



1. CALL TO ORDER

Mayor Ruede called the Tuesday, April 26th meeting of the Dunes City Budget Committee to order at 4:00 pm.

2. ROLL CALL

Roll Call was taken by City Administrator/Budget Officer Jamie Mills.

Present: Mayor Rebecca Ruede, Council President Maurice Sanders, Councilor Duke Wells, Councilor Sheldon Meyer, Councilor Tom Mallen, and citizen members Ken Pesnell, and Rob Ward. Citizen member Brett McKnight was present via telephone.

Absent and Excused: Councilor Ed Scarberry, Councilor Ken Platt and citizen members Stuart "Wally" Shoults, Eric Ziegler, and Larry Overman.

Absent: Citizen member Jim Ryan.

Also Present: Budget Officer Jamie Mills and Administrative Assistant Rapunzel Oberholtzer.

3. PLEDGE OF ALLEGIANCE

All who were present stood for the Pledge of Allegiance.

4. MOTION TO APPROVE THE AGENDA

Councilor Mallen made a motion to approve the Agenda. Councilor Wells seconded the motion. The motion passed by unanimous vote.

5. ANNOUNCEMENTS

Mayor Ruede reminded everyone that the annual Oregon Dunes Triathlon was just days away.

6. APPROVAL OF THE MEETING MINUTES FOR FEBRUARY 23, 2016

Councilor Meyer made a motion to approve the February 23, 2016 Budget Committee meeting minutes as submitted and to accept the report on the April 19, 2016 meeting for which there was no quorum and in which no action was taken. Council President Sanders seconded the motion. The motion passed by unanimous vote.

7. CITIZEN INPUT

There was none.

8. APPROVAL OF 2016-2017 BUDGET

Mayor Ruede suggested reviewing and discussing the budget page by page. There were no objections.

Budget Officer Mills pointed out that some of the numbers on the summary page (page 13) are incorrect and will need to be reviewed and revised as needed. She noted also that the summary page is not submitted to the state.

Budget Page 1: There was some discussion about line item 16 Fines/Abatements. It was noted that the line item is there so that if there is any revenue from fines there is a specific place to assign it. Discussing the title of the line item, it was agreed to keep it as written. There was some discussion of the \$48,000 cash on hand. Budget Officer Mills explained that the amount was suggested by the auditors and should be accurate partly due to the fact that the City has received back payment from a franchisee that should have been received last year. Councilor Wells questioned the amount of the Garbage License Fee, noting that it did not seem adequate. Budget Officer Mills explained that there is an ordinance in the works that would propose an increase in the amount of the license fee.

Mr. Ward made a motion to approve page one of the Budget as submitted. Councilor Wells seconded the motion. The motion passed by unanimous vote.

Budget Page 2: Council President Sanders suggested that the line 4 Medical Insurance amount throughout the budget be rolled into the amounts for Administrative Services to simplify bookkeeping and show that the City is not paying medical insurance for employees.

Council President Sanders made a motion to zero out the Medical Insurance item and roll the budgeted amount for Medical Insurance into Administrative Services.

There was some discussion about whether or not the City would be violating any laws by not paying for medical insurance. Budget Officer Mills explained that no laws would be violated, the City is not actually required to pay medical insurance and bookkeeping would be much simplified.

Council President Sanders restated his motion as all Medical Insurance throughout the requirements descriptions in the Budget should be zeroed out and the previously budgeted amount be rolled into Administrative Services across the board. Mr. Ward seconded the motion. The motion passed by unanimous vote.

Mr. Ward made a motion to approve page two of the Budget as amended. Council President Sanders seconded the motion. The motion passed by unanimous vote.

Mr. Ward made a motion to approve page three of the Budget as submitted. Councilor Meyer seconded the motion. The motion passed by unanimous vote.

Budget Page 4: There was some discussion about line item 22 School Tax and the reason that this year's projected revenue is smaller than last year's budgeted amount. Budget Officer Mills explained that this year's number is based on actual costs and expected revenue.

Mr. Ward made a motion to approve page four of the Budget as presented. Councilor Meyer seconded the motion. The motion passed by unanimous vote.

Budget Page 5: There was some discussion about line item 19 School Tax. Budget Officer Mills double checked the budgeted amount and suggested changing it to \$13,500. She clarified that the City collects the tax when it issues building permits and keeps a small percentage to cover the City's administrative expenses, the remainder of the tax is sent to the school district.

Mr. Ward excused himself from the meeting at 4:40 pm. A quorum was still present.

Budget Officer Mills noted that line 26 would become \$66,120, line 30 would become \$79,144, and line 31 would become \$16,501 to reflect the adjustment made to line 19. There was some discussion about the Unappropriated Ending Fund Balance, which Budget Officer Mills explained could be used if building activity and associated costs increase during the year or it could be used to cover legal expenses.

Council President Sanders made a motion to change line 31 Unappropriated Ending Fund Balance to zero and increase line 28 General Operating Contingency by \$16,501 to \$21,501. Councilor Wells seconded the motion. The motion passed by unanimous vote.

Council President Sanders made a motion to pass page five of the Budget as amended. Councilor Meyer seconded the motion. The motion passed by unanimous vote.

Council President Sanders made a motion to adopt page six of the Budget State Street Fund Resource Description as presented. Councilor Meyer seconded the motion. The motion passed by unanimous vote.

Budget page 7: Council President Sanders asked what work would be done with the budgeted \$50,000 in line 23 Street Maintenance. Budget Officer Mills explained that the City would use the money to work on a list of repairs that the City has committed to doing, including work on Russell Drive. There was some discussion about the amount of work that needs to be done on roads and ditching and on street brushing and what projects have been submitted for approval. Council President Sanders suggested that Budget Officer Mills, roads supervisor Richard Palmer and roads director Gary Baker compile a prioritized list of projects costing no more than \$70,000 for the City Council to review. Following discussion it was agreed to change line 21 Street Brushing to \$7,500 and line 23 Street Maintenance to \$62,500.

There was some discussion about the process for applying for a Transportation Growth Management (TGM) grant to begin development of the Chet's Trail project. Budget Officer Mills explained that she submitted the required pre-application for the planning work and is working on other requirements. So far, she went on, the county is excited to support the proposed project and FEMA is also supportive.

Council President Sanders made a motion to pass page seven of thirteen as amended. Councilor Meyer seconded the motion. The motion passed by unanimous vote.

Council President Sanders made a motion to pass Budget page eight of thirteen as presented. Councilor Meyer seconded the motion. The motion passed by unanimous vote.

Budget page 9: Budget Officer Mills explained that line item 3 Transferred from Other Funds/Grants reflects the amount of the TGM grant, provided it is awarded to the City. She also explained that line 23 City Hall/Visitors Center/BU Generator amount of \$25,600 included the funds from the grant for the generator project at City Hall.

Council President Sanders asked why line 22 County Tourism/RTMP Marketing is notably higher than last year's budgeted amount and Budget Officer Mills explained that part of that amount would be from the TGM grant. There was some discussion about the amounts of money allocated to various line items and the fact that the line item titles might be misrepresenting the actual intended use of funds. It was suggested to rearrange the spreadsheet slightly to allow for a new line item that would help clarify how allocated funds are expected to be used. Following discussion, it was agreed to delete existing line item 28 Capital Outlay, which has had a zero balance for four years and add a new line item for Contracted Services under Materials and Services. There were no objections to the suggestion.

It was agreed to delete line 28 Capital Outlay, insert a new line 25 titled Contracted Services, to renumber the following line items appropriately.

Council President Sanders made a motion to approve Budget page 9 of 13 as amended. Councilor Meyer seconded the motion.

Mayor Ruede called for a break at 5:10 pm and reconvened the meeting at 5:12 pm.

Council President Sanders withdrew his motion and Councilor Meyer withdrew his second.

It was then agreed to allocate \$40,000 to the new Contracted Services out of Unappropriated Ending Fund Balance and reduce that Fund to \$17,507.

Council President Sanders made a motion to allocate \$40,000 to the new line item for Contracted Services and reduce the Unappropriated Ending Fund Balance to \$17,507. Councilor Meyer seconded the motion. The motion passed by unanimous vote.

Council President Sanders made a motion to approve Budget page nine of thirteen as amended. Councilor Meyer seconded the motion. The motion passed by unanimous vote.

Councilor Meyer made a motion to approve Budget page ten as presented. Councilor Mallen seconded the motion. The motion passed by unanimous vote.

Budget page 11: Councilor Meyer pointed out that the Medical Insurance amount of \$900 should be rolled into Administrative Services, bringing that allocation to \$12,900. There was some discussion about whether there should be an allocation for General Operating Contingency.

Council President Sanders made a motion to fund line 27 General Operating Contingency with \$5,000 and reduce line 30 Unappropriated Ending Fund Balance to \$5,944. Councilor Meyer seconded the motion. The motion passed by unanimous vote.

Council President Sanders made a motion to approve Budget page eleven of thirteen as amended. Councilor Meyer seconded the motion. The motion passed by unanimous vote.

Budget page 12: Budget Officer Mills pointed out that the Emergency Communications Fund has not been funded for three years, therefore it automatically is eliminated and no action is required.

Councilor Meyer made a motion to approve the Budget as amended and send it to City Council. Mr. Pesnell seconded the motion.

Mayor Ruede thanked Budget Officer Mills for her work on the Budget, noting that the Budget Committee would continue to hold quarterly reviews which are helpful to Committee members for follow up review after it is approved by the Council.

The motion passed by unanimous vote.

9. ADJOURNMENT

Council President Sanders made a motion to adjourn the meeting. Councilor Mallen seconded the motion. There was no vote taken.

Mayor Ruede adjourned the Dunes City Budget Committee meeting at 5:20 pm.

The proceedings of the Dunes City Budget Committee meeting were recorded, and are on file at Dunes City Hall. Upon approval by the Dunes City Budget Committee, these minutes will be available at Dunes City Hall and online at www.dunescity.com

APPROVED BY THE BUDGET COMMITTEE ON THE 11th DAY OF AUGUST 2016.

[Signed copy available at City Hall]

Rebecca Ruede, Mayor

ATTEST:

[Signed copy available at City Hall]

Jamie Mills, City Administrator/Budget Officer