

CITY OF CANBY
BUDGET COMMITTEE MEETING
May 21, 2020

Committee Members Present: Andrea McCracken, Jason Padden, Bob Patterson, Melody Thompson, Tim Dale, Sarah Spoon, Jack Pendleton, Michelle Hensley, Shawn Varwig, Traci Hensley, Greg Parker, and Mayor Hodson (non-voting member).

Committee Members Absent: Trygve Berge

Staff Present: Amanda Zeiber, Interim City Administrator, Julie Blums, Finance Director, and Melissa Bisset, City Recorder.

CALL TO ORDER: Chair Padden called the meeting to order at 6:03 p.m.

OLD BUSINESS:

Council President Dale - What is the net FTE Add?

Councilor Varwig - How is the position being brought in? Is it replacing a position?

Interim City Administrator Zeiber apologized for not including more information about this position in the Budget Message.

The position was budgeted for 6 months in the 18-19 Budget but it was not filled. It was budgeted again in the 19-20 budget but had not yet been filled.

The position would be funded 50 percent by transit and 50 percent by fleet.

Interim City Administrator Amanda Zeiber stated that there is a Transit Coordinator and Transit Director in the Transit Department. Both positions would be vacated by retiring employees. The plan is to replace the administrative position in transit and have the additional position in Fleet. It would be in Fleet but funded fifty percent by transit. There would be another full time position.

The transit coordinator does not retire until August. In 2012 there were three mechanics in the fleet department, one took a job opportunity in another department and the City never went back to having three mechanics. The Transit Coordinator was hired and was able to help with some of the low level mechanics and enter work orders.

The retiring transit director and the new transit director feel that the transit coordinator should be a full time position.

Councilor Spoon - Is this position helping with periodic surges or is this consistent work?

Interim City Administrator Zeiber explained that they have been trying to figure out what the best needs are for fleet and transit. She stated that as the City grows and the fleet increases, there has been work contracted out. If there was someone to handle the lower level work then the mechanics would have more time to work on the fleet.

Councilor Spoon – How much are we contracting out now? Is the City going to be able to reduce the amount that is contracted out?

Ms. Zeiber stated that it was anticipated that there would be savings in the amount contracted out.

The new transit director has a different skill set than the previous one and has a different idea of what he would like the transit coordinator to do.

Council President Dale – stated that he understood why it was funded partly by transit because of the amount of vehicles. He did not want them to do both fleet and transit work. Ms. Zeiber explained that it is a fleet position funded partly by transit. There would be an expectation that the person has a CDL and can do mechanical work. She stated that it had been comingled in the past and it had not been working out.

Ms. Zeiber stated that they will get a job description and do a classification study and have it prepared for the Council prior to adoption of the Budget.

Andrea – Is there a possibility that the salary study could come back higher than predicted? Ms. Zeiber felt that it should be close as there was a preliminary look.

Councilor Parker – What was wrong with the current way using cost allocation? Have the person in fleet and charge their time through cost allocation.

Finance Director Blums - It will be a combination. The mechanic tech position – ½ would automatically be paid by transit and the other half would be billed by the work orders.

Finance Director Blums explained that there would need a motion to allocate the funds back to fleet.

Chair Padden stated that the Transit Coordinator was doing duties that fleet would be doing but it was not captured by fleet.

Motion was made by Council President Dale and seconded by Councilor Varwig to transfer appropriations from the transit fund for \$37,000 to the fleet fund. Motion carried 12-0.

Finance Director Blums explained that Transit currently takes up 47 percent of the work from the fleet department so it will likely come out to be the say amount.

Andrea moved – seconded by Councilor Spoon, councilor parker abstained to approve the 5/14/20 meeting minutes. Motion carried 11-0 with 1 abstention.

NEW BUSINESS:

REVIEW FY20-21 PROPOSED BUDGET

Library Fund

Finance Director Blums reviewed the Library Fund. There were no changes to staffing or materials, only inflationary increases. The current year fines have been reduced due to COVID-19. The biggest change was the transfer from General Fund is equal to Admin overhead charge so they could stay status quo and would not have to cut hours or positions.

Budget Committee Member Jack Pendleton, asked if the Library was sustainable. He asked if there was a problem and how was it resolved between the Library District and Oregon City.

Finance Director Blums explained that there is controversy about the boundaries about the service district. The City is hoping to have the boundaries changed so that more tax revenue is received to fit with the actual people that are being served. It has been a very slow process and meetings have been placed on hold due to COVID-19.

Budget Committee Thompson asked if there was a make it or break it with the amount of the transfer.

Finance Director Blums explained that there are many services that the Library provides and staff was trying to make sure that resource would be there as the community will need services as the year progresses.

Ms. Zeiber stated that the next year is expected to be odd. The Friends of the Public Library have not been able to have their Friends store open due to COVID-19 and that is where the Library receives a lot of its funding.

Finance Director Blums stated the current year projections have been reduced as fines have been suspended. The staffing increases were related to health insurance increases and there were no new staff.

Budget Committee Michelle Hensley noted that the amount of the transfer kept on increasing.

Councilor Parker – there had been a discussion about whether or not there should be funds taken from the General Fund. He asked that perhaps they could get a trend line on the amount of transfers from the General Fund to the Library. He asked for a 5 year analysis.

Jack –asked if there were figures about what other Cities were doing.

Ms. Blums stated that Canby had the lowest subsidy. Once the rate was set it could not be changed. The only thing that could be done was an operating levy.

Mayor Hodson stated that it was a permanent piece with no inflation. The only way would be to adjust the boundary or have more people move into town. It would be a difficult battle as the City would be contending with Oregon City. The objective was that the County Commissioners wanted to get it off their books.

Chair Padden asked for a trend of the income and expenditures for the past five years and what it may look like for the next five years. Chair Padden thought that the City would need to figure out how to fund the Library.

Budget Committee Member Michelle Hensley asked if Sunday could be added in the trend.

Budget Committee Member Thompson stated that it was a policy level decision that could be made by the City Council on how they wanted to fund the Library. She noted that it would continue every year.

Ms. Zeiber commended the Library for the amount of work that they do on a very limited staff. She thanked the many volunteers and staff for what they are able to do with the limited resources.

Transit Fund

Transit has a strong fund balance so projects would continue even though there would be a reduction in current year revenue. Three buses would be replaced and two new buses for the local circulator route would be added and all but \$135,000 paid for with grants. There would be Bus stop improvements, with six being done by ODOT and four by City, Grant should pay for all but \$67,000. There was money included in the proposed budget to begin architecture and design for the new Transit office. The property had already been purchased.

Money for a MP update, may not be done in FY20-21, may wait until FY21-22

Budget Committee Member Andrea asked about the Statewide Transportation Improvement Fund (STIF) revenues. The STIF is the first year that the City would receive the funds and the following year the City would receive the other amount.

Mayor Hodson stated that there was a goal of having some structures that would be sheltered. Councilor Parker and Councilor Spoon hoped for sheltered structures as well.

Swim Center

While the Swim Center had been closed due to COVID-19, they have been able to taking advantage of the closure and doing the normal September shut down work, including painting the ceiling. This would allow for the Swim Center to be opened in September. Revenue was down due to the mandatory closure and refunds had been issued for cancelled classes. Ms. Blums noted that the Swim Center still had a healthy fund balance and believed that they would be able to weather the storm.

Street Fund

Ms. Blums stated that there would be no major street maintenance projects. They would use gas tax money for the match if we are awarded the CDBG grant for ADA ramp improvements. There would be some maintenance money used on the N Locust, N Knott, and Pine St projects. The majority of these projects would be funded from System Development Charges. They would be replacing a 1989 pickup, parts are difficult to find. The cost would be \$50,000. They would also be replacing trench shoring equipment and it would be \$10,000.

Chair Padden stated one of the reasons for a decrease in the street maintenance was to do the larger projects and to build up a reserve in the fund. Ms. Blums responded that Public Works had worked hard to get projects done over the last couple of years.

Chair Padden asked if there was an inventory of the intersections that had been done and need to be done and the average cost per intersection. Ms. Blums would send the list to the Budget Committee.

Chair Padden would like to see a master plan of leveraging the gas tax to build the ADA ramps. Perhaps it could be used as a matching fund so there could be a program where the City would match with property owners – sidewalk program.

Discussion ensued regarding the street maintenance fee was only used for curb to curb and gas tax was being used for the ADA ramps and sidewalks.

Mayor Hodson shared there had been lawsuits and the State is requiring ADA ramps statewide. He noted that once the ADA ramps were done, then the funds could be used for maintenance.

Wastewater Treatment Plant

The Primary Clarifier project would be completed and Site improvements to the Plant.

Collections

The S Ivy pump station project would be completed. The S Ivy Sewer upsizing would begin from 2nd-13th. There were funds to pave road to the lift station behind the Police Department. There was a sewer push camera that was 18 years old that needed to be replaced.

Stormwater

There would be a GIS Program and it would be split between sewer, storm and streets.

Not-Allocated

The Not-Allocated fund includes the Utility billing costs and there were no changes.

Councilor Parker asked about the System Development Charges and the amount collected. He had seen that around 6-12 houses per month had been brought on. At 10 houses that would be \$60,000. The Splash Park and Master Plan update would be coming out of the Parks fund. There was funds budgeted for the Parks Master Plan.

Discussion ensued regarding budgeting for the Comp Plan. Was there money in planning for the comp plan reserve? Council thought a third of the cost was being put away each year to fund the comp plan. There were not funds for the comp plan in the Planning Budget.

Ms. Blums stated she would follow up with the Planning Director for more information.

Councilor Parker asked when they could get an estimate of the cost and funding plan.

Chair Padden – opened the public hearing regarding the use of State Shared Revenue. There was no written testimony, no citizens present and no one had signed up to speak virtually.

Chair Padden – opened the public comment period for the FY 2020-2021 City of Canby Proposed Budget. There was no written testimony, no citizens present and no one had signed up to speak virtually.

Motion was made by Jack Pendleton and seconded by Councilor Spoon to approve the budget for the 2020-2021 Fiscal Year in the amount of \$56,438,802 and to levy property taxes for the 2020-2021 fiscal year in the amount of \$3.4886 per \$1,000 of assessed value for operating purposes and \$0.49 per \$1,000 of assessed value for the Swim Center Local Option Levy.

Passed 12-0

Chair Padden adjourned the meeting at 7:36 p.m.

Minutes approved by the Budget Committee on 5/13/21