



City of Rockaway Beach

Budget Committee Meeting Agenda

Date: Wednesday, April 23, 2025
Time: 5:00 p.m.
Location: Rockaway Beach City Hall, 276 HWY 101 - Civic Facility

Join here to attend remotely:

<https://us06web.zoom.us/j/88467301131?pwd=NOAlcpg8FQ8KLG62fsanX27un8l0io.1>

Meeting ID: 884 6730 1131

Passcode: 555118

(253) 215-8782 US (Tacoma)

How to Provide Public Comment:

- Written Comments may be submitted electronically by sending an email no later than 48 hours prior to the meeting to CityHall@Corb.us
 - In Person – sign-up sheet and instructions will be located on the table outside of the meeting room.
 - Virtually on Zoom – use the “raise hand” feature when the Mayor announces it is time to do so.
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1. **CALL TO ORDER** – Charles McNeilly, Mayor/Presiding Officer
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
 - a. April 16, 2025 Budget Committee Meeting Minutes
4. **PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS ON THE PROPOSED BUDGET**
5. **REVIEW OF PROPOSED BUDGET FOR 2025-2026 FISCAL YEAR**
 - a. Fund 400 Water Operating Fund – Public Works Director Mertz
 - b. Fund 420 Water Master Plan Reserve Fund – Public Works Director Mertz
 - c. Fund 470 Water Improvements Debt Service – City Manager Shepard
 - d. Fund 490 Water System Development Charge Fund – Public Works Director Mertz
 - e. Fund 500 Sewer Operating Fund – Public Works Director Mertz
 - f. Fund 520 Sewer Master Plan Reserve Fund – Public Works Director Mertz
 - g. Fund 560 Sewer Improvements Debt Service Fund - City Manager Shepard
 - h. Fund 590 Sewer System Development Charge Fund – Public Works Director Mertz
6. **ELECTION TO RECEIVE STATE REVENUE SHARING FUNDS FOR FISCAL YEAR 2025-2026**
7. **APPROVAL OF PROPERTY TAX RATE**
8. **APPROVAL OF 2025-2026 FISCAL YEAR BUDGET**
9. **ADJOURNMENT**



City of Rockaway Beach

Budget Committee Meeting Minutes

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Location: Rockaway Beach City Hall, 276 Hwy 101 - Civic Facility

1. CALL TO ORDER

Mayor McNeilly called the meeting to order at 5:05 p.m.

2. ROLL CALL

Committee Members Present: Donald Allgeier, Penny Cheek (arrived on Zoom at 5:17 p.m.), Kiley Konruff, Tom Martine (arrived on Zoom at 5:45 p.m.), Dave May, Robbie McClaran, Mary McGinnis, Susan Hennessy Schaeftbauer, Carolyn Walters, Michael Weissenfluh and Charles McNeilly

Staff Present: Luke Shepard, City Manager; Melissa Thompson, City Recorder; Marni Johnston, Finance Director; Mary Mertz, Public Works Director; and Todd Hesse, Fire Chief

3. INTRODUCTIONS

Start time: 5:06 p.m.

McNeilly invited Budget Committee members and staff to introduce themselves.

4. APPOINT PRESIDING OFFICER

Start time: 5:07 p.m.

McNeilly explained that annually at the first Budget Committee meeting a Budget Chair is selected.

McGinnis made a **motion**, seconded by McClaran, to appoint Charles McNeilly as chair of the Budget Committee.

McGinnis commented that McNeilly knew Robert's Rules of Order.

The **motion carried** by the following vote:

Aye: 9 (Allgeier, Konruff, May, McClaran, McGinnis, Schaeftbauer, Walters, Weissenfluh, McNeilly)

Nay: 0

5. APPROVE MINUTES

a. May 29, 2024 Budget Committee Meeting Minutes

Start time: 5:08 p.m.

McGinnis made a **motion**, seconded by May, to approve the minutes for the May 29, 2024 Budget Committee Meeting as presented.

The **motion carried** by the following vote:

Aye: 9 (Allgeier, Konruff, May, McClaran, McGinnis, Schaefbauer, Walters, Weissenfluh, McNeilly)

Nay: 0

6. PRESENTATION OF BUDGET MESSAGE

Start time: 5:09 p.m.

Shepard read aloud the Budget Message for Fiscal Year 2025-2026.

Cheek joined the meeting at 5:17 p.m.

Shepard answered clarifying questions and provided requested updates on various capital improvement projects and grants.

Discussion and comments included:

- City has healthy transient lodging tax, and conservative and balanced budget
- Commended City Manager and all involved for city's healthy financial situation
- Pleased with additions to staff full-time equivalent (FTE) hours

7. PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS ON USES OF STATE REVENUE SHARING FUNDS & PROPOSED BUDGET

Start time: 5:34 p.m.

McNeilly opened the public hearing at 5:34 p.m.

Lydia Hess, resident, advocated for allocating funds to install additional bike racks in strategic locations and offer bike route maps, using QR codes and signage. Hess provided the Committee with a map of proposed bicycle rack locations and additional information.

McNeilly closed the public hearing at 5:39 p.m.

8. BUDGET OVERVIEW PRESENTATION

Start time: 5:39 p.m.

Shepard gave a slide presentation on including an overview of budget resources and requirements, alignment with Strategic Plan goals, and major changes from the current budget or significant changes over the past several budget cycles. Johnston explained the impact of Public Employee Retirement System (PERS) and compensated absences on the Personnel Services allocations.

Martine joined the meeting at 5:45 p.m. May excused himself from the meeting at 5:53 p.m., and returned at 5:55 p.m.

9. REVIEW OF PROPOSED BUDGET FOR 2025-2026 FISCAL YEAR

Start time: 5:57 p.m.

Shepard, Hesse and Mertz presented, and the Budget Committee reviewed each budget fund as indicated below on a line-by-line basis. Staff answered clarifying questions from the Committee.

McNeilly excused himself from the meeting at 6:06:00 p.m. and returned at 6:06:30 p.m.

a. Fund 100 General Fund - City Manager Shepard

Discussion and comments included:

- Health Department lease expires in June, and City has asked if they wished to continue to operate out of City Hall.
- Question regarding transfers between the General Fund and Transient Room Tax (TRT) Fund, and Johnston confirmed that the figures were correct.
- Shepard noted that proposed amount for Community Grants was based on estimated State revenue sharing funds, but the City had adequate funds to allocate more if the Committee desired.
- Community Center and Fire Department building maintenance come out of other funds.
- Johnston noted that a correction to Personnel Services would be proposed at the next meeting.

Weissenfluh made a **motion**, seconded by McGinnis to increase the requirement for Community Grants to \$75,000. Brief discussion ensued.

The **motion carried** by the following vote:

Aye: 11 (Allgeier, Cheek, Konruff, Martine, May, McClaran, McGinnis, Schaefbauer, Walters, Weissenfluh, McNeilly)

Nay: 0

McGinnis made a **motion**, seconded by Cheek, to reinstate the requirement for \$3,000 for City Beautification. Discussion ensued.

The **motion carried** by the following vote:

Aye: 11 (Allgeier, Cheek, Konruff, Martine, May, McClaran, McGinnis, Schaefbauer, Walters, Weissenfluh, McNeilly)

Nay: 0

- b. Fund 100.16 Fire Dept. Operations – Fire Chief Hesse**
- c. Fund 140 Fire Equip. Reserve Fund – Fire Chief Hesse**

Discussion and comments included:

- Question about volunteer stipends and Hesse explained the process
- Questions about adequacy of funding for emergency supply adequacy and Hesse stated it was best first step
- City received Oregon State Fire Marshall grant to provide summer staff.
- Questions about new ladder truck and Hesse confirmed training would be provided.
- Payments for new ladder truck come from Fund 140.
- New ladder truck is a lease-purchase agreement.
- Equipment replacement plan was approved by City Council in 2023.
- Amount budgeted for High Ground project last year was not fully expended.

- d. Fund 170 Economic Stability Reserve Fund - City Manager Shepard**

Discussion and comments included:

- Suggestions to establish a Building Reserve Fund for large maintenance and repairs

- e. Fund 210 Project & Equipment Reserve Fund - City Manager Shepard**

Shepard explained that in previous years Fund 210 was used for tourism facilities projects, and it would now be consolidated back into Fund 800 and would be easier to track and monitor.

- f. Fund 300 Roads & Streets Fund – Public Works Director Mertz**

Discussion and comments included:

- Stormwater improvements around Second Street have helped.
- Question regarding allocation of City Manager’s time, and Shepard explained the actual past cost was likely higher, and the proposed allocation should be a more accurate representation.
- Mertz gave update on Lake Lytle project and Shepard added it was a tourism facility project with ample funds allocated in the TRT fund.

- g. Fund 390 Transportation Systems Development Charge Fund – Mertz**

McGinnis excused herself from the meeting at 6:56:00 p.m. and returned at 6:56:05 p.m.

Weissenfluh excused himself from the meeting at 7:00:00 p.m. and returned at 7:00:10 p.m.

Discussion and comments included:

- Evaluation of parking on Miller Street would be included in a proposed Transportation Growth Management Plan (TGM).
- Community has expressed concerns about excess speed in roads that run in east-to-west direction and expressed desire for speedbumps.
- Additional parking in commercial district is needed.
- Parking can be further addressed after additional steps are completed in Salmonberry Trail project.
- Discussion regarding consideration to allocate funds for bike racks. Staff noted that the TGM would evaluate multiple modalities, including bicycles, and would provide a plan to accommodate them. Staff suggested in the meantime the City could investigate expending any remaining funds in the line item for the current fiscal year.

h. Fund 800 Transient Room Tax - City Manager Shepard

Shepard explained Ordinance No. 2025-01 resulted in simplification and re-alignment of the revenue and expenditures in the fund.

Discussion and comments included:

- Transient Room Tax Cash Flow Chart was commended.
- Question about 4th of July events and Shepard clarified event funds such as the fireworks show are now allocated under Materials and Services, line 41. Blank lines on page 62 show old allocations; lines 34-55 show new allocations.
- Revenue figures do not include possible changes to County tax.
- Ongoing maintenance after Lake Lytle improvements and other park maintenance is allocated in the Roads fund. Some unrestricted TRT funds are transferred into Roads fund.

10. ADJOURNMENT

Start time: 7:18 p.m.

McGinnis thanked staff for their work. McNeilly said this budget was the best in the past 3 years.

McGinnis made a **motion**, seconded by Konruff, to adjourn the meeting at 7:19 p.m.

The **motion carried** by the following vote:

Aye: 11(Allgeier, Cheek, Konruff, Martine, May, McClaran, McGinnis, Schaefbauer, Walters, Weissenfluh, McNeilly)

Nay: 0

MINUTES APPROVED THE
23RD DAY OF APRIL 2025

Charles McNeilly, Mayor

ATTEST

Melissa Thompson, City Recorder

DRAFT



City of Rockaway Beach, Oregon

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STAFF REPORT

Date: April 18, 2025

To: Rockaway Beach Budget Committee

From: Marni Johnston, Finance Director

RE: Proposed Amendment to Personnel Services

I informed the budget committee that I discovered a calculation error in personnel services after the proposed budget was published.

To remedy this, an additional \$33,200 is needed in personnel services. For this reason, I recommend the following motion:

Suggested motion:

I move to amend the Personnel Services allocations in each fund as follows:

Increase General Fund – Administration (line 2) by \$7,200

Increase Road Fund – Maintenance Workers Wages (line 26) by \$6,800

Increase Water Fund – Office Employees (line 21) by \$4,900

Increase Sewer Fund – Office Employees (line 21) by \$4,900

Increase TRT Fund – Wages (line 36) by \$9,400