



**CITY OF ILWACO
2017 Budget Workshop
Monday, October 24, 2016**

A. Call to Order

Mayor Cassinelli called the workshop to order at 4:01 p.m.

- B. Present:** Councilmembers Jensen, Marshall, Chambreau and Forner
Ariel Smith, City of Long Beach, and Holly Beller Treasurer
Absent: Councilmember Karnofski arrived at 4:03 p.m.

C. Discussion

Mayor Cassinelli began the workshop and handed the discussion to Ariel Smith, past Treasurer for the City of Ilwaco who will be completing the 2017 City of Ilwaco budget through an Interlocal Agreement with the City of Long Beach.

The first fund to be reviewed was Water. The proposed budget includes a base rate increase of \$1 which will result in a revenue increase of about \$26,000. Councilmember Marshall noted that this takes the bill farther from the goal of a 50/50 split between the base rate and the consumption rate. Discussion continued over this ratio. Water consumption is between 63% and 70%. The lower percentage may be attributed to processing changes at Jessie's Ilwaco Fish among other things. Major changes in the water fund include safety item increases, insurance premium increases, purchase of updated tablet and software for the Master Meter system, and water system improvement for Lakeview Estates and Sahalee. Council will schedule a workshop in the early fall of 2017 to begin discussion on the rate calculator.

The Sewer fund was next and also proposes a \$1 base rate increase which will bring the rate calculator for the sewer portion of the bill closer to the 50/50 goal. The 2017 proposed budget also includes a significant increase to the salary line due to reallocation of a Public Works Maintenance Worker to the sewer department for pump and system maintenance. Reserve information was added to the funds discussed at the last budget workshop, per Councilmember Marshall's request.

The next Budget Workshop is scheduled for Monday, November 14 2016.

D. Adjournment

Mayor Cassinelli adjourned the workshop at 5:08 p.m.

Mike Cassinelli, Mayor

Holly Beller, Treasurer