



BUDGET COMMITTEE MEETING MINUTES ~ APPROVED
MAY 15, 2018 AT 5:00 PM
City Hall ~ 82877 Spruce St., Westlake, OR

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.

1. CALL TO ORDER

Mayor Robert Forsythe called the Tuesday, May 15, meeting of the Dunes City Budget Committee to order at 5:00 pm.

2. ROLL CALL

Roll Call was taken by City Administrator Jamie Mills.

Present: Mayor Robert Forsythe, Council President Sheldon Meyer, Councilor Susan Snow, Councilor Robert Orr, and Councilor Duke Wells with citizen members Rory Hammond, Linda John, Craig Zolezzi, Ric Ziegler, Brett McKnight.

Absent and Excused: Councilors Alan Montgomery and Tom Mallen, and citizen member Keith Garvey. There is one vacancy on the Committee.

Also Present: Administrative Assistant Rapunzel Oberholtzer.

3. PLEDGE OF ALLEGIANCE

All who were present stood for the Pledge of Allegiance.

4. MOTION TO APPROVE THE AGENDA

Mr. Hammond made a motion to approve the agenda as published. Mr. McKnight seconded the motion. The motion passed by unanimous vote.

5. ANNOUNCEMENTS

There were none, but City Administrator Mills noted that there would be an additional action item for consideration that was not listed on the agenda.

6. APPROVAL OF MEETING MINUTES

A. Meeting Minutes for April 24, 2018

Council President Meyer made a motion to approve the minutes of the April 24, 2018, meeting. Councilor Snow seconded the motion. The motion passed by unanimous vote.

7. REVIEW AND DISCUSSION OF PROPOSED BUDGET

City Administrator Mills pointed out that the first order of business was for the Committee to appoint someone as Budget Officer for Fiscal Year 2018-2019. Following discussion it was agreed to appoint City Administrator Mills.

Council President Meyer made a motion to appoint Jamie Mills as Budget Officer. Councilor Orr seconded the motion. The motion passed by unanimous vote.

Budget Officer Mills referred Committee members to their copies of the Budget Message for Fiscal Year 2018-2019 and asked if everyone had had time to read it. They had. Budget Officer Mills noted that there were hard choices to make this year. First, the City is no longer eligible for and will not receive shared tax revenue from the State, due to the fact that Dunes City had not assessed a local tax as is required by State law. Second, the new BCD rules this year require the City to hire a Building Inspector and an Electrical Inspector, and the City will struggle to cover the cost of doing so.

Budget Officer Mills referred Committee members to their copies of three different budgets she prepared for the meeting: one that did not include a City Building Program, a second that included hiring two Inspectors to comply with BCD rules, and a third that reflects hiring a Building Inspector who would also serve as the Building Official and discontinuing any electrical permit process.

There was some discussion of the various budget scenarios, the possibility of entering into an IGA with another jurisdiction to share the costs of hiring Inspectors, and what effect potential litigation and associated fees would have on the City's bottom line. There was further discussion about moving forward with a budget that assumed no changes in the City's Building Program if a potential injunction on implementing BCD rules is successful. After discussion it was agreed to discuss a 2018-2019 budget that anticipated no changes.

Committee Members reviewed budget option one (without a Building Program) page by page:

- Page 1 – Budget Officer Mills explained that she included revenue anticipating that all grants for which the City has applied will be awarded. She noted that she increased the amount allocated to Business License Fees to account for a possible Council action requiring every business operating in the City to purchase a City License. She also noted that she added a new line item “Donations” for those donations that come in to help hardship cases, mostly related to septic system maintenance. And, she explained that the tax-related line items with a zero balance reflect the discontinuance of those shared revenues.
- Page 2 – Budget Officer Mills pointed out new line item “Bank Service Charges” to allow for paying bank service charges associated with the City's credit card machine.
- Page 4 – Following discussion, it was generally agreed that Budget Officer Mills would revise the Building Fund revenue line items from zero dollars to show the revenue amounts anticipated for 2017-2018.

Page 6 – Budget Officer Mills explained that the City will not see more revenue from the ODOT State Highway Apportionment after this year, it is one of the shared tax revenue items the City is no longer entitled to receive. She noted that the ODOT Grant money has been awarded to the City and will be used for repairs in the Huckleberry Lane and Wright Road area.

Page 9 – Budget Officer Mills explained that the City would continue to receive Lane County Motel Tax and RTMP funding as they are County taxes, not State shared revenue.

Page 10 – Budget Officer Mills explained that many residents complain that it is difficult to read their water meters monthly, mostly because they are hard to access. South Coast Water District is replacing its meters with state-of-the-art meters that can be read via wireless signal. She went on to explain that she budgeted \$20,000 in line 8 (Donations/Grants) so the City could, if desired, replace some of its water meters with the same ones South Coast is using, acquire the software, and then be able to read City meters digitally.

Page 11 – There was a question about line 15 (Water Right Preservation) and the amount budgeted (\$500) versus the amount from last year (\$20,000). Budget Officer Mills explained that last year \$20,000 was budgeted, about \$10,000 has been spent and the remaining amount will be mostly spent on installing an instream flow measuring device at the outlet control structure on Woahink Creek.

Budget Officer Mills reminded everyone that she would revise this proposed budget to include the revenue and expense for the City's Building Program from the 2017-2018 fiscal year.

Budget Officer Mills presented a handout that illustrated the potential revenue from various tax rates starting at \$0.005 per thousand of assessed value on a residence to \$0.25 per thousand. She went on to explain that she is still researching the details of how to initiate a permanent local tax or a temporary local option levy—either option would have to be voted upon by residents during the next general election and would be a minimal amount for purposes of satisfying the State's requirement for cities to have levied local taxes in order to receive shared revenue.

8. CITIZEN INPUT ON BUDGET

There was none.

9. APPROVAL OF 2018-2019 BUDGET

The Budget Committee will meet on May 22 at 5:00pm to review the revised version of the proposed budget.

10. ADJOURNMENT

Councilor Orr made a motion to adjourn. Mr. McKnight seconded the motion. The motion passed by unanimous vote.

Mayor Forsythe adjourned the meeting at 6:03 pm.

APPROVED BY THE BUDGET COMMITTEE ON THE 22nd DAY OF MAY 2018.

[Signed copy available at City Hall]

Robert Forsythe, Mayor

ATTEST:

[Signed copy available at City Hall]

Jamie Mills, City Administrator/Budget Officer