

# Budget Committee Meeting Minutes

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TUESDAY, MAY 24, 2018

CITY HALL COUNCIL CHAMBERS

CITY OF COLUMBIA CITY, COLUMBIA COUNTY, OREGON

**AGENDA ITEM 1**      **CALL TO ORDER/ROLL CALL:**

**CONVENED:**

The meeting was called to order by Council President Marson at 6:00 p.m.

**MEMBERS PRESENT:**

Lyle Bluhm  
Karli Ebert  
Barbara Gordon  
Sally Ann Marson  
Rebecca Pickering  
Casey Wheeler

**MEMBERS ABSENT:**

Cheryl A. Young  
Nell Harrison  
Gordon Thistle

**ALSO PRESENT:**

Michael McGlothlin, Chief of Police  
Leahnette Rivers, City Administrator/Recorder

A quorum was present and due notice had been published.

**AGENDA ITEM 2**      **ELECTION OF OFFICERS:**

Council President Marson opened the nominations for the position of Chair.

MOVED (EBERT) AND SECONDED (BLOOM) TO NOMINATE BARBARA GORDON AS CHAIR.

There being no further nominations for the position of Chair, Council President Marson closed the nominations and called for a vote. ALL VOTED IN FAVOR OF BARBARA GORDON SERVING AS CHAIR. Council President Marson declared her duly elected.

Council President Marson turned the meeting over to Chair Gordon.

Chair Gordon opened the nominations for the position of Vice-Chair.

MOVED (GORDON) AND SECONDED (PICKERING) TO NOMINATE KARLI EBERT AS VICE-CHAIR.

There being no further nominations for the position of Vice-Chair, Chair Gordon closed the nominations and called for a vote. ALL VOTED IN FAVOR OF KARLI EBERT SERVING AS VICE-CHAIR. Chair Gordon declared her duly elected.

Chair Gordon opened the nominations for the position of Secretary.

MOVED (WHEELER) AND SECONDED (BLUHM) TO NOMINATE SALLY ANN MARSON AS SECRETARY.

There being no further nominations for the position of Secretary, Chair Gordon closed the nominations and called for a vote. ALL VOTED IN FAVOR OF SALLY ANN MARSON SERVING AS SECRETARY. Chair Gordon declared her duly elected.

### **AGENDA ITEM 3**

#### **BUDGET MESSAGE 2018/19:**

Committee Members indicated they had read the budget message prior to the meeting. Leahnette gave a brief overview of the budget message. She noted that there are no proposed increases in water rates, but a 3% increase in sewer rates is proposed for July 1. She said financial projections show that the 3% sewer rate increase is needed to generate the amount of revenue required to pay for operation and maintenance costs, make annual debt payments, meet loan debt coverage requirements, and complete necessary capital improvements. She said this increase is in keeping with current inflation rates. She said projections show that another 3% sewer rate increase may be needed next year too, but the projections are very conservative and the need will be re-evaluated again this time next year.

Leahnette said service levels are projected to remain about the same as the current year. She discussed the assumptions that were used during the development of the budget in light of her planned mid-year retirement, and gave an overview of how the projected beginning fund balances are arrived at. She noted that this year the estimated beginning fund balance for the General Fund falls slightly short of meeting the Fund Balance Policy that calls for at least 3-months operating expenses, but these projections are conservative and the actual fund balance may end up exceeding 3-month operating expenses. She said long-term projections predict that the fund balance shortfall will be corrected by the end of the 2018/19 fiscal year. She said the Community Hall capital project was the primary cause of the shortfall.

Leahnette recommended the Budget Committee approve the following changes to the budget:

- Page 99 - General Fund Police Department - increase Travel & Training to \$2,000 and Dues and Subscriptions to \$3,400, bringing the Materials & Services total to \$64,054, and the Police Department total to \$356,424.
- Page 110 - General Fund Non-Departmental - decrease Unappropriated Ending Balance to \$72,671, bringing the Non-Departmental total to \$157,005.
- Page 120 - Street Fund Revenues and Other Resources - increase Beginning Fund balance to \$219,694, increase SCA Grant to \$100,000, and increase total Revenues and Other Resources to \$487,847.
- Page 125 - Street Fund Capital Construction - increase Sixth Street Improvements to \$135,000, bringing the Capital Construction total to \$220,500.
- Page 126 - Street Fund Expenditures - increase the Street Fund total to \$487,847.

She said the changes to the Street Fund reflect a delay in the construction of the Sixth Street Improvements Project.

Rebecca Pickering recommended the City get a bulk mailing permit from the Post Office to reduce the mailing costs for the utility billings. She estimated a cost savings of \$27 a month for 900 pieces. She said she has not yet factored in the cost of envelopes or the return address printing costs, and there are also bulk permit costs.

Barbara suggested we might investigate the cost of switching to electronic billing and newsletter distribution. Leahnette said staff will check with Springbrook Software to see what electronic utility billing options are. She said staff has also been talking about switching to an electronic newsletter.

**AGENDA ITEM 4      PUBLIC HEARING: To receive comments from the public on the proposed budget for fiscal year 2018/19.**

Public Hearing opened.

No comments were heard from the public.

Public Hearing closed.

**AGENDA ITEM 5      PUBLIC HEARING: To receive comments from the public on the proposed use of revenue sharing funds for fiscal year 2018/19.**

Public Hearing opened.

No comments were heard from the public.

Public Hearing closed.

**AGENDA ITEM 6      REVIEW OF PROPOSED BUDGET FOR FISCAL YEAR 2018/19:**

Members concluded that no further discussion or review would be needed at this time.

**AGENDA ITEM 7      APPROVAL OF BUDGET OR ANNOUNCEMENT OF NEXT MEETING DATE, TIME AND LOCATION:**

MOVED (WHEELER), SECONDED (MARSON) AND CARRIED UNANIMOUSLY TO APPROVE THE 2018/19 PROPOSED BUDGET.

MOVED (WHEELER), SECONDED (EBERT) AND CARRIED UNANIMOUSLY TO LEVY A PERMANENT TAX RATE OF \$1.1346 PER THOUSAND, AND TO LEVY A LOCAL OPTION TAX RATE OF \$0.67 AS PROVIDED IN THE 2018/19 PROPOSED BUDGET.

**AGENDA ITEM 8      ADJOURNMENT:**

There being no further business to come before the Committee, the meeting adjourned at 6:43 p.m.

APPROVED:

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Barbara Gordon  
Budget Committee Chair

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Sally Ann Marson  
Budget Committee Secretary

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ATTEST:

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Leahnette Rivers  
City Administrator/Recorder  
Budget Officer