



## **NEWSLETTER / NEWS RELEASE**

### **CITY COUNCIL VETO OVERRIDE AND BUDGET STATEMENT** **12/11/17**

The City Council would like to respond to the Mayor's veto of the Retirement Incentive plan and his returning the 2018 budget unsigned. Both of these are related to mayors unwillingness to work with the city council to help reduce spending in the general fund.

The Retirement Incentive plan was discussed and supported by the city council as the bill was developed. There were many changes made to the bill, and others suggested but not adopted. In the end, the city council voted 9-0 to pass the bill. Here is some information and benefits of the plan:

- 1) It rewards our dedicated city employees who are already eligible for retirement under the current city retirement plan.
- 2) It allows upward mobility to other employees who wish to take on a new roll within the city.
- 3) It also helps to reduce costs and cut into the many years of deficit spending using our dwindling cash reserves. This reduction will not just be for this year, but also for many years to come.

There are safeguards built into the plan that will allow for essential positions to be filled immediately, or to allow others to temporarily assume the duties of the person retiring with an increase in pay.

\*\* Had the mayor proposed a budget that reduced spending from the general fund, and did not require continued use of our cash reserves, perhaps this plan would not have been adopted.

The City Council respectfully disagrees with the mayor's veto of the retirement incentive ordinance, and will be voting to override that veto tonight.

### **BUDGET**

During the budget process in the fall of 2016, the City Council heard from the Finance Director, and recognized that there were issues with the long term sustainability of our budget and dwindling cash reserves. We passed that budget, but immediately started planning several budget work sessions in early 2017.

The request of the City Council to the Mayor was to work with department heads and suggest ways to **reduce spending**, in ways that would least impact the services provided to the residents. We recognized that there would have to be changes, but felt that the department heads and staff were in the best position to tell us where those could best be made.

Throughout this process, the mayor failed to offer any suggestions or work with the council to reduce spending. In fact when the mayor submitted his 2018 budget, it INCREASED general fund spending by more than \$2.4 million.

The city council held an unprecedented 6 meetings trying to work on budget compromises with the mayor. At each of these meetings we asked the mayor to work with department heads and come back with meaningful cuts in spending. At the 5th meeting the mayor again came to us with nothing, and said he stood behind his original budget as submitted.

Only then did the council reluctantly make sweeping cuts to the budget, cutting 10% across the board for Administration, 5% for Public Works, and further cuts from the Health Dept. But once again, we asked the mayor if he would come back to the table with departments and offer alternatives to these drastic measures.

During a 6th meeting, the mayor finally came to us with some small reductions. In the spirit of cooperation the city council restored most of the budget cuts from the prior meeting. And while the final budget did not achieve the reduction we were hoping to see, it was adopted by the city council.

As council president, I have already formed a budget committee with the unanimous support of the city council. We will immediately start working on the budget for 2019. It is our ultimate goal to reduce spending in ways that least impact the services our residents expect and deserve, and have a balanced budget that will preserve our dwindling cash reserves. Not just for next year, but for the future of our great city.