AGENDA SUMMARY SHEET

Business of the City Council City of Kelso, Washington

SUBJECT TITLE: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KELSO, WASHINGTON, EXPRESSING SUPPORT FOR ADEQUATE FUNDING OF THE MUNICIPAL RESEARCH AND SERVICES CENTER.

Agenda Item:	
Dept. of Origin:	City Manager
For Agenda of	March 15, 2016
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Originator:	<u>Steve Taylor</u>
City Attorney:	Janean Parker
City Manager:	Steve Taylor

PRESENTED BY:

Steve Taylor

Agenda Item Attachments:

Resolution in support of MRSC funding

SUMMARY STATEMENT:

Funding for the Municipal Research and Services Center has been placed in jeopardy within the State Senate's 2016 supplemental operating budget. MRSC provides invaluable research services for cities, counties and special purpose districts across the state and saves small communities countless dollars by responding to fairly complex legal and regulatory matters through the organization's in-house legal staff. MRSC is funded with a portion of the state's liquor revenues that's earmarked for cities and counties through state-shared revenues. The Senate's supplemental operating budget originally removed the funding (nearly \$3 million) for MRSC and would have swept that money into the state's general operating budget effective July 1, 2016. The AWC and MRSC have called upon city officials to voice their support for continued funding of MRSC (and other state-shared revenues) during the final days of the extended legislative session.

OPTIONS:

- 1. Move to approve resolution expressing support for the MRSC
- 2. Do not approve the resolution
- 3. Direct staff to amend the resolution and bring back for consideration at a later date.

RECOMMENDED ACTION:

Move to approve the resolution expressing support for full funding of the Municipal Research and Services Center in the state's supplemental operating budget.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KELSO, WASHINGTON, EXPRESSING SUPPORT FOR ADEQUATE FUNDING OF THE MUNICIPAL RESEARCH AND SERVICES CENTER.

WHEREAS, for over 80 years, the Municipal Research and Services Center ("MRSC") has provided comprehensive and objective guidance on complex legal and policy issues to local governments in Washington, including the City of Kelso; and

WHEREAS, MRSC has been a trusted and dedicated provider to the City of Kelso of guidance, analysis, answers, and assistance on a wide variety of legal issues such as public records, purchasing and contracting, governmental operations, statutory information and updates, and financial management and reporting; and

WHEREAS, the City of Kelso relies on MRSC for substantive advice, research, legal opinions and information through direct contact with MRSC staff and through MRSC's website; and

WHEREAS, MRSC efficiently provides information and resources to all cities, and thus saves public funds statewide; and

WHEREAS, the City of Kelso's use of MRSC resources saves public funds within the City for other uses because MRSC provides research and advice on issues the City of Kelso would otherwise need to pay city attorneys or outside counsel to provide, which is more costly and less efficient for many common issues that local governments deal with; and

WHEREAS, defunding MRSC will deprive the City of Kelso and many other cities of important, useful, and valuable legal services, and would cause the City of Kelso to incur new and increased costs to obtain the same advice and services from city attorneys or outside counsel;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KELSO, WASHINGTON, THAT:

<u>Section 1</u> The City of Kelso supports continued full funding of MRSC from the state budget.

<u>Section 2.</u> The City Council authorizes City staff to take action in accordance with this resolution to support full funding of MRSC from the state budget.

ADOPTED by the City Council and SIGNED by the Mayor this _____ day of _____, 2016.

ATTEST/AUTHENTICATION:

MAYOR

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY



Advocacy

Welcome to AWC's online library of Legislative Bulletin and CityVoice news articles and other updates.

Published on Monday, March 14, 2016

Latest budget proposal sweeps more city revenue

On the first day of the special legislative session, Friday, March 11, the Senate released a revised supplemental operating budget proposal. The proposal does not require cities and counties to increase the amount they directly pay to send cadets to basic law enforcement training, nor does it rely on funding from a merger of the LEOFF 1 and TRS 1 retirement systems. However, the proposal continues to rely on cuts to several key city programs and revenue, including:

- **Diversion of \$4.4 million in Fire Insurance Premium Taxes**. This revenue currently is distributed to 44 cities and two fire districts to help fund their ongoing LEOFF 1 medical obligations. Under this proposal, the funds would divert to the state's Disaster Response Account in FY 2017. The proposed budget also specifies an intent to continue diverting this revenue in the 2017-19 biennium as it "investigates whether this distribution should continue or be modified or terminated."
- Sweeping \$2.8 million of MRSC's funding and backfilling it with local liquor revenue. Cities and counties already fund MRSC through their liquor revenue. Under current law, MRSC is funded at \$5.6 million per biennium through <u>city liquor profits</u> and <u>county liquor taxes</u>. The Senate's current budget proposal sweeps MRSC funding for FY 2017 (\$2.8 million) into the state general fund and decreases city and county liquor revenue by the same amount to fund MRSC. In addition, if the Senate budget proposal is adopted, the Legislature would cease funding MRSC in the 2017-2019 biennium "as it investigates whether contracts for such services should continue or be modified or terminated."
- Effectively eliminates the Public Works Trust Fund. The proposal takes an additional \$154 million in local repayments due in the next biennium and diverts it to the state general fund. Coupled with the diversion of tax revenues since 2013, this proposal would sweep resources now and into the next biennium. More information and what you can do is posted here.

House and Senate negotiators continue to seek an agreement on how to fund the state for the second year of the biennium. That agreement could come in a few days, or it could take much longer. As they negotiate, please contact your legislators and help us maintain these critical programs and revenues.

The original version of this article misprinted that the Fire Insurance Premium Tax diversion was \$44.4 million, it has been corrected to the amount of \$4.4 million.

Categories: Budget & finance