

City of Oregon City



Meeting Minutes - Draft

Budget Committee

Monday, April 13, 2015

5:30 PM

Pioneer Community Center, 615 5th Street

1. Convene Budget Committee Meeting, Roll Call and Introductions

The meeting was called to order at 5:30 PM by Wyatt Parno.

- Present: 8 - Dan Holladay, Carol Pauli, Rocky Smith, Jr., Brian Shaw, Joanne McCall, Timothy Christopher, Chris Geiger, and Barb Streeter
- Absent: 2 - Laura Zentner and Daphne Wuest
- Staffers: 19 - David Frasher, Wyatt Parno, John Lewis, Kattie Riggs, Tony Konkol, Eric Underwood, Jim Band, Maureen Cole, Jim Loeffler, Scott Archer, Katie Durfee, Jaime Reed, Bill Kler, Greg Fryett, Tabitha Decker, Denise Kai, Lance Powlison, Erin Wilkie, Mireya Mcilveen, and Katie Durfee

Each Budget Committee member introduced themselves.

Wyatt Parno, Finance Director, explained the agenda and process for the meeting. This was the City's second biennial budget. The next Budget Committee meeting would be two years from now, but staff would provide an update halfway through the biennium.

2. Elect Chairperson

A motion was made by Commissioner Pauli, seconded by Commissioner Shaw, to nominate Mayor Holladay as Budget Committee Chair. The motion carried by the following vote:

Aye: Chris Geiger, Dan Holladay, Brian Shaw, Carol Pauli, Rocky Smith Jr., Joanne McCall, Timothy Christopher, and Barb Streeter

3. Elect Secretary

A motion was made by Commissioner Shaw, seconded by Commissioner Smith, to nominate Commissioner Pauli as Budget Committee Secretary. The motion carried by the following vote:

Aye: Chris Geiger, Dan Holladay, Brian Shaw, Carol Pauli, Rocky Smith Jr., Joanne McCall, Timothy Christopher, and Barb Streeter

4. Public Comments

There were no public comments.

5. Review City Commission Goals

5a. City Commission Goals for 2015-2017 by City Manager David Frasher

David Frasher, City Manager, said the budget was based on the Commission goals document the Committee had received. He also handed out a copy of the 2014 City accomplishments list.

6. Review and Approve Minutes of the April 15, 2013 Budget Committee Meeting

A motion was made by Commissioner Pauli, seconded by Mr. Geiger, to approve the minutes of the April 15, 2013, Budget Committee meeting as written. The motion carried by the following vote:

Aye: Chris Geiger, Dan Holladay, Brian Shaw, Carol Pauli, Rocky Smith Jr., Joanne McCall, and Timothy Christopher

Abstain: Barb Streeter

7. Receive Budget Message from the Budget Officer

7a. Budget Message by City Manager David Frasher

Mr. Frasher presented the budget message. The proposed budget was balanced and focused on achieving the Commission's goals and priorities at their January retreat. The two goals that were emphasized were support for successful economic development and addressing critical facility needs. He explained how these goals would be met over the next two years. He then discussed the revenues and expenditures for all funds and overall budget including the General Fund, Public Works Funds: Street, Water, Sewer, and Storm Drainage, revenue sources, debt service ratio, capital outlay, addition of 2.5 FTE, budget highlights, other funds, and capital projects successes. He also reviewed projects that were accomplished in the 2014-2015 biennial budget, then reviewed upcoming projects for the proposed 2015-2017 biennial budget. The proposed 2015-2017 Oregon City biennial budget was focused on community needs and achieving the goals of the City Commission. It was balanced, responsible, and met all of the criteria established by Oregon Budget Law. The special projects would be accomplished while continuing existing service levels for ongoing operations and maintaining a low property tax rate. A mid-term budget report would be distributed to the Committee.

There was discussion regarding the capital projects, sanitary sewer moratorium projects, and putting money towards projects rather than personnel.

8. Public Hearing

8a. State Revenue Sharing by Finance Director Wyatt Parno

Mayor Holladay opened the public hearing.

Wyatt Parno, Finance Director, reviewed that Oregon Revised Statute 221.770 provided an outline on how the State allocated State Shared Revenues, which was liquor tax allocated to cities based on a population formula. As part of the law, the City was required to hold a public hearing on the use of that money. Mr. Parno explained the City of Oregon City had \$378,000 allocated to the General Fund for 2016 and \$392,000 for 2017.

There were no public comments.

Mayor Holladay closed the public hearing.

A motion was made by Commissioner Shaw, seconded by Mr. Geiger, to approve the uses of the State Shared Revenues as outlined in the budget. The motion carried by the following vote:

Aye: Chris Geiger, Dan Holladay, Brian Shaw, Carol Pauli, Rocky Smith Jr., Joanne McCall, Timothy Christopher, and Barb Streeter

9. Review Budget

9a. Review Proposed Budget by Section

Staff answered questions from the Budget Committee.

Ms. Streeter asked about library staffing. Maureen Cole, Library Director, said the new library addition would not be completed until 2016/2017 and there would be a personnel increase of 1 FTE in that budget year. They would use volunteers for some of the work and she did not think more employees were needed.

Commissioner Smith asked about allocating funds for park maintenance, especially for the End of the Oregon Trail Interpretive Center, Parks shop, Buena Vista House, and Ermatinger House. Scott Archer, Community Services Director, discussed the deferred maintenance challenges, some of which were addressed in the budget and some were not. The Ermatinger House project was soon to be completed and an operating plan was being worked on. For the End of the Oregon Trail Interpretive Center, staff was working with Clackamas Heritage Partners and other partners to identify funding sources. There was some money for maintenance in the budget, and they would continue with what was currently being done. The Parks shop was a priority, and a new full time position would help with day to day maintenance of parks. The Buena Vista House had been

closed for some time and did not have a budget for maintenance. The house needed to be studied further to decide whether to keep the building or tear it down.

Commissioner Pauli asked about the miscellaneous income and interest income. Mireya Mcilveen, Deputy Finance Director, explained the 4% miscellaneous and other income which included everything that did not fit in other categories such as donations, library fees, sale of cemetery niches, reimbursement of loans, etc. Interest income in the General Fund was interest on the cash in the bank that was waiting to be spent.

10. Approve the 2015-2017 Biennial Budget in the Amount of \$165,082,432 to be Forwarded to the City Commission for Adoption

A motion was made by Commissioner Pauli, seconded by Commissioner Smith to approve the 2015-2017 biennial budget in the amount of \$165,082,432 to be forwarded to the City Commission for adoption.

Aye: Chris Geiger, Dan Holladay, Brian Shaw, Carol Pauli, Rocky Smith Jr., Joanne McCall, Timothy Christopher, and Barb Streeter

11. Approve the General Operating Tax Rate of \$4.409 per \$1,000 of Assessed Value for Fiscal Years Ending 2016 and 2017, and Fire Bond Levy Amounts of \$308,203 for FYE 2016 and \$262,747 for FYE 2017

A motion was made by Commissioner Shaw, seconded by Ms. McCall to approve the general operating tax rate of \$4.409 per \$1,000 of assessed value for fiscal years ending 2016 and 2017, and fire bond levy amounts of \$308,203 for FYE 2016 and \$262,747 for FYE 2017.

Aye: Chris Geiger, Dan Holladay, Brian Shaw, Carol Pauli, Rocky Smith Jr., Joanne McCall, Timothy Christopher, and Barb Streeter

12. Adjourn

Mayor Holladay adjourned the meeting at 7:12 p.m.