

CITY COUNCIL WORK SESSION

Budget Review

Thursday, June 3, 2004 - 6:30 p.m.

Conference Room A

City Council Present: Mayor Sirrell, Assistant Mayor Hanson, Councilors Grasso, Ferrini, Marchand, Pantelakos, Hynes, Raynolds and Whitehouse

Officials Present: John P. Bohenko, City Manager; Judie Belanger, Acting Finance Director; Dianna Fogarty, Human Resources Director; Gail Cunningham, Enterprise Accountant; Andrew Purgiel, City Auditor; Cindy Hayden, Deputy City Manager; Steve Parkinson, Public Works Director; Rus Wilson, Recreation Director; Robert Sullivan, City Attorney; Lyonel Tracy, Superintendent; Maryann List, Library Director; Michael Magnant, Police Chief; Peter Torrey, Business Administrator; Robert Lister, Assistant Superintendent; Christopher LeClaire, Fire Chief; David Allen, Deputy Public Works Director; John Burke, Parking & Transportation Director; Jack Kelley, Police Commissioner; John Lyons, School Board member; and Kelli L. Barnaby, City Clerk

I. Call to Order

Mayor Sirrell called the meeting to order at 6:30 p.m.

II. Budget Options – John P. Bohenko, City Manager

City Manager Bohenko advised the City Council that the State Legislature voted to pass Senate Bill 302, which made us a donor community again. Therefore, we will be required to send \$1.1 million to the State which equals \$.59 on the tax rate. He reported that he has two options available for the City Council to consider. He reviewed Option A, which would reduce the tax rate by \$.7 cents and decreases the departmental operating budgets by .5% in addition to reductions in other areas. He discussed Option B that would reduce the tax rate by \$.17 cents and decreases departmental operating budgets by 1% in addition to reductions in other areas. He also reviewed revenue enhancements in the parking area. He said he would like to move forward with the revenue enhancements and hold first reading on the ordinance changes at the June 8, 2004 City Council meeting with a public hearing and second reading at the June 21, 2004 meeting. The tax rate would be \$17.67 with a \$.7 cent reduction and \$17.57 with the \$.17 cent reduction.

Councilor Grasso said that she would not support the meter rate increases but is in favor of raising the garage rates and parking fines.

Councilor Whitehouse said he would like to see departmental operating budgets reduced by 1.5%. He spoke against increasing the meter rates and fines. He referred to a letter sent by downtown business owner Steve Alie suggesting increasing the hours of meter enforcement.

Councilor Ferrini said he is in favor of Option B, however he would like to know the effect that would have on the departments.

Councilor Reynolds spoke in favor of Option B and the revenue enhancements.

Assistant Mayor Hanson said we need to look at the revenue side, which reduces the tax rate by \$.34 cents. He said he is against raising the parking garage rates.

Councilor Marchand said that the parking garage rates should remain lower than the parking meter rates. He spoke in favor of increasing the hours of meter enforcement as previously discussed by Councilor Whitehouse.

Councilor Pantelakos suggested increasing the parking violation from \$5.00 to \$15.00 and said that she is in favor of Option B.

Councilor Hynes spoke in favor of extending the hours of enforcement and suggested creating a four hour limit on meters in the evening and weekends. He also supports the \$15.00 fee for a parking violation.

Councilor Grasso expressed concern with extending the hours too late in the evening. She said that it would cause difficulties with people trying to see a show and having to run out and feed the meter.

The City Council said they would like to know how these reductions would effect departments and asked various individuals to respond.

Police Commissioner Kelley said he would need to discuss this matter further with the Police Commission and Chief. He said it is important that we do not jeopardize public safety, but they would do their best to cooperate with the City Council. Police Chief Magnant said that the .5% reduction is possible without effecting services but the 1% may cause a reduction in officers.

Fire Chief LeClaire said he would like to discuss these issues with the Fire Commission. He said that it would be difficult to maintain the 14 firefighters at night and the 1% reduction would mean a reduction in part-time employees in the maintenance and fire alarm areas.

Superintendent Tracy said that each department has been responsible when preparing their budgets and it will be difficult to maintain services with another reduction. He reported that Option A would have a serious effect but Option B would be devastating for the schools.

City Manager Bohenko reported on the municipal side and said he would keep 4 positions open for 6 months and trim back the snow removal account as well as other areas. He said Option A will have a minimum impact but Option B would cause some reduction in staff. He advised the City Council that he has instituted a hiring freeze until after the budget is passed.

Parking and Transportation Director Burke advised the City Council that he would like to study the suggestions made by the City Council in terms of parking changes and report back.

Councilor Whitehouse recommended creating resident stickers for the Parrott Avenue and Junkins Avenue lots at a cost of \$50.00 per decal.

Mayor Sirrell said she wants to see a reduction in the tax rate.

The City Council agreed to have City Manager Bohenko bring back the ordinance with amendments to the parking for the June 8, 2004 City Council meeting. The City Council requested that the City Manager provide a breakdown of the impacts on departments with a .5% reduction and a 1% reduction.

The City Council requested to hold a Final Budget Review Work Session on Tuesday, June 22, 2004 at 6:30 p.m. in Conference Room A and a Special City Council meeting on Monday, June 28, 2004 to adopt the budget.

At 8:20 p.m., Mayor Sirrell closed the meeting.

Respectfully submitted by:

Kelli L. Barnaby, City Clerk