

# City of Rockaway Beach

## Budget Committee Meeting Minutes

Date: April 11, 2018  
Time: 5:00 p.m.  
Location : City Hall



Stay & Play In Rockaway

**CALL TO ORDER** Mayor Aagaard called the meeting to order at 5:00 p.m. There were seven (7) guests present.

### **ROLL CALL**

Mayor - Joanne Aagaard: Present  
Position #1 - Nathan Beeman: Present  
Position #2 - Sue Wilson: Present  
Position #3 - Kristine Hayes: Present  
Position #4 - Terry Walhood: Present  
Position #5 - James Doyle: Present  
Budget Committee Member - Dave May: Present  
Budget Committee Member - Janet McIntire: Present  
Budget Committee Member - Linda Olson: Present  
Budget Committee Member - Geoff Grace: Absent  
Budget Committee Member - Patrick McIntire: Present

Also present: City Manager Terri Michel, Public Works Director Luke Shepard, Finance Officer Marni Johnston, Fire Chief Barry Mammano and Police Officer Chris Rondeau.

### **APPOINT BUDGET COMMITTEE CHAIR**

Wilson nominated Janet McIntire to be appointed as Budget Committee Chair, seconded by Beeman; motion carried.

Mayor-Joanne Aagaard: Approve  
Position #2 - Sue Wilson: Motion  
Position #1 - Nathan Beeman: 2nd  
Position #2 - Sue Wilson: Approve  
Position #3 - Kristine Hayes: Approve  
Position #4 - Terry Walhood: Approve  
Position #5 - James Doyle: Approve  
Budget Committee Member - Dave May: Approve  
Budget Committee Member - Janet McIntire: Abstain  
Budget Committee Member - Linda Olson: Approve  
Budget Committee Member - Geoff Grace: Absent  
Budget Committee Member - Patrick McIntire: Approve

### **PRESENTATION OF BUDGET MESSAGE**

Michel read the City Manager's Budget Message into the record.

### **PUBLIC HEARING DISCUSSING THE POSSIBLE USES OF STATE REVENUE SHARING FUNDS**

Janet McIntire opened the public hearing to hear proposed uses for State Revenue Sharing Funds. Anne McBride, 1080 NE Charlotte St., stated she represented the Friends of the Library. McBride thanked the Committee and City for continued support for the library. She stated the library had

been allowed to include their donation letter in the City newsletter and appreciated that benefit. She stated that in the last budget year, the library received \$2000.00 and would appreciate the same this year. She provided a copy of the budget for the library to the Budget Committee. She said that the library had some money in a savings account put away for future expenses. She reported that last budget year, with the money the City gave the library from the State Revenue Sharing Fund, the library had replaced tables in the library which were useful for the summer program. She presented upcoming expenses which included a new copy machine, work that needed to be done on the front deck of the library and the annual landscaping maintenance that was contracted out.

Penny Cheek, 135 S. Lagoon Street, spoke representing the Special Olympics Race of Champions, she stated the Special Olympics had appreciated the \$1000.00 the City had given from the State Revenue Sharing Funds for the last four years and they asked for the same amount this year. Olson asked how many people participated. Cheek stated that it averaged 10-12 athletes, their sponsors and spectators.

Marlene Tharp, 325 N. Neptune Street, spoke representing Meals for Seniors, Inc. She thanked the City for last year's support of \$8,000.00 and asked for the same from the 2018/19 State Revenue Sharing Funds. She stated that last year, Meals for Seniors had served 11,152 meals; 7,302 on site and 3,850 meals that were delivered, logging 1,500 miles. She said that the program had only one paid staff person, and the rest of the service was provided by volunteers who put in 4,356 hours.

David Elkins, 363 Longview Loop, asked for \$1000.00 from the State Revenue Sharing Funds for the Emergency Volunteer Corps of Nehalem Bay. He said that they had provided 110 classes to train emergency volunteers.

### **DISCUSSION OF BUDGET FOR FISCAL YEAR 2018/2019**

Michel stated they would discuss the budget by going through funds one by one and would start with Water and Sewer. Public Works Director Luke Shepard began with the Water Fund and explained that this was an enterprise fund that was self-supporting, paid for by the water bills. He explained that the Water Plant produced 100 million gallons of water for 2500 customers, had 3 million gallons of treated water in storage, and said that the City had 30 miles of underground waterline that was maintained. Shepard stated that the total requirements for the 2018/19 budget was a little up over last year, but below the 2016/17 budget year. He said both payroll and personnel costs were down and that material services costs were about equal to last fiscal year. He stated the focus for the new budget would be on replacing pipes and the capital outlay and that the Water Master Plan Reserve Fund was set up for capital projects as laid out in the Capital Master Plan. Shepard stated the final payment would be made this year on the 1981 Water Revenue Bond. He explained that Water Systems Development Charge (SDC) fund 490 was for new development hooking into the system and was flagged for the Capital Projects Fund and would be used for the first time in five years for water line projects. Next, he discussed the Sewer Operating Fund, another enterprise fund that was self-supported by sewer rates and serviced 90 million gallons and 8 pumps through town with \$680,000.00 budgeted for sewer. He said that personnel services were down but operations and maintenance costs were up slightly. Shepard noted that \$40,000.00 was budgeted for Capital Improvement which was the same as the budgeted amount last year. He explained next that Fund 520, the Master Plan Reserve Fund was devoted to projects as laid out in the Sewer Master Plan and that the current system was at a point that Public Works may need to use some of this fund for repairs and replacement, determined after taking a look at the lift stations' age, condition and capacities. He discussed Fund 560, Sewer Improvements Debt Service for sewer debt and Fund 590 Sewer SDC, of which the City had not made expenditures in a number of years as it was typically reserved in the event a station went down. Hayes asked how old the oldest lift station was. Shepard said some were put in, in the 1960's and have been retrofitted and that the main one was from the 1970's. Shepard stated there would be an increase of revenue from ODOT, because of new transit tax by the State. He also said that he had made application for the Small Cities Allotment Grant which, if awarded, would provide \$50,000.00. He

noted that personnel services and Materials and Services budget remains unchanged from last year. McIntire asked about the decreased amount in the line for flood control. Shepard stated it was down as projects had been completed after the 2015 flood damage which required a higher budget. He next discussed Fund 390, the Transportation SDC fund and he said that no money would be expended from this fund in the next budget year. Shepard went over Fund 140, the Fire Equipment Reserve Fund and said that there was \$25,000.00 budgeted for vehicle maintenance and a Capital Outlay budget of \$50,000.00. He also discussed Fund 150, the Donation Reserve Fund, the Debt Service Reserve Fund. He said that Fund 210, the Project Reserve Fund was established to set aside money for capital projects gaining funds from TRT, grants and water and sewer funds. He added that the City had purchased a backhoe.

### ADJOURN

Aagaard made a motion, seconded by May, to adjourn; motion carried. McIntire adjourned the meeting at 6:00 p.m.

Mayor - Joanne Aagaard: Motion

Budget Committee Member - Dave May: 2nd

Mayor - Joanne Aagaard: Approve

Position #1 - Nathan Beeman: Approve

Position #2 - Sue Wilson: Approve

Position #3 - Kristine Hayes: Approve

Position #4 - Terry Walhood: Approve

Position #5 - James Doyle: Approve

Budget Committee Member - Dave May: Approve

Budget Committee Member - Janet McIntire: Approve

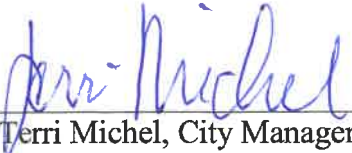
Budget Committee Member - Linda Olson: Approve

Budget Committee Member - Geoff Grace: Approve

Budget Committee Member - Patrick McIntire: Approve

MINUTES APPROVED THIS 25<sup>TH</sup> DAY OF APRIL, 2018.

  
Janet McIntire, Chair

  
Terri Michel, City Manager