



**BUDGET COMMITTEE MEETING MINUTES ~ APPROVED
MAY 8, 2019 AT 4:00 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 Wednesday, May 8, meeting of the Dunes City Budget Committee to order at 4:00 pm.

2. ROLL CALL

Roll Call was taken by Budget Officer Jamie Mills.

Present: Mayor Robert Forsythe, Council President Sheldon Meyer, Councilor Alan Montgomery, Councilor Tom Mallen, Councilor Duke Wells, Councilor Robert Orr, and Councilor Susan Snow, with citizen members Rory Hammond and Richard Snow.

Absent: Citizen member Keith Garvey.

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

Councilor Mallen made a motion to approve the agenda. Mr. Hammond seconded the motion. The motion passed by unanimous vote.

5. APPROVAL OF MEETING MINUTES FOR FEBRUARY 5, 2019

Councilor Orr made a motion to approve the minutes of the February 5 meeting. The motion was seconded by Councilor Snow. The motion passed by unanimous vote.

6. DELIVERY OF BUDGET MESSAGE

Budget Officer Mills read the prepared Budget Message into the record. Highlights included:

The proposed budget is balanced between total resources and requirements as mandated by State law;

The proposed budget represents the five budgetary funds that are used to meet legal and operating requirements for the City. These budgets were compiled using beginning fund balances from last year's review by the City's auditor, actual expenses and resources from July 1, 2018, through March 31, 2019, and using projections for expenses that will be incurred during the last quarter of this fiscal year.

The City held the line on spending during the last fiscal year, with almost all accounts reflecting an increase in beginning fund balances, except the Water Fund. The City began moving forward with its mandated actions prior to seeking certification of its water rights, which resulted in expenditures that were not made in the past.

The issue as to whether the City will be required to hire a building official and/or building inspector on staff is still before the legislature. The budget is prepared contemplating business as usual.

The issue of whether or not the City is entitled to receive shared revenues may be resolved by looking at ORS 221.760, which provides that the officer in charge of making payment can make payment to any City when the officer is reasonably satisfied that the City meets the requirements of providing four municipal services to its citizenry—this question has been decided in favor of the City in the past. For this budget, resources for liquor, cigarette and gas taxes were calculated per State published expectations.

The proposed budget contemplates the City will receive grant funding to begin work on Rebecca's Trail, to continue work on the City's land use codes, and to work on Alder Drive.

The City's PERS contribution is expected to jump from 26.24% in 2018 to 30.16% in 2019.

7. PRESENTATION OF BUDGET FOR FY 2019-2020

Mayor Forsythe suggested that the Committee review the proposed budget page by page.

Mr. Hammond noted that it was important to know the total revenue and expenses for each fund and for the City each month. Following discussion, there were no changes suggested to page 1.

Discussing page 2, there was a question about what "Contracted Services" entailed. Budget Officer Mills explained that was for contracted engineers and/or the contracted City Planner. Councilor Snow noted that the budgeted amount for "Dues" was less than this year's budget. Budget Officer Mills explained that she and the Mayor have discussed which organizations were beneficial for the City and decided to cut back on some that are not as beneficial, such as the Oregon Mayors' Association. She went on to explain that the proposed budget includes two years' of dues for LCOG because last year's dues invoice was not received in time to be included in last year's budget.

Jumping to page 12, there was some discussion about "Capital Outlay" which showed a zero amount for year to date, but the City purchased a bucket truck for \$3,922. Budget Officer Mills offered to double check the totals for the next meeting.

There was some discussion about revenue from the RTMP funds. Generally, Budget Officer Mills explained, the City does not know how much of the revenue comes from Dunes City businesses or Florence businesses, but this year there should be an increase in revenue from Airbnb. There was some discussion about whether or not Rebecca's Trail would benefit the City and its local businesses. Budget Officer Mills explained that the North Beach area and Westlake businesses fully supported acquisition of land for the trail.

There was some discussion about developing strategies for using revenue from the State and from the Water Fund. There was also some discussion about the format in which the budget is presented and whether or not the City Auditors or an Audit Committee could recommend improvements or whether or not the City could use different accounting software. Mayor Forsythe suggested that the discussions would be more useful during the Goal Setting Sessions rather than the Budget Committee Meeting.

Returning to discussion of page 3, there was a question about the previous year's budget for "Capital Outlay" in the amount of \$117,000. Budget Officer Mills explained that \$105,000 was the amount from the General Fund for Rebecca's Trail, \$10,000 was slated for new equipment storage space, and \$2,000 was for office equipment. She went on to explain that the lower amount proposed for this year was due to reduction of the amount scheduled to come from the General Fund.

There were no changes proposed to page 4.

Discussing page 5, Budget Officer Mills pointed out that the Building Codes Fund is required to be a zero balance at the end of the year, no balance is allowed to carry over.

Discussing page 6, there was a question about how street projects are determined. Budget Officer Mills explained that, currently, she and Public Works Maintenance Supervisor Richard Palmer meet at least once a year to schedule the most needed improvements. Following discussion, it was agreed that, going forward, the public and the City Council could be involved in suggesting the projects that needed attention. There were no changes to page 6.

Following discussion, there were no changes to pages 7, 8, 9, 10, 11, or 12. Budget Officer Mills offered to double check all of the numbers on page 12 to make sure the totals carried over from all funds.

There was further discussion about the Budget Message presented earlier in the meeting and proposed salary increases for the Planning Secretary and City Administrator. Mayor Forsythe suggested striking the dollar amount of salary proposed for the Planning Secretary and, instead, representing the increase as a percentage in order to preserve confidentiality.

Councilor Wells made a motion to revise the budget message to show a percentage increase in wages for staff wages. Mr. Hammond seconded the motion. The motion passed by unanimous vote.

A COMPLETE COPY OF THE REVISED BUDGET MESSAGE IS ON FILE AT CITY HALL.

Mr. Hammond suggested additional reports: 1) Total revenue by fund, 2) Total revenue by grant, and 3) Total for all Personal Services.

8. DISCUSSION AND DELIBERATION OF PROPOSED FY 2019-2020 BUDGET

Following discussion, it was agreed to review the proposed FY budget for 2019-2020 at the next Budget Committee meeting on Wednesday, May 15, at 5:00 pm.

9. CITIZEN INPUT

There was none.

10. ADJOURNMENT

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

Mayor Forsythe adjourned the meeting at 5:38 pm.

APPROVED BY THE BUDGET COMMITTEE ON THE 15th DAY OF MAY 2019

[Signed copy available at City Hall]

Robert Forsythe, Mayor

ATTEST:

[Signed copy available at City Hall]

Jamie Mills, City Administrator/Budget Officer