
**CITY OF CANBY BUDGET
COMMITTEE MEETING
June 1, 2023**

Committee Members Present: Christopher Bangs, Elizabeth Chapin, Traci Hensley, Michelle Hensley, Jason Padden, Jack Pendleton, Scott Sasse, Shawn Varwig, Brian Hodson, Herman Maldonado, Lisa Potter, and Eric Arndt.

Members Absent: None

Staff Present: Eileen Stein, Interim City Administrator; Joe Lindsay, Assistant City Administrator/City Attorney; Eric Kytola, Finance Director; Jamie Stickel, Economic Development Director/Communications Specialist; Todd Wood, Transit & Fleet Director; Don Hardy, Planning Director; and Jerry Nelzen, Public Works Director.

CALL TO ORDER: Chair Sasse called the meeting to order at 6:05 p.m., followed by a roll call.

NEW BUSINESS:

A. Review FY23-24 Proposed Budget

1. Cemetery Perpetual Care Fund – Eric Kytola said there were no significant changes to this budget from last year. Typically, this fund was used to transfer money to the Library Fund at the beginning of the year and it was transferred back in January when they got their payment from the library district.
2. Forfeiture Fund – Mr. Kytola said this fund was used to account for assets received by the Police Department because of federal and civil drug forfeitures. There were no significant changes to this budget from last year. They might use the fund for a K-9 next year.
3. Facilities Fund – Jerry Nelzen, Public Works Director, explained the projects that were done last year with the fund as well as the upcoming projects. Janitorial services went up as they were contracting out the service. Contract services went up due to all the City’s generators being put in this fund to manage.

There was discussion regarding the savings for contracting out janitorial service and setting funds aside for the remodel of the Adult Center if the ARPA funds did not work out.

4. Tech Services Fund – Peter Waterman, Network Administrator, gave highlights from 2022-23 and goals for 2023-24.

There was discussion regarding the increase in fees and dues, what they got for bringing this historically contracted service in-house, doing a formal review of the cost of bringing the services in house compared to contracting, security issues that had been improved, more upgrades for next year, handling the addition of

body cams, and cybersecurity.

5. Sewer Combined Fund – Mr. Kytola explained the purpose of the fund.

Mr. Nelzen discussed the Wastewater Treatment Plant operations and improvements as well as projects for the upcoming year.

There was discussion regarding the fuel station project.

Mr. Nelzen discussed Sanitary Collections projects and Stormwater System preventative maintenance and equipment needs. Mr. Kytola discussed the Sewer Fund Not-Allocated, which was used for sewer billing and franchise fees.

There was discussion regarding future expenditures and tracking capital projects.

COMMITTEE DISCUSSION/ “PARKING LOT” LIST:

Eileen Stein, Interim City Administrator, said there were two “parking lot” memos from staff to answer questions the Budget Committee had raised.

Committee Member Pendleton expressed concern about spending more than they should be as they were drawing down reserves. He questioned if it was sustainable. The City had grown too dependent on American Rescue Plan funds, which would run out.

There was discussion regarding capital projects in the budget, where the funding came from, the right amount of reserves, and whether more or less spending should occur.

There was further discussion regarding reducing the Mayor and Council line item by \$5,000. There was consensus to leave it as proposed with the additional \$5,000.

Councilor Davis asked about the Emergency Management Plan. Mr. Kytola said it was in this year’s budget but was never spent and it was not included in next year’s budget because it was on the list for the ARPA funds.

There was discussion regarding a donation to Canby Kids and setting up a process for applications for these types of community groups. Jamie Stickel, Economic Development Director, explained the Community Enhancement Grant program, which had been a pilot program this year. The existing grant had \$50,000 in the budget, and they could put in another \$50,000 for all other organizations to apply for a portion of it.

There was consensus to add \$50,000 to the budget to create a second grant with different parameters.

Committee Member Arndt suggested more flexibility in the grant awards so that organizations could receive more than \$2,000 depending on their impact to the community.

Ms. Stein suggested a budget increase of 1.0 FTE to re-create the Deputy City Recorder position. There was consensus to add it to the budget.

Commissioner Padden suggested a class next year for all Budget Committee members to give basic information and training on the budget and the Committee’s role. He also suggested that the current meeting format should be used for future Budget mid-year reviews. He wanted staff to look into adding a grant writer to next year’s budget. The

budget process should be moved up a few weeks so the Committee would have more time to review information before the official meetings. He also brought attention to the fact that the Police Department took up 60% of the overall City budget and the rest of the departments operated within the 40% remaining.

There was further discussion regarding Community Park and how no checks had been cut to pay for the work as it had only begun. Currently it was in the Urban Renewal budget to pay for it, but the Council had the option to direct the City to pay a portion.

APPROVAL OF THE CITY OF CANBY FY2023-24 BUDGET AND PROPERTY TAX RATES TO BE LEVIED

****Commissioner Davis moved to approve the budget for the 2023-2024 fiscal year in the amount of \$86,263,075.00 and to levy property taxes for the 2023-2024 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, with the following amendments: \$17,370 would be restored to the Mayor and Council budget, a line item would be added for community grants for \$50K, and another \$128,000 would be added into the Administration personnel services budget for a new Deputy City Recorder. Motion was seconded by Commissioner Varwig and passed unanimously.**

ADJOURN:

Chair Sasse adjourned the meeting at 8:10 p.m.