m.

Present: 7 - Mayor Stephen H. Buxbaum, Mayor Pro Tem Nathaniel Jones, Councilmember Jim Cooper, Councilmember Julie Hankins, Councilmember Steve Langer, Councilmember Jeannine Roe and Councilmember Cheryl Selby

2. STUDY SESSION ITEM

2.A 14-0862 2015 Proposed Budget Critical Needs and Programs at Risk

City Manager Steve Hall provided an overview of the 2015 budget critical needs. He noted the budget has not yet been balanced. However, while cuts may be avoided, any enhancements or additions to the City budget are unlikely and some programs are at risk.

Administrative Services Director Jane Kirkemo provided an overview of the major cost drivers that affect the City budget in 2015 and beyond. Those include employee pension cost increases, increases for indigent defense, and costs related to the Affordable Care Act.

Mr. Hall discussed the status of City revenues and said most City revenue sources are flat or in some cases unsustainable. For example, utility taxes have been declining over the years as are taxes on cable television.

Because the City's budget costs continue to grow at the rate of four percent a year, Mr. Hall indicated a number of programs and services that would probably not see funding in 2015. Those include Artesian Commons maintenance, fire equipment replacement, hazard tree maintenance, information technology system development, jail medical costs, law enforcement records management, Olympia Center and parks security, parks maintenance, sidewalk repairs, and summer night police patrols.

Mr. Hall also previewed a number of critical needs received from City departments that are unlikely to be funded in the 2015 budget.

Finally, Mr. Hall provided an overview of programs and services at risk. These range from the City's support to special events to reduced maintenance in all areas of operations from parks to roads to buildings. He indicated the only services immune from cuts in the future would be those that are revenue supported such as utility programs, parking and recreation fee supported programs.

Councilmembers made a number of comments that included the following:

- Perhaps police and fire should be exempt from cuts.
- Revenues take a long time to develop. We should begin talking now about revenue sources that might be available two and three years from now.
- There is an education challenge among the voters understanding the complexity of the City's budget.
- There is a need for comprehensive information technology plan so we can understand what our needs are in this area.
- The City should bring in new businesses to grow the base of our local economy.
- More attention is needed to operations and maintenance indirect cost calculation to better represent the true cost of providing City services.

The work session was completed.

3. ADJOURNMENT

The meeting adjourned at 6:35 p.m.