
**CITY OF CANBY BUDGET
COMMITTEE MEETING
May 26, 2022**

Committee Members Present: Brian Hodson, Traci Hensley, Elizabeth Chapin, Michelle Hensley, Greg Parker, Shawn Varwig, Christopher Bangs, Art Marine, Sarah Spoon, Jack Pendleton, Herman Maldonado, Jason Padden (attended virtually) and Eric Arndt.

Committee Members Absent:

Staff Present: Joe Lindsay, City Attorney/ Assistant City Administrator; Eric Kytola, Finance Director; Scott Archer, City Administrator; Melissa Bisset, City Recorder/Human Resources Director; Jamie Stickel, Economic Development Director/Communications Specialist; Todd Wood, Transit & Fleet Director; Heidi Muller, Transit Coordinator; Don Hardy, Planning Director; Jorge Tro, Police Chief; Jose Gonzalez, Police Captain; Doug Kitzmiller, Police Captain; Eric Laitinen, Aquatics Program Manager; Jerry Nelzen, Public Works Director; Spencer Polack, Public Works Lead; and Jeff Snyder, Parks Lead.

CALL TO ORDER: Vice Chair Hodson called the meeting to order at 6:29 p.m., followed by roll call.

OLD BUSINESS:

A. Approve minutes from the May 21, 2021 Budget Committee meeting

****Councilor Hensley moved to approve the May 21, 2021 Budget Committee meeting minutes. Motion seconded by Councilor Varwig and passed unanimously.**

B. Questions from the May 19, 2022 Budget Committee meeting

Eric Kytola, Finance Director, clarified there was one full time employee being added to the Planning budget.

NEW BUSINESS:

Review FY22-23 Proposed Budget

1. Transient Room Fund

Mr. Kytola discussed the Transient Room Fund. The revenues would be roughly the same as last year. There was an increase in materials and services and tourism promotion.

There was discussion regarding revenues from AirB&Bs and vacation rentals and if these companies had business licenses.

2. System Development Charge (SDC) Fund

Mr. Kytola discussed the SDC fund. There was an increase in revenues from recent development, and funds were transferred out to the different budgets for projects. There were also reserves for future expenditures.

There was discussion regarding capital projects that would use SDC funds.

3. Cemetery Perpetual Care Fund

Mr. Kytola discussed the Cemetery Perpetual Care fund. The revenues would be roughly the same as last year. This fund also loaned the library \$500,000 until the library's funding from Clackamas County came in and then it was paid back.

There was discussion regarding the only cemetery they budgeted for was Zion Memorial Park Cemetery and evaluating the self-sufficiency of cemetery operations.

4. Forfeiture Fund

Mr. Kytola discussed the Forfeiture fund. He explained the revenues would increase from last year due to an increase in the proportional share of the County's task force team. Materials and services would be roughly the same.

5. Facilities Fund

Mr. Kytola discussed the Facilities fund. Some highlights included purchases of a commercial size generator and automatic transfer switch for Public Works. Goals included upgrading the gutters, HVAC, and insulation at Public Works warehouses. There was a contracted janitorial service, but now there would be staff janitorial service and there was an increase in internal revenues to cover that service. There was an increase in staffing to add an additional custodian and one existing staff member would move over through an internal reorganization. Materials and services would be reduced.

There was discussion regarding an OSHA complaint.

6. Fleet Services Fund

Mr. Kytola discussed the Fleet Services fund. Some highlights included sending one vehicle and miscellaneous shop items to auction. Goals included selling more low usage vehicles and equipment. The revenues would be roughly the same as last year as well as personnel services. Materials and services would be increased due to rising fuel and parts costs.

There was discussion regarding raising fares, how most of the mechanic work was done in house, benefits of the new fueling station, and electric vehicles.

7. Tech Services Fund

Mr. Kytola discussed the Tech Services fund. Highlights included move of the

transit network to the City network and replacing the Police Department server. Goals included implementing Microsoft 365, replacing a server host, and transitioning to in-house IT services. The revenue increased substantially to cover expenditures for personnel services and added employees. Materials and services and capital outlay were also increasing.

There was discussion regarding the transition from contract to two full time employees, increased costs, reasons for bringing this service in house, how staff did not go out for an RFP, hiring the employees before this budget was approved, nature of labor market and staff turnover, and security.

The Committee took a short break.

Councilor Varwig left the meeting.

Chair Padden joined the meeting.

8. Sewer Combined Fund

Mr. Kytola discussed the Sewer Combined fund. The revenues would be roughly the same as last year. There was a slight increase in utility charges for service. There would be a large transfer in from the SDC fund for projects. Personnel services were increasing for the Wastewater Treatment Plant for one additional FTE. Materials and services would remain the same and capital outlay was substantially higher for the equipment storage and maintenance building and storage basin improvements. There was an increase in personnel services for Collections due to reallocating employees. There was a slight decrease in materials and services for Collections and capital outlay was substantially higher due to upgrading a service truck, new fueling station, removing the Safeway pump station, and installing a generator. Goals for stormwater were to update the Stormwater Master Plan and map out 50% of the City's stormwater infrastructure. Personnel services for stormwater increased due to adding FTE and there was a slight increase in materials and services and increase in capital outlay for adding drywells, new fuel station, and updating a pickup. Personnel services for not-allocated slightly decreased, materials and services was roughly the same, and transfers out was roughly the same.

COMMITTEE DISCUSSION: There was discussion regarding increasing parks staff.

APPROVAL OF THE CITY OF CANBY FY2022-23 BUDGET AND PROPERTY TAX RATES TO BE LEVIED:

****Councilor Spoon moved to approve the budget for the 2022-2023 fiscal year in the amount of \$80,721,281 and to levy property taxes for the 2022-2023 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. Motion seconded by Councilor Marine and passed 10-2 with Councilor Hensley and Committee Member Maldonado opposed.**

May 26, 2022

ADJOURN:

The meeting was adjourned at 8:27 p.m.