

CITY OF CANBY
BUDGET COMMITTEE MEETING MINUTES
May 13, 2021

Committee Members Present: Andrea McCracken, Jason Padden, Bob Patterson, Melody Thompson, Jack Pendleton, Michelle Hensley, Councilor Sarah Spoon, Councilor Greg Parker, Councilor Shawn Varwig, Council President Traci Hensley, and Councilor Jordan Tibbals.

Committee Members Absent: Mayor Brian Hodson (non-voting member) and Christopher Bangs.

Staff Present: Scott Archer, City Administrator, Julie Blums, Finance Director, Joseph Lindsay, City Attorney/ Assistant City Administrator, Melissa Bisset, City Recorder/ HR Manager, and Valerie Kraxberger, Tech Services

CALL TO ORDER: Chair Padden called the meeting to order at 6:01 p.m.

OLD BUSINESS: Committee Member Patterson moved to approve the May 21, 2020 Budget Committee meeting minutes. Motion was seconded by Committee Member Parker and passed 10-0. Committee Member Spoon was absent for the vote.

NEW BUSINESS: Council President Hensley moved and Councilor Varwig seconded, to appoint Committee Member Thompson as Budget Committee Chair. Committee Member Thompson noted that she was hearing feedback and therefore would be unable to fulfill the role of Chair.

Councilor Spoon moved to appoint Jason Padden as Chair of the Budget Committee. Motion was seconded by Committee Member Thompson. Motion passed 10-0 with Committee Member Padden abstaining.

Councilor Spoon moved to appoint Committee Member Hensley as Vice-Chair. Motion was seconded by Committee Member Parker. Council President Hensley accepted the motion. The motion passed 11-0.

REVIEW FY20-21 PROPOSED BUDGET

City Administrator Scott Archer Provided the Budget Message.

Administration – Julie Blums, Finance Director, explained the changes in Administration personnel services costs and that there were related to restructuring and the allocation of existing staff.

Council President Hensley asked about the Mayor and City Council line item and the Mayor and City Council Training. Finance Director Julie Blums explained that the changes were related to paying a facilitator for the Council Goal setting and the LOC Council Training had been scheduled to be in Salem this past year and therefore no lodging was included.

HR/Risk Management – The big project was a proposed classification and compensation study.

Finance – Ms. Blums explained that it was mostly status quo. There were funds dedicated to a check printer in case the printer were to fail as it was very old.

Court – The Court had experienced a loss in revenue due to COVID. The lost revenue will be made whole using the ARP funds.

Planning/Building – The Planning Department was fully staffed. They would finish work on the Economic Needs Analysis, Comprehensive Plan Assessment, Feasibility of Permitting Software, the cost of Traffic Studies had increased.

Councilor Spoon asked about who the City uses for the Traffic Studies. She asked if there had been an RFP. There had not been an RFP as it was under the required dollar amount. She asked that the City do an RFP anyways.

Chair Padden expressed concern that the TSP was outdated and felt that it should be prioritized in this budget or the next one. Council President Hensley asked that the TSP be revisited during the next meeting.

Councilor Parker was concerned that growth doesn't pay for itself.

Councilor Spoon asked about why construction excise tax was being used for planning and where it had been before. Ms. Blums stated that it had been used in several areas in the past, police, streets, and now planning. It was moved a couple of years ago to offset planning costs that fees did not cover so the General Fund was not taking a hit for planning services.

The City contracts out Building Permits with the County. The City receives \$80,000 a year in revenue. There was a change in the allocation of staff time as some of Planning's staff time is used for the portion that the City handles related to the building permits.

Police – There were two new dash cameras in the budget, funds for four computers for the police cars and three new police vehicles. One of the vehicles had recently been totaled and there would be a reimbursement from the insurance company. There was money coming in from the Radio Levy. Councilor Spoon asked about a significant jump in overtime wages. Ms. Blums explained that there were enhanced enforcement programs funded by grants.

There was an increase in PERS rate for the next year. The Police PERS rate that the majority of the officers are under is increasing by 2.5 percent.

Parks – The City would be bringing back seasonal positions, there were funds for a covered shelter at Locust Park and to start constructing a pickle ball court at Maple Park. Parks would be contributing to the new fuel tank as they would be one of the biggest users. Chair Padden asked about a dog park. Ms. Blums explained that the consultants would be beginning their work on the Parks Master Plan and it would be addressed through that process.

Councilor Spoon asked if there was a way to get a porta-potty on the Logging Road Trail.

Cemetery – There was \$5,500 dedicated to a burial tent. There were two seasonal workers dedicated to work in the cemetery.

Economic Development – There was a certified local government grant to survey properties that may fit into future historic preservation plans and a grant to work on cleaning up headstones at the Cemetery. Money is budgeted to update the retail market analysis study. Councilor Varwig asked for additional information about the retail market analysis studies that have been done. Councilor Parker asked for a study session to look at the City's policies on economic development. Councilor Spoon

expressed concerns with the retail market analysis and that not much had been done and there wasn't an action plan associated. She stated that she could get behind it if there were an action plan.

Chair Padden asked about a Micro-grant program that Carol Palmer had proposed, how it can be done. Would like to make sure there is a clear and concise answer on this issue.

Not-Allocated – Captures the items not related to a particular department. It includes franchise fees, property tax revenue and costs that are not related to individual departments. There was an increase for a generator at City Hall. The estimated cost was \$500,000.

There was money that would come in for the American Rescue Plan and for the sale of the Old Library that would be put in reserves until decisions could be made on the use of those funds.

There was a five minute recess.

Library – The taxes come in January. There is a slight increase in on-call staff hours. There were several people who have elected benefits that haven't elected them in the past which is why there is an increase in the cost. There was discussion about the \$500,000 interfund loan from the cemetery.

Chair Padden suggested that there was a reserve fund that should be created to help cover the time until they receive their tax revenue.

There was discussion on the possible use of the \$500,000 from the sale of the Old Library to be used over a 5 year period to assist the Library budget and offset some of the transfer from the General Fund.

Transit – Ms. Blums reviewed the grants and noted that transit had additional CARES money coming in separate from the City's. There was money budgeted for technology, two buses, and the design and start of construction of a new transit office.

Councilor Parker asked about the projected increase in transit tax revenues. Ms. Blums noted that it was due to new businesses and increase in jobs.

Swim Center – Lost money due to COVID. There would be American Rescue Act funding to make them whole. There were also funds for a remodel at the Swim Center.

Street Fund – Lost revenue from local gas tax and State Highway Fund money due to COVID will be made whole with ARP money. There was money budgeted for a front loader and to replace a 1989 pickup truck. Street Maintenance Projects - \$700,000 plus \$500,000 for South Redwood. The County would be providing funds to help offset the cost. Capital projects for the year are Ivy Street, North Locust and North Knott and intersection of Territorial and Redwood, industrial park connection to 99 E. Capital Projects had doubled. There was a transfer to the Sewer Fund for a generator, fork lift, build a dump site for debris, and crack sealing of the PW parking lot.

Council President Hensley asked about miscellaneous revenue. Julie referred to the question Jack had asked. FY20-21 it is ARP money, FY21-22 budget for surplus, FY19-20 it was a transfer from URA for the purchase of property on Walnut St for the Industrial Park connection.

Chair Padden asked if an increase of the street maintenance fee was considered in the proposed budget. Ms. Blums said no it was not included in this budget. He was disappointed. Staff clarified that a fee increase proposal will be brought to Council on June 2nd for a work session discussion on the street fee.

Jack asked if there was a list of streets that we would like to do but can't afford to be done.

Parking Lot – Comp Plan start date, when will traffic plan come up, reserves regarding the TSP, how Planning reviews the self-done traffic studies, adding porta-pottys to the logging trail, general fund reserves

Councilor Spoon moved to recess until 6 pm on May 20th, 2021. Council President Hensley seconded. Motion passed 11-0.

Chair Padden recessed the meeting at 8:40 p.m. until 6:00 p.m. on May 20th.

Budget Committee Minutes Approved on _____

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