

MINUTES
Warrenton Budget Committee
May 16, 2020 – 9:00 a.m.
Warrenton Community Center
170 SW 3rd Ave.
Warrenton, Or 97146

Vice Chair Gerald Poe called the meeting to order at 9:06 a.m.

Budget Committee Members Present: Paul Mitchell, Flint Carlson, Gerald Poe, Dan Jackson, David Burkhart, Commissioner Mark Baldwin, Commissioner Tom Dyer, Commissioner Rick Newton, Commissioner Pam Ackley, and Mayor Henry Balensifer

Staff Members Present: Budget Officer Linda Engbretson, Finance Director April Clark, Accountant Jessica Barrett (via phone), Library Director Kelly Knudsen, Building Official Bob Johnston (via phone), Community Development Director Kevin Cronin (via phone), Harbormaster Jane Sweet, Public Works Director Collin Stelzig, Public Works Operations Manager Kyle Sharpsteen, Fire Chief Brian Alsbury, Police Chief Mathew Workman, and City Recorder Dawne Shaw

Budget Officer Linda Engbretson gave brief opening comments on the state of the city budget.

Commissioner Baldwin nominated David Burkhart as Chair; David Burkhart nominated Paul Mitchell as Chair. There were four votes for David Burkhart and five votes for Paul Mitchell.

Commissioner Baldwin moved to appoint Paul Mitchell as Chair of the Budget Committee. Motion was seconded and passed.

Mayor Balensifer moved to appoint David Burkhart as Vice Chair. The motion was seconded and passed.

CONSENT CALENDAR

A. May 16, 2019 Budget Committee Meeting Minutes

Mayor Balensifer made the motion to approve the Budget Committee minutes of May 16, 2019. Motion was seconded and passed unanimously.

Chair Mitchell opened the public hearing on the possible use of State Revenue Sharing Funds in the City's 2020-2021 budget. Finance Director April Clark stated there is a change to the Agenda Memo 6-A; she outlined an amendment to the estimated State Shared Revenues for the Highway Tax Fund, which was reduced by 10% in the budget, but did not get changed on the agenda memo. The reduced amounts are as follows: Highway User Tax Fees - \$377,965; Liquor Tax - \$93,206; the Marijuana Tax - \$18,673; Cigarette Tax - \$6,012; and State Revenue Sharing (Liquor) - \$51,000; with an amended grand total amount of State Shared Revenues of \$546,856.

Pursuant to ORS 221.770, Chair Mitchell opened the floor for public comment on the proposed use of State Revenue Sharing for Fiscal Year 2020-2021. There being no public comment, Chair Mitchell closed the public hearing.

PUBLIC COMMENT – None

BUDGET MESSAGE

Budget Officer Linda Engbretson presented her Budget Message for the proposed FY 2020/2021 budget. She stated it is an interesting year to put together the budget. She noted there are no water and sewer rate increases included in this budget. She also noted that additional Police Department FTE's were cut. Ms. Engbretson reviewed the summary, noting a 1% COLA is included in this budget but not guaranteed. Union negotiations were set to begin March 1 but were delayed due to COVID 19. She stated the city anticipates reductions in General Fund resources and a small increase in expenditures. She explained what we are doing to offset these costs and noted the vacant positions and recent resignations that are not being filled at this time. Brief discussion continued on staffing and vacant positions. Commissioner Dyer asked if the commission could forego their stipend, would it help? Ms. Engbretson stated it would not be a huge impact, but they can vote on it in a regular commission meeting if they wish. Commissioners Newton and Baldwin concurred. Ms. Engbretson continued to review her budget message, noting a slight increase for municipal court, and part of that is due to that the municipal court judge had not had a salary increase since 2011. She did note the increase request was made prior to the pandemic. Brief discussion continued. Ms. Engbretson noted in conclusion, Department Heads worked diligently over several months to provide sufficient yet conservative budgets. Finance Director April Clark worked very hard to make these difficult projections in regard to revenues. Discussion followed on marinas and engineering services/consultant contract.

BUSINESS

Page 69 - Library Fund – Library Director Kelly Knudsen stated she has an open part-time Youth Library Aide position that we are not filling at this time. She reviewed the changes in her budget. She noted the need for new patron computers; she would like to get laptops due to spacing – 6 laptops and 2 desktops. Discussion continued on library services. Chair Mitchell asked with the reductions for Janitorial and Dues/Meetings/Training/Travel, is there enough left in the budget to cover janitorial services and training? Ms. Knudsen confirmed and explained how she is managing these items.

Page 68 – Building Division Fund – Building Official Bob Johnston gave a brief statement on the state of his budget, and stated that he feels confident that permits will be issued and revenue will come in.

Page 50 – Community Development Department – Community Development Director Kevin Cronin gave a brief overview of his budget. Commissioner Baldwin asked about the spike in application processing fees; Mr. Cronin clarified – they are pass through fees. Commissioner Newton asked about the RARE participant; Mr. Cronin noted how it is reflected in budget. Brief discussion continued.

Page 70 – Warrenton Marina Fund – Harbormaster Jane Sweet reviewed her budget. Mayor Balensifer asked about the condition of A Dock and when we will start fixing it. Ms. Sweet noted it is all on hold right now and there are no live-boards at that dock right now. We are down to 6 live-boards. Brief discussion continued on costs and passing those costs along.

Page 71 – Warrenton Marina Capitol Reserve Fund – Mayor Balensifer asked about commercial work pier; if the project will be funded by URA funds; it was confirmed it is.

Page 72 – Hammond Marina Fund – Ms. Sweet noted this is all an estimate. Mayor Balensifer asked about dredging; Ms. Sweet confirmed the dredging will be start on November 1st and noted they will be allowed to release on the outgoing tide, which will double the work time (double shifts). Discussion continued on the condition of the docks and if they will be repaired or replaced. Ms. Sweet stated how we proceed will have to be discussed.

Page 73 – Hammond Marina Capitol Reserve Fund – Brief discussion on a TRT increase. Ms. Clark noted when the budget was done, we did not adjust anything; if it doesn't come in, it doesn't come in.

Page 74 – Water Fund – Public Works Director Collin Stelzig started out by talking about their funds in general – parks will be the most impacted; the reduced gas tax is impacting the streets fund. He stated we are seeing a small uptick in commercial on call dumpster service, He noted the 2 seasonal staff were let go; and there are 2 other positions that are open. They are seeing higher sick leave usage due to stress/covid reasons. He reviewed the water fund; discussion continued on water meters. Chair Mitchell asked about late fees. Mr. Stelzig noted that is an issue they will be bringing to the commission relatively soon. He continued to review the budget. Discussion followed on the Hammond water line. Mr. Stelzig continued his review.

Page 75 – Water Fund Capitol Reserve Fund – Mr. Stelzig briefly reviewed each project in this fund.

Page 76 – Water System Development Charges Fund – nothing to report – paying down our loan.

Page 77 – Storm Sewer Fund – overhead went up about \$6,000. The next big project is \$450,000 for Hammond drainage. Brief discussion continued.

Page 78 – Storm Sewer System Development Charges Fund – nothing to report – saving money for a future project.

Page 79 – Sewer Fund – Public Works Operations Manager Kyle Sharpsteen noted a 10% reduction. Discussion continued on septage and the treatment plant capacity.

Page 80 – Sewer Fund Capitol Reserve Fund – Mr. Sharpsteen stated there is some money in this fund for bird netting over the basins and explained the necessity. Mr. Sharpsteen and Mr. Stelzig continued to review the reserve fund.

Page 81 – Sewer System Development Charges – not doing anything with this fund this year.

Page 82 – Sanitation Fund – Mr. Stelzig reviewed and noted the reductions in resources. He stated he would like to look at the recycling rate schedules for commercial users and to make them more linear and consistent. Discussion followed on what recycling we are required to provide.

Page 83 – Sanitation Fund Capitol Reserve – No discussion

Page 84 – State Tax Street Fund – Mr. Stelzig noted a 10% reduction in resources - the state sent out communication about what to expect for the reduction, and the state estimate for this FY is a 6% reduction. Discussion continued on the street projects. Mr. Stelzig continued his review.

Page 85 – Streets System Development Charges Fund – Mr. Stelzig stated they are working with a consultant on the pedestrian paths, and we will have a decent amount of money to get at least one of the paths done.

Page 86 – Engineer Internal Service Fund – Mr. Stelzig stated they had 2 applications for the Engineer position, but they were not acceptable. They are talking about doing something internally.

Page 53 – Parks Department – Mr. Stelzig stated this fund will take the largest percentage hit. Mayor Balensifer noted the parks board will have a monetization policy by the end of the year, so we should have some revenue soon.

Page 56 – Parks System Development Charges Fund – Mr. Stelzig stated there is money there for a project and there have been discussions on what those funds could be used for. Discussion followed on the proposed park at Forest Rim; Ms. Engbretson noted there will be a work session coming up.

Page 67 – Quincy Robinson Trust Fund – Mr. Stelzig noted they did not ask for anything additional this year. He stated they still have legal/ownership questions on the Tansy Point viewing dock; discussion continued.

Page 60 – Community Center Fund – Ms. Clark stated there were a lot of event cancellations due to the shutdown. She noted she has heard Weight Watchers is moving to virtual meetings which will result in a \$280/month reduction in revenue. She continued to review this budget and stated if the revenues don't come in, we will not be spending anything. Brief discussion continued.

Page 61 – Community Center Capitol Reserve Fund – Ms. Clark stated this fund is no longer needed.

Page 62 – Transient Room Tax Fund – Ms. Clark noted this is a pass-through fund – she did not reduce the estimated revenues because if they come in, we need to be able to distribute them. Brief discussion continued; Mayor Balensifer asked about the Visitor Center/Chamber of

Commerce. Ms. Engbretson stated we have a resolution that designates where these funds go, and the commission can change that if they wish. Commissioner Baldwin stated this is the perfect time to change it; Mayor Balensifer noted we should have a work session at a future date. Discussion continued on the Chamber.

Page 48 – Municipal Court – Chief Workman thanked everyone on the budget committee; he noted very little change in the municipal court budget. He noted a small increase for the judge’s salary. Discussion followed on municipal court.

Page 51 – Police Department – Chief Workman noted no changes to this budget for the most part, and there is no increase for dispatch services. Brief discussion continued on how the pandemic has impacted police calls. Ms. Engbretson noted the total Materials and Services has gone down from last year; Personnel Services increased slightly due to salaries, etc. Chief Workman expanded on the potential new officer. Brief discussion continued.

Page 57 – Police Vehicle Replacement Fund – Chief Workman stated money was put in for one new vehicle, but it is tentative – not until at least January; we need to wait and see what comes in for revenue. Ms. Engbretson noted the money for the vehicle is from the WBL fund.

Page 59 – Grants Fund – Chief Workman stated this is just the standard grants that he applies for each year – DUII and Seat Belt grants and noted other miscellaneous grants that he applies for. The K9 is also in this fund; he noted all the money came from fundraising. Fundraising has changed with the pandemic. Ms. Clark reviewed the rest of the items in the grant fund.

Page 52 – Fire Department – Chief Alsbury noted Personnel Services is down and explained that he is a new chief at a lower salary. Brief discussion followed on the volunteer salaries.

Page 58 – Fire Apparatus Replacement – Chief Alsbury noted the need to buy SCBA and that he is hoping to apply for grants. Ms. Engbretson noted all we could afford was a \$5,000 transfer from the general fund. Discussion continued. Mayor Balensifer asked if we should be assessing some sort of fee on commercial businesses to pay for the ladder truck. Ms. Engbretson noted Chief Workman is bringing a Public Safety agenda item to the next commission meeting and we could also add Fire into it.

Page 63 – Facilities Maintenance Fund – Mayor Balensifer asked about the \$1,000 for the visitor center. Ms. Engbretson stated she needs to reach out to the property manager; her concern is they will require us to tear it down. Diane Collier and Carol Snell are still filling the brochures. Discussion continued on the future of the structure. Ms. Engbretson noted this fund took a hit last year; and she has a meeting soon with Head Start on the building; which was built on a block grant. If they own it, they will have more capability of putting money/repairs into it. She stated the property was given to us by the county with a reversionary clause; she is working with the county to see if they are willing to make a lot line adjustment, and then we can give the building to Head Start. Discussion continued on facilities maintenance.

Page 64 – Tansy Point Dock Capitol Reserve Fund – No discussion

Page 65 – Public Safety Building GO Bond Fund – No discussion – this fund falls off next year.

Page 66 – Wastewater Treatment Facility GO Bond Fund – Ms. Clark noted this is just a debt service fund for property taxes coming in and the debt service going out. She stated she is asking them to make a motion to make a change to this budget - amending Prior Year Taxes from \$20,000 down to \$15,000, and Interest Earnings down to \$1,500, which changes the Property Taxes – Bond Measure from \$532,537 to \$540,037. She stated this will also change the levy amount to \$588,751.

Dan Jackson made the motion to amend the Wastewater Treatment Facility GO Bond Fund as stated. Motion was seconded and passed unanimously.

Page 45 – General Fund Revenues – Ms. Clark noted the beginning fund balance reduction – she stated this is probably a pretty realistic beginning fund balance. She reduced the TRT by 10%, which is the biggest hit to the General Fund. She continued to review; Ms. Engbretson noted the low property taxes received.

Page 49 – Administration/Commission/Finance – Ms. Clark reviewed - Personnel Services went down slightly due to vacant positions being budgeted at the highest rate; Materials and Services went down a little as well. Discussion continued on pandemic government relief funds/packages. Ms. Engbretson noted there is one vacant position, and a vacant half+ position that are included in this budget, but we are leaving them vacant until the money comes in.

Page 54 – Transfers – Ms. Clark reviewed - no discussion.

Page 55 – Contingency – Policy states 5% of expenditures goes into this fund.

Page 87 – WBL – Ms. Engbretson noted they did budget for holiday events but there was not a specific request. Discussion followed on the 4th of July and large events being cancelled until after September. Brief discussion followed on the transfers to other funds. Discussion continued on the dues for CEDR (\$7,500); it was suggested to not pay them until we have a clearer understanding of what they do. Ms. Engbretson's recommendation was to leave these things in the budget and have some work sessions. Discussion continued.

Commissioner Baldwin made the motion to approve the FY 2020/2021 Proposed Budget as amended. Motion was seconded and passed unanimously.

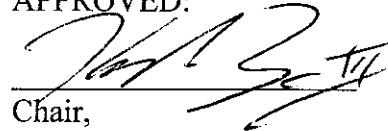
Chair Mitchell read the budget committee action statement into the record.

Therefore, the Warrenton Budget Committee has approved and authorized the City to levy the permanent rate of \$1.6701 per thousand of assessed value for the General Fund: to levy \$0.28 per thousand of assessed value for the Police Local Option Levy: to levy \$0.33 for the Library Local Option Levy: to levy the amount of \$588,751 for bonded debt for the wastewater treatment facility.

After completing all obligations required under Oregon Budget Law, the Warrenton Budget Committee hereby approves the FY 2020-2021 Proposed Budget, as amended, comprised of revenues and expenditures for all City funds and departments and submits the Approved FY 2020-2021 Budget to the City Commission for further consideration and recommended adoption.

There being no further business, Chair Mitchell adjourned the meeting at 1:23 p.m.

APPROVED:


Chair,

ATTEST:


Dawne Shaw, CMC, City Recorder