



City of Rockaway Beach

Budget Committee Meeting Minutes

Date: Thursday, May 2, 2024

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

1. CALL TO ORDER – Charles McNeilly, Mayor

Start time: [05:01:00 PM \(00:00:02\)](#)

2. ROLL CALL

[Mayor - Charles McNeilly: Present](#)

[Position #3 - Kristine Hayes: Present](#)

[Position #4 - Alesia Franken: Present](#)

[Position #2 - Stephanie Winchester: Present](#)

[Position #1 - Mary McGinnis: Present](#)

[Position #5 - Penelope Cheek: Present](#)

[Position #4 - Dave May: Present](#)

[Position #2 - Tom Martine: Present](#)

[Position #1 - David Elkins: Present](#)

[Position#9 - Michael Weissenfluh: Present](#)

[Position#8 - Susan Hennessy Schaeftbauer: Present \(arrived 5:02\)](#)

[Position #5 - Penny Chilton: Present \(arrived 5:02\)](#)

Committee Members Present: Charles McNeilly, Penny Cheek, Mary McGinnis, Tom Martine, Kristine Hayes, Alesia Franken, David Elkins, Stephanie Winchester, Michael Weissenfluh, Dave May, Penny Chilton, and Susan Hennessy Schaeftbauer.

Staff Present: Luke Shepard, City Manager; Marni Johnston, Finance Director; Melissa Thompson, City Recorder; Todd Hesse, Fire Chief; and Dan Emerson, Public Works Superintendent.

3. INTRODUCTIONS

Start time: [05:01:32 PM \(00:00:35\)](#)

McNeilly invited Budget Committee members and staff to introduce themselves.

4. APPOINT PRESIDING OFFICER

Start time: [05:08:34 PM \(00:07:37\)](#)

McNeilly explained that annually at the first Budget Committee meeting a Budget Chairperson is selected. McNeilly stated that the chairperson shall act as parliamentarian and encourage full participation of committee members in the budget process.

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

[Position#9 - Michael Weissenfluh: Motion](#)

[Position #1 - Mary McGinnis: 2nd](#)

[Mayor - Charles McNeilly: Abstain \(Recused\)](#)

[Position #3 - Kristine Hayes: Approve](#)

[Position #4 - Alesia Franken: Approve](#)

[Position #2 - Stephanie Winchester: Approve](#)

[Position #1 - Mary McGinnis: Approve](#)

[Position #5 - Penelope Cheek: Approve](#)

[Position #4 - Dave May: Approve](#)

[Position #2 - Tom Martine: Approve](#)

[Position #1 - David Elkins: Approve](#)

[Position#9 - Michael Weissenfluh: Approve](#)

[Position#8 - Susan Hennessy Schaeftbauer: Approve](#)

[Position #5 - Penny Chilton: Approve](#)

5. APPROVE MINUTES

Start time: [05:09:43 PM \(00:08:46\)](#)

a. April 13, 2023 Budget Committee Meeting Minutes

Weissenfluh noted a correction to the minutes.

Cheek made a **motion**, seconded by Franken, to approve the amended minutes for the April 13, 2023 Budget Committee Meeting.

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

[Position #5 - Penelope Cheek: Motion](#)

[Position #4 - Alesia Franken: 2nd](#)

[Mayor - Charles McNeilly: Approve](#)

[Position #3 - Kristine Hayes: Approve](#)

[Position #4 - Alesia Franken: Approve](#)

[Position #2 - Stephanie Winchester: Approve](#)

[Position #1 - Mary McGinnis: Approve](#)

[Position #5 - Penelope Cheek: Approve](#)

[Position #4 - Dave May: Approve](#)

[Position #2 - Tom Martine: Approve](#)

[Position #1 - David Elkins: Approve](#)

[Position#9 - Michael Weissenfluh: Approve](#)

[Position#8 - Susan Hennessy Schaeftbauer: Approve](#)

[Position #5 - Penny Chilton: Approve](#)

6. PRESENTATION OF BUDGET MESSAGE

Start time: [05:11:31 PM \(00:10:33\)](#)

Shepard read aloud the Budget Message for Fiscal Year 2024-2025.

Elkins and Chilton inquired about the proposed sewer system development charge (SDC) changes. Shepard and McNeilly explained it had been 14 years since a rate increase and the system needed maintenance. It was noted a rate study would be completed prior to City Council consideration of changes. McGinnis provided comments on a balanced budget. Franken commented on aging infrastructure.

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

Start time: [05:31:26 PM \(00:30:29\)](#)

McNeilly opened the public hearing at 5:31 p.m.

Lydia Hess, resident, advocated for the installation of bike racks. Hess provided the Committee with documents suggesting bicycle rack locations and additional information.

Terry Walhood, resident and representative of the Hope Chest Thrift Shop, advocated for continuing the Community Grant program.

8. PRESENTATION OF BUDGET HIGHLIGHTS

Start time: [05:38:23 PM \(00:37:26\)](#)

Shepard gave a slide presentation on budget highlights, including a summary of resources and requirements, budget priorities and capital projects. He answered clarifying questions for the Committee.

Shepard and Johnston explained to Elkins that the Transient Room Tax (TRT) charts were templates inserted in the proposed budget in error. Franken suggested that TRT line items in the budget document be named consistently.

Cheek inquired if Miller Street could be repaired. Shepard explained that after the Salmonberry Trail alignment was determined, Miller Street improvements might be possible through a downtown parking project.

Johnston explained for McNeilly the differences in the proposed budget figures for Charges for Service, Fees and Permits, noting that some revenues may have been allocated differently in the summary in the past, but overall revenue is the same.

Elkins inquired about staffing levels and whether they were adequate to accommodate proposed projects. Shepard explained that would be determined by review of priorities and service levels through the strategic planning process. He noted that staff is currently working at capacity.

Elkins inquired about code enforcement. Shepard explained that each code complaint was managed by the staff person who specialized in the area related to the complaint, in conjunction with the Sheriff's Office and the attorney when applicable. Shepard further explained that the Sheriff's Office handled issues with fireworks.

There was discussion regarding emergency incident command, Fire Department volunteers, emergency preparedness, and the High Ground project.

9. REVIEW OF PROPOSED BUDGET FOR 2024-2025 FISCAL YEAR

Start time: [06:26:31 PM \(01:25:34\)](#)

Shepard, Hesse and Emerson 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.

- | | |
|----------------|--|
| a. Fund 100 | General Fund - City Manager Shepard |
| b. Fund 100.16 | Fire Dept. Operations – Fire Chief Hesse |
| c. Fund 140 | Fire Equip. Reserve Fund – Fire Chief Hesse |
| d. Fund 170 | Economic Stability Reserve Fund - City Manager Shepard |
| e. Fund 150 | Donation Reserve Fund - City Manager Shepard |
| f. Fund 160 | Debt Service Reserve Fund - City Manager Shepard |
| g. Fund 210 | Project & Equipment Reserve Fund - City Manager Shepard |
| h. Fund 300 | Roads & Streets Fund – Public Works Superintendent Emerson |
| i. Fund 390 | Transportation Systems Development Charge Fund – Emerson |
| j. Fund 800 | Transient Room Tax - City Manager Shepard |

McNeilly made a **motion**, seconded by Weissenfluh, to separate \$7,500 from line 14 Supplies & Gear in [fund 100.16], and list it as a separate line item for emergency management supplies.

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

[Mayor - Charles McNeilly: Motion](#)
[Position#9 - Michael Weissenfluh: 2nd](#)
[Mayor - Charles McNeilly: Approve](#)
[Position #3 - Kristine Hayes: Approve](#)
[Position #4 - Alesia Franken: Approve](#)
[Position #2 - Stephanie Winchester: Approve](#)
[Position #1 - Mary McGinnis: Approve](#)

Position #5 - Penelope Cheek: Approve
Position #4 - Dave May: Approve
Position #2 - Tom Martine: Approve
Position #1 - David Elkins: Approve
Position#9 - Michael Weissenfluh: Approve
Position#8 - Susan Hennessy Schaeftbauer: Approve
Position #5 - Penny Chilton: Approve

Shepard explained that the City received a quote for cybersecurity insurance coverage.

After discussion, Weissenfluh made a **motion**, seconded by McGinnis, to increase line 15 [fund 100.18] by \$7,000 to include coverage for cybersecurity insurance.

Staff answered clarifying questions. Hayes expressed concerns to ensure ransomware coverage was included.

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

Position#9 - Michael Weissenfluh: Motion
Position #1 - Mary McGinnis: 2nd
Mayor - Charles McNeilly: Approve
Position #3 - Kristine Hayes: Approve
Position #4 - Alesia Franken: Approve
Position #2 - Stephanie Winchester: Approve
Position #1 - Mary McGinnis: Approve
Position #5 - Penelope Cheek: Approve
Position #4 - Dave May: Approve
Position #2 - Tom Martine: Approve
Position #1 - David Elkins: Approve
Position#9 - Michael Weissenfluh: Approve
Position#8 - Susan Hennessy Schaeftbauer: Approve
Position #5 - Penny Chilton: Approve

There was discussion regarding the Community Grant program. Weissenfluh expressed concerns about recent City Council discussion regarding using Façade Improvement Grant allocations to fund Community Grant applications from the Hope Chest and Lion's Club, since Façade grants must be tourism related. He advocated for increasing the Community Grant line item to fund those applications.

McGinnis made a **motion**, seconded by Cheek, to increase the Community Grant line item [line 36 in Fund 100.18] to \$75,000.

After brief discussion, the **motion carried** by the following vote:

Position #1 - Mary McGinnis: Motion
Position #5 - Penelope Cheek: 2nd

Mayor - Charles McNeilly: Approve
Position #3 - Kristine Hayes: Approve
Position #4 - Alesia Franken: Approve
Position #2 - Stephanie Winchester: Approve
Position #1 - Mary McGinnis: Approve
Position #5 - Penelope Cheek: Approve
Position #4 - Dave May: Approve
Position #2 - Tom Martine: Approve
Position #1 - David Elkins: Approve
Position#9 - Michael Weissenfluh: Approve
Position#8 - Susan Hennessy Schaeftbauer: Approve
Position #5 - Penny Chilton: Approve

McGinnis inquired about the proposed amount for staff training and discussion ensued.

McNeilly made a **motion**, seconded by Hayes, to increase the Travel & Training - Staff line item 31 [fund 100.18] from \$6,000 to \$8,000.

Mayor - Charles McNeilly: Motion
Position #3 - Kristine Hayes: 2nd
Mayor - Charles McNeilly: Approve
Position #3 - Kristine Hayes: Approve
Position #4 - Alesia Franken: Approve
Position #2 - Stephanie Winchester: Approve
Position #1 - Mary McGinnis: Approve
Position #5 - Penelope Cheek: Approve
Position #4 - Dave May: Approve
Position #2 - Tom Martine: Approve
Position #1 - David Elkins: Approve
Position#9 - Michael Weissenfluh: Approve
Position#8 - Susan Hennessy Schaeftbauer: Approve
Position #5 - Penny Chilton: Approve

McNeilly called for a recess at 7:06 p.m.

McNeilly called the meeting back to order at 7:10 p.m.

Franken inquired about the appropriate location to consider allocating funds for bike racks. Shepard recommended the Roads & Streets fund. Discussion followed. Shepard estimated that high-end bike racks could be acquired for \$1,000 each.

McGinnis made a **motion**, seconded by Franken, to add \$5,000 to line 39 [fund 300] for at least five bike racks.

After discussion, the **motion carried** by the following vote:

[Position #1 - Mary McGinnis: Motion](#)
[Position #4 - Alesia Franken: 2nd](#)
[Mayor - Charles McNeilly: Approve](#)
[Position #3 - Kristine Hayes: Approve](#)
[Position #4 - Alesia Franken: Approve](#)
[Position #2 - Stephanie Winchester: Approve](#)
[Position #1 - Mary McGinnis: Approve](#)
[Position #5 - Penelope Cheek: Approve](#)
[Position #4 - Dave May: Approve](#)
[Position #2 - Tom Martine: Approve](#)
[Position #1 - David Elkins: Approve](#)
[Position#9 - Michael Weissenfluh: Approve](#)
[Position#8 - Susan Hennessy Schaeffbauer: Approve](#)
[Position #5 - Penny Chilton: Approve](#)

Winchester inquired about utilizing TRT funds to provide supplemental seasonal staffing for Public Works due to the impact on tourism-related facilities. Shepard responded that it was a great idea, and if deemed eligible, funds already allocated could be utilized for that purpose.

There was discussion regarding the short-term rental cap and TRT revenue. It was noted that the current number of licenses was not reduced. McNeilly explained that the City Council would be reviewing the cap on an annual basis and was anticipating having more data to assist with their analysis.

Hayes advocated for allocating funds for the digitizing of records, removing microplastics from the beach, and implementing a recycling program.

Weissenfluh thanked Shepard for presenting a balanced budget, commending the management of City funds. He expressed support for the Economic Stability Fund. Weissenfluh cautioned about declining ending fund balances. He advocated for consideration of infrastructure needs and increasing staffing over the next few budget cycles. McGinnis commented on the larger number of staff in Cannon Beach.

Shepard confirmed for Franken that remaining funds would be reviewed and discussed at the next Budget Committee meeting.

10. ADJOURNMENT

Start time: [08:01:56 PM \(02:55:32\)](#)

McNeilly stated that the next Budget Committee meeting is scheduled for Wednesday, May 29, 2024 at 5:00 p.m.

Hayes made a **motion**, seconded by Franken, to adjourn the meeting at 8:01 p.m.

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

[Position #3 - Kristine Hayes: Motion](#)

[Position #4 - Alesia Franken: 2nd](#)

[Mayor - Charles McNeilly: Approve](#)

[Position #3 - Kristine Hayes: Approve](#)

[Position #4 - Alesia Franken: Approve](#)

[Position #2 - Stephanie Winchester: Approve](#)

[Position #1 - Mary McGinnis: Approve](#)

[Position #5 - Penelope Cheek: Approve](#)

[Position #5 - Patrick McIntire: Approve](#)

[Position #4 - Dave May: Approve](#)

[Position #2 - Tom Martine: Approve](#)

[Position #1 - David Elkins: Approve](#)

[Position#9 - Michael Weissenfluh: Approve](#)

[Position#8 - Susan Hennessy Schaeftbauer: Approve](#)

MINUTES APPROVED THE
29TH DAY OF MAY 2024


Charles McNeilly, Mayor

ATTEST


Melissa Thompson, City Recorder