

**CITY OF CANBY**  
**BUDGET COMMITTEE MEETING**  
**May 20, 2021**

**Committee Members Present:** Andrea McCracken, Jason Padden, Bob Patterson, Melody Thompson, Jack Pendleton, Michelle Hensley, Mayor Brian Hodson (non-voting member), Councilor Sarah Spoon, Councilor Greg Parker, Councilor Shawn Varwig, Council President Traci Hensley and Councilor Christopher Bangs.

**Committee Members Absent:** Councilor Jordan Tibbals

**Staff Present:** Scott Archer, City Administrator, Julie Blums, Finance Director, Joseph Lindsay, City Attorney/Assistant City Administrator, and Melissa Bisset, City Recorder/HR Manager.

**CALL TO ORDER:** Chair Padden called the meeting to order at 6:06 p.m.

**OLD BUSINESS:** Councilor Varwig moved to approve the May 13, 2021 Budget Committee meeting minutes. Motion was seconded by Ms. Thompson and passed 11-0 with Councilor Bangs abstaining.

Chair Padden requested the committee discuss the questions that were previously raised on May 13, 2021. City staff spoke with Mr. Hardy, Planning Director on when the Comprehensive Plan and Transportation Safety Plan would begin. The plan was to start both in fiscal year 2022-2023. The pre-planning process would begin in 2021, and the actual plans would start the following year.

It was asked if it was possible to use reserves to pay for the Transportation System Plan update. City staff stated there were several sources to use.

It was also stated the Planning staff would be reviewing the Planning fees.

There was a question regarding adding another porta potty on the walking trail. This would cost the City \$1,200 per year. There were already a couple available on the walking trail.

The interest on the Cemetery Perpetual Care Fund for the Inter-fund loan was \$2,641.10.

It was also asked if there were any Street Maintenance Projects that could not be afforded. There were Street Maintenance Projects, which meant the projects would be delayed as material and labor costs raise. This was another topic to be brought to a work session at Council.

There were no follow-up questions.

**REVIEW FY20-21 PROPOSED BUDGET**

**Transient Room Tax Fund**

There were no specific items appropriated but had placed some funds in this place holder for tourism in the future.

### **System Development Charge (SDC) Fund**

This fund was slated to use about 2.2 million dollars in SDC funds towards the Industrial Park Connector, 99, Ivy street, N. Locust, N. Knott, and NE Territorial and Redwood intersection. Part of those projects were coming from the Sewer and Storm SDCs as they were not all street SDCs as there were Sewer and Storm components to some of those projects. \$333,000 came from the Sewer and Storm SDCs and \$100,000 in Park SDCs for the Master Plan.

These funds are used for new infrastructure, and new equipment related to growth. Once the Parks Master Plan was reviewed, that would determine the components and how much would be used in SDCs.

### **Cemetery Perpetual Care Fund**

Chair Padden requested that some financial work be done related to the Cemetery Perpetual Care Fund and project the next 40-50 years. It was also stated to review the trend in burials over the last 15-20 years.

Discussion ensued regarding the Perpetual Care Fund and the Long Term Plan. The Budget Committee asked for more information to be provided for the next year regarding the Cemetery, the funds for care of the cemetery, as well as potential regulations in 50 years. There was a significant update two years ago regarding the cemetery fees. There was no built-in inflation of the plot fees so there would need to be an annual update for Council. The Budget Committee asked if an increase of fees was needed again regarding the evening and weekend burials as they were costing more than what was charged. It was also requested to see the requirements of the costs broken out by burial and maintenance costs. Discussion ensued around the overall long term plan asking staff to analyze both the cemetery and cemetery perpetual care funds so that the general fund was not continued to be used.

### **Forfeiture Fund**

This fund is where the City budgeted funds seized by evidence at the Federal and State levels and only for drug enforcement and equipment. By law the City is not allowed to budget any revenue for it. It has been used to help fund the vehicles. City budgeted the balance to be prepared for any events that may occur later in the year.

### **Facilities Fund**

The Building Maintenance activities were included in the fund. The internal charge for fleet was higher as the cost for the fuel tank would be about \$6,000. Wages had gone up some as there would be some seasonal staff to be able to help out.

### **Fleet Services Fund**

There were a few items needing to be purchased. The fuel tank would be \$150,000. There was \$25,000 for a new vehicle lift. The current lift was 32 years old and did not have a safety lock to prevent it from falling while raising or lowering the vehicle and also to get down on the ground under the vehicle to position the lifting cylinders.

With a transition in staffing, the City determined that the Fleet Maintenance Technician would be needed. A half time position would be added instead that would help with the Administration duties.

## **Tech Services Fund**

There were funds budgeted to support many of the phones that were not working well costing \$15,000. There would be \$13,000 for software to run computers from home. There was a new website to go live on July 1, 2021.

Discussion ensued regarding cyber security. The Finance Director felt comfortable with the outside contractor as she had recently had communications with them regarding the software used to help against the cyber-attacks, and they had immediately notified and been proactive when any issues occurred. Mr. Archer mentioned the City also paid for additional liability insurance towards this security and they would ask the City's insurance if a third party review was necessary.

It was budgeted to replace two desktops, 13 laptops (replace after seven years). The server replacements were \$1,200, desktop replacements were \$1,900, laptop replacements were \$14,600, and monitor replacements were \$2,974.

Councilor Parker recommended that the City add these items to review as software changed rapidly therefore making security and other necessary functions on the website difficult to maintain.

Committee Member McCracken suggested there be a few different packages and the costs for employees to be able to telework.

Regarding ransomware, Chair Padden was interested in seeing how often the server backups were done and kept separate for better security.

## **Wastewater Treatment Plant**

There would be increases in permitting. There would be new DEQ testing that related to the increase in expense. Regarding bulk chemicals, there was Quick Zyme, an enzyme that would help break down the grease from sewer cleaning. There would not be any capital projects this year. This fund would also be contributing to the new fuel tank just over \$13,000.

## **Sewer Collections**

There would be one large project to decommission a pump station and would gravity feed it under Highway 99W and connect it into a current pump station. There would be a purchase of a camera for the sewer mains, the purchase of a generator and fork lift, and crack sealing for projects.

## **Stormwater**

There were no capital projects. There was nothing new from the previous year.

## **Sewer Not-Allocated**

Budget Committee Members requested to have additional meetings throughout the year. They requested to potentially have quarterly meetings to review spending, revenues, and to obtain recommendations.

Mayor Hodson noted there was an email from the Parks Committee and staffing dedication to the Parks versus the Parks Maintenance Fee being directed toward labor costs rather than Maintenance to Parks.

Chair Padden suggested that if they were to move to Budget Committee Work Sessions throughout the year, they could discuss other lengthy subjects such as the cemetery.

#### **Public Hearing on Shared Revenue Funds**

Chair Padden called the Public Hearing on Shared Revenue Funds at 7:22 pm. There were no comments. The Public hearing was closed at 7:22 pm.

#### **Public Hearing on Proposed Budget for Fiscal Year 2021-2022**

**Carol Palmer** stated she had urged Chair Padden and the new City Administrator to have a community grant program included in the 2021-2022 budget. She had provided the Budget Committee with a letter outlining a proposed community grant program. In addition, she was hoping the City would put together an Ad-Hoc Committee and include in the next year budget.

Councilor Parker mentioned a Pilot Project for the board and neighborhood associations would be good to allow creativity with use of some funds in the future.

Committee Member Thompson also thought it was a good idea with a couple of thoughts. She stated there used to be grants available but those went away due to financial restraints. She thought it was an opportune time for the City to look at doing this with a fair process along with the Council's goals. This would require extensive staff and council time along with resources.

**Barry Johnson** submitted written comment to the committee.

**Closed Public Hearing at 7:41 pm.**

**Budget Committee Member Thompson moved to approve the budget. Seconded by Councilor Hensley. Passed 11-0.**

Motion to adjourn by Councilor Hensley. Seconded by Council Member Thompson.

The Budget Committee meeting adjourned at 7:44 pm.