

# Budget Committee Meeting Minutes

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FRIDAY, MAY 29, 2020

COLUMBIA CITY COMMUNITY HALL

AND VIA CONFERENCE CALL

PHONE NUMBER: 425-436-6318

ACCESS CODE: 752011\*

CITY OF COLUMBIA CITY, COLUMBIA COUNTY, OREGON

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

**CONVENED:**

The meeting was called to order by Budget Committee Chair Barbara Gordon at 6:15 p.m.

**MEMBERS PRESENT:**

Lyle Bluhm  
Karli Ebert  
Barbara Gordon  
Sally Ann Marson  
Rebecca Pickering  
Gordon Thistle  
Casey Wheeler  
Gina Wilson  
Sue Ziglinski

**MEMBERS ABSENT:**

Charles Ramsdell

**ALSO PRESENT:**

Michael McGlothlin, City Administrator/Recorder

A quorum was present and due notice had been published. No citizens participated in the public hearing(s) or meeting by either conference call or in-person attendance.

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

Chair Gordon opened the nominations for the position of Chair.

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

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

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

MOVED (MARSON) AND SECONDED (PICKERING) TO NOMINATE LYLE BLUHM 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 LYLE BLUHM SERVING AS VICE-CHAIR. Chair Gordon declared him duly elected.

Chair Gordon opened the nominations for the position of Secretary.

MOVED (MARSON) AND SECONDED (THISTLE) TO NOMINATE REBECCA PICKERING 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 REBECCA PICKERING SERVING AS SECRETARY. Chair Gordon declared her duly elected.

### **AGENDA ITEM 3**

#### **BUDGET MESSAGE 2020-21:**

Committee Members indicated they had read the budget message, as well as reviewed the 2020-21 budget document, prior to the meeting. The City Administrator gave a brief overview of the budget message, after first thanking City Staff; the Parks, Streets, Water & Sewer, Audit and Budget Committees, as well as City Council for their work and support in preparing the proposed budget for review. He noted the unique challenges in preparing this year's budget due to the projected financial impacts of the COVID-19 Coronavirus Pandemic, which struck approximately  $\frac{3}{4}$  of the way through the budget preparation process, upon revenues and the economy.

The City Administrator said that in order to accurately plan for projected losses in revenues a 15% reduction from 2018-19 revenue actuals, the most recent fiscal year with actual totals tabulated, were projected. Expenditure reductions then took place based upon 2019-20 estimates with many materials and service line items either being flat-lined or reduced, with a few increases needed across departments and funds due to critical projects that are needed to be addressed. He said that all projects solely funded by the City were moved within the Capital Improvement Plan (CIP) so that only those which were grant/loan funded remained in the proposed budget, and that both capital construction projects and interfund transfers were suspended for the upcoming year. Cost-of-living-allowances (COLA) for employees were foregone this year as an additional benefit, but policy driven step increases and longevity pay awards were able to be kept in place. The combination of revenue and expenditure reductions resulted in an approximate 17% decrease in the proposed budget, in comparison to the 2019-20 adopted budget.

In keeping with the City's Water and Sewer rate study, and to meet operational requirements and debt obligations, a 3% increase to both water and sewer rates is projected within the proposed budget. This item is scheduled for public hearing and Council review/approval at the June 18, 2020 City Council meeting. Public notice regarding these potential rate increases, and the availability of the public hearing, has been made.

The City Administrator said that personnel service levels are projected to remain similar as the current year with the revenue and expenditure reductions that have been put into place. The primary personnel goal was to avoid employee layoffs and/or furloughs if at all possible. Within the Police Department Officer Bubar's

position will be reviewed for filling in January of 2021, Officer Greisen's position will be filled to cover weekend shift deficiencies, and Sergeant Bartolomucci is working on plans to re-evaluate current staffing/duty schedule in order to spread coverage more equitably.

In conclusion, the City Administrator informed the Budget Committee that fund balances are in line to support three (3) months of operating expenses in line with the arrival of tax revenues to sustain City operations. Revenues within the budget are projected at \$4,271,122.00 and expenditures are estimated at \$4,256,684.00

The City Administrator extended additional thanks to the members of the Budget Committee and City Council who had provided comments, edits and clarification questions in their review of the 2020-21 proposed budget. He said that these items will be double-checked and corrected as needed prior to completion of the adopted budget document. As well, he asked that members of Council and the Budget Committee to notify him if any other edits, corrections, or questions arise after the Budget Committee meeting.

The City Administrator recommended that the Budget Committee approve the following changes to the budget:

- Page 5 of the Budget Message: Total contingency appropriations should read \$230,215.00 and unappropriated ending fund balances should read \$1,052,997.00.

**AGENDA ITEM 4**      **PUBLIC HEARING: To receive comments from the public on the proposed budget for fiscal year 2020-21.**

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 2020-21.**

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 noted typographical and formatting errors for correction to the City Administrator. The City Administrator advised that these corrections would be made and posted to the adopted 2020-21 budget document. Budget Committee Vice-Chair Lyle Bluhm noted several financial table discrepancies in his review of the proposed 2020-21 budget document where yearly financial totals were not carried over correctly. The involved tables were contained on pages 34, 55, and 66 of the budget document and caused accurate financial analysis to become difficult to track. The City Administrator said that he would review the material that Vice-Chair Bluhm and noted and that he would provide corrections and an explanation as to what had occurred to the Budget Committee. Vice-Chair Bluhm also noted an increase of approximately 28% in the Police Department operating budget. The City Administrator explained that this occurred due to a

mid-year addition to PERS costs for retirees, of which there are three on staff, and a miscalculation in estimating personal services costs within the Police Department. This was due to the City Administrator retaining oversight of the department when hired for the City Administrator position, and a percentage of his salary being deducted from the Police Department personal services portion of the budget. This issue has since been corrected and should be accurately reflected in the 2020-21 budget.

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

MOVED (MARSON), SECONDED (PICKERING) AND CARRIED UNANIMOUSLY TO APPROVE THE 2020-21 PROPOSED BUDGET, WITH THE EXCEPTION THAT THE CITY ADMINISTRATOR RESEARCH AND MAKE THE CORRECTIONS AS NOTED BY VICE-CHAIR BLUHM ABOVE AND TO PROVIDE DOCUMENTATION OF THE CORRECTIONS TO THE BUDGET COUNCIL BY FRIDAY MAY 29, 2020.

**AGENDA ITEM 8      AUTHORIZE PERMANENT TAX RATE LEVY EQUAL TO \$1.1346 PER \$1,000 ASSESSED VALUE AND LOCAL OPTION LEVY EQUAL TO \$0.67 PER \$1,000 ASSESSED VALUE AS PROVIDED FOR IN THE PROPOSED 2020-21 BUDGET:**

MOVED (THISTLE), SECONDED (MARSON) 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 2020-21 PROPOSED BUDGET.

**AGENDA ITEM 9      ADJOURNMENT:**

There being no further business to come before the Committee, the meeting adjourned at 6:55 p.m.

APPROVED:

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Barbara Gordon  
Budget Committee Chair

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Rebecca Pickering  
Budget Committee Secretary

ATTEST:

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Michael S. McGlothlin  
City Administrator/Recorder  
Budget Officer