

City of Cosmopolis
Workshop
December 29, 2014

Mayor Chestnut talked to the Council about our audit. We received two findings one had items on it that were administrative and the other was the financial condition of the City. What appeared to happen was a fall off of cash. Our ending cash in previous years looked good because we were receiving money from the grant for the Downtown Corridor Phase 3&4. Then when we started paying the bills for the project the cash fell off. It made it appear like we had more money than we did. We also have never really recovered from the loss of the Weyerhauser pulp mill. Councilmember Sperring said we also have inflated the revenues. We now need to tighten the belts of the City.

Mayor Chestnut announced that he would be putting together a finance committee. Councilman Fischer and Councilman Sperring will be that committee with Councilman Fischer as chairman. Their responsibility will be to periodically check the revenues and expenditures and report back to Council with their recommendations.

The department heads are looking at each of their budgets and will be making cuts as they can. Mayor Chestnut said that Chief Stratton saved the City around \$1,200 by having an officer on call instead of overtime during Christmas.

Mayor Chestnut said the auditors provide steerage and the Council will be working on understanding the budget better. He also said we will be addressing the policies and procedures along with amending some ordinances. The Mayor added to increase revenues Council will be looking at lower the B&O tax floor.

Meeting adjourned.

Finance Director

Attest:

Mayor