

**CITY OF KALAMA  
CITY COUNCIL WORKSHOP  
NOVEMBER 21, 2007**

**2008 PROPOSED BUDGET**

Mayor Pete Poulsen opened the meeting at 6:00 pm. Councilmembers present were Adam Smee, Dominic Ciancibelli, Chuck Hutchinson, Don Purvis, and Bud Gish. City staff present were Police Chief Bruce Hall and Clerk/Treasurer Coni McMaster. Members in the audience are listed on the sign-in sheet.

Clerk/Treasurer Coni McMaster reviewed the changes that had been incorporated into the draft budget. These included additional revenues from the proposed rate increases and increases to expenditures for liability insurance, police department wages, and various equipment. The budget has been balanced, but some of the funds will use a portion of the carryover from 2007 to cover the 2008 expenses. In reviewing the carryovers to 2008, the water reserve fund will have a hefty reserve of \$800,000. The ways to use this reserve to best serve the citizens have been discussed.

Mayor Poulsen explained that he would like to see a portion of the reserve used to pay off some of the outstanding debt, as well as complete the proposed projects. This could save approximately \$50,000 in interest and possibly offset a proposed future rate increases. Paying off \$300,000 in principal on the 1-million gallon reservoir loan would allow the loan to be paid off in 4 years instead of 10. The City would also pay off the Cloverdale reservoir loan for approximately \$80,000. There would still be funds left at the end of 2008 to use for future projects and funding matches. The Council felt that paying down debt would be responsible and asked that these additional loan payments be included in the budget.

The requests for tourism funds were discussed. There have been several requests from Chamber supported events and a request to fund the Awesome Brochure. The Days of Discovery event was discussed but no specific request for funding had been received. The third annual event was held in August and appeared to be successful. Mayor Poulsen noted that the City has an accounting of what the City put toward the event and the revenues that were received directly to the City. However, he has concerns since a full accounting of all the funding and expenditures has not been provided by the other promoters. If the City is to sponsor the event, it needs to have a full accounting. There was some discussion of the City taking over the full organization of the event in order to be able to account for the funds. The Council was not supportive of the City taking on the operation of the event. There were also concerns that the event being held over along the river does not allow for the support of the downtown businesses, which was part of why the event was started. The Chamber started a new Festival of the West in 2007 which was successful in spite of having one day rained out. They have requested the City support this event. It was noted that Kalama needs to hold on to their Hawaiian/Native roots as it makes Kalama unique. It was suggested that the City needs to set out a criteria or policy that events need to follow in order to obtain City funds and support. The Council agreed to include \$7000 in the budget for tourism projects. Of this amount \$300 was designated to the annual car show, \$300 to the Saturday Market, \$600 to the Festival of the West and \$800 to the Chamber for their rack cards. The rest of the funds would be distributed upon requests received during 2008.

## **ADJOURNMENT**

Mayor Poulsen adjourned the meeting at 6:58 p.m. These minutes are not verbatim. A copy of the tape can be made available for listening.

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**Pete Poulsen - Mayor**

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**Coni McMaster - Clerk/Treasurer**