

**Mount Vernon City Council  
Finance Committee  
Minutes  
October 26, 2016**

Present: Councilmembers Fiedler, Hulst, Hudson, Lindquist, Molenaar, Quam, Ragan and Mayor Boudreau

Staff present: Alicia Huschka, Kevin Rogerson, Bill King, Chief Dodd, Gary Duranceau, James Wepler, Peter Donovan, Chief Brice, Kandy Bartlett, Brian Soneda, and Kim Kleppe

- 1) Minutes from October 12 and 19, 2016 were approved.
- 2) Budget Update: The Committee reviewed the following departments 2017 Preliminary Budgets:
  - a) Council: This budget has an increase of 1.5% compared to the 2016 adopted budget primarily due to an increase in the legal publishing budget.
  - b) Mayor: This budget has an increase of 3.2%, the majority of which is related to wages and medical benefits.
  - c) Finance: This budget has an increase of 7.3% with increases coming from medical insurance increases, a slight increase to the part-time budget and an increase to the banking fees budget.
  - d) Human Resources: This budget has a decrease of 6.4% or \$41,737. Decreases come from the high deductible health plan out of pocket maximum budget, a decrease to medical insurance for our Leoff I retirees primarily due to retirees turning 65 and a \$10,000 reduction in the transfer to the LEOFF I retirees long-term care reserve fund.
  - e) TV10: This department generates \$75,000 in revenue through services that are provided to outside agencies. The 4.1% increase in this budget is related to increases to salaries and medical insurance.
  - f) IS: This budget has an increase of 3%. The website needs a software update which will keep the City more up to date on a regular basis and provide mobile access.
  - g) Fiber Optics Fund: This budget includes one new FTE, a fiber optic technician, to be funded by fiber related revenues and to be funded in the Fiber Fund. This position is needed to address the growing demand for fiber connections and management of the fiber optic network.

Budget discussions will continue on November 2, 2016.

Adjourned at 7:00 p.m.

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Submitted by  
Rebecca J. Wade