

**PUBLIC MEETING OF THE GERVAIS BUDGET COMMITTEE
COUNTY OF MARION, STATE OF OREGON
HELD IN GERVAIS ON MAY 8, 2017**

1. **Call to Order:** Mayor Shanti Platt called the meeting to order at 7:00 pm.

2. **Roll Call:**

Council:

Mayor Shanti Platt	Present
Councilor Micky Wagner	Present
Councilor Wes Leiva	Present
Council President Michael Gregory	Present
Councilor John Harvey	Present
Councilor Baltazar Gonzalez	Present

Budget Committee Members:

Connie Barrera	Present
Andrea Barrera	Present
Regine Lovely	Present
Carmen Leiva	Present
Jim Mackey	Present
Allen Taylor	Present

Staff Present: City Manager Susie Marston, Police Chief Peter Spirup, Public Works Superintendent Pat Claxton and City Recorder Tim Rhyne.

3. **Announcements:**

a. **Additions/deletions to the agenda**

4. **Elect committee Chair and Vice-Chair**

Committee Member Allen Taylor nominated Carmen Leiva for Chair, seconded by Committee Member Connie Barrera. Motion is unanimously carried and so ordered.

Mayor Platt turned the meeting over to Budget Committee Chair Carmen Leiva.

Committee Member Allen Taylor nominated Jim Mackey for Vice-Chair, seconded by Committee Member Andrea Barrera. Motion is unanimously carried and so ordered.

5. Budget Message

City Manager Susie Marston reviewed the budget message with the council and budget committee and touched on several different events coming in the 2017-18 fiscal year. She stated that this is a conservative budget and that estimated tax revenue is about the same as last year. Susie also talked about the current tax base and how it affects the projected revenue for this budget. The Dollar General store that is under construction will increase the tax base in the coming years and provide a great convenience to the town.

While discussing payroll expenses, Susie mentioned that the COLA for the 2017-18 year is 2.1% which follows the Portland CPI index. That amount may be different for the Police Officers since their pay increases are determined by the collective bargaining contract. Jim Mackey asked if they 2017-18 revenue projections included tax income from the upcoming Dollar General. Susie answered in the negative. There was a brief discussion about revenue projections and insurance costs.

Susie mentioned that the city code needs to be updated and it is hoped that an intern from a local college will be retained to help with that project. While reviewing the budget message, Susie touched on several different items in the new budget. It was mentioned that the City is eligible again for a \$50,000 grant to help in improving 6th Street between Douglas and Ivy. There was a short discussion about that project. Susie gave various details and answered questions about the funds as she reviewed the budget message.

6. Review and discuss proposed budget for Fiscal Year 2017-18.

The council and budget committee reviewed the 2017-18 budget document with Susie and other city staff. Susie mentioned that the marijuana tax is a new revenue item for the 2017-18 fiscal year. Since it is a new revenue, it is unknown how much will be gained from that source. There was a discussion about the Cash on Hand balance from prior years compared to the current year. Susie mentioned that the City of Gervais doesn't charge very many fees compared to other cities. The fee schedule could be updated to increase fee revenue which could, in turn, increase the Cash on Hand balance. Allen Taylor suggested having a mid-year meeting to see and discuss how the Cash on Hand balance is doing.

General Fund

For General Fund expenses, Susie and Pat mentioned that the increase in Maintenance/Repair is for an upcoming repair on the City Hall air conditioning system. Personnel Services is reduced overall due to allocating some of those expenses to the Storm Drain Fund. Mayor Platt asked about accounts that are used for clothing and uniforms. There is an increase in the software maintenance line item for police due to a new yearly fee for the E-Cite software. There is a Capital expense for the 2017-18 year in the Streets Department to install an electric gate at the Public Works/Police Garage yard. A short discussion was held about the new gate. Susie explained the increase in Personnel Services for the Streets Department. The Professional Services line item was increased to have the Public Works standards updated by the city engineer. Susie mentioned that we have a new judge that is shared with surrounding cities. Personnel expenses have been reallocated as well, causing some changes in the Court Department.

State Tax Street Fund

The grant funds of \$50,000 are for the 6th Street project. Advertising expenses are for the 6th Street project.

Water Fund

Susie added the proceeds from the State Drinking Water Loan to the resources. There was a discussion about engineering costs. The costs for the water tank project are shown in the Water Systems Improvements capital outlay. There was a short discussion about the operating contingency which was moved to the unappropriated ending fund balance.

Wastewater Fund

There was a short discussion about the Cash on Hand balance compared to prior years. Expenditures are reduced slightly from last year. Mayor Platt asked about expenses related to trees in the tree farm that become damaged. There was a short discussion about the recently damaged trees at the tree farm. Councilor Wagner asked about the Utility Vehicle capital expense, and Regine Lovely asked Pat Claxton about the I&I program. Susie explained the amount found in the Equipment/Furniture capital expense line item. The operating contingency is increased this year since the pumps in the lift stations need to be replaced soon. There was a brief discussion about the lift station pumps.

Storm Drain Fund

Susie stated that the Cash on Hand balance has been declining resulting from recent city projects. Personnel expenses are increased in this fund due to the reallocation from other funds.

Various Other Funds

The Police Vehicle Replacement Fund is currently being built up for the next vehicle purchase. Money found in the Bike Path Construction Fund could potentially be used to make repairs to sidewalks, specifically a portion over by the new park. It is planned to close the Park Fund into the General Fund since it is no longer being used. The Insurance line item in the 4th of July Fund is not needed this year since the City insurance policy provides the necessary coverage. After a brief discussion, Councilor Gregory stated that the next 4th of July Committee meeting was on May 23rd. The Special Events Fund continues to slowly grow, being supplemented by the Mayor's annual yard sale. The money in this fund is used by the Police Department for community outreach activities and materials. There was a short discussion about the date for the upcoming annual yard sale. Councilor Wagner asked about the Supplies line item on the 4th of July and Special Events funds. Susie Marston gave some examples of what makes up the Supplies line item. Mayor Platt gave examples of what the Special Events Fund is used for. Some money from the Water Reserve Fund is planned to be used this year for water system repairs.

7. Approve Budget

It was moved by Budget Committee Member Allen Taylor that the budget committee of the City of Gervais has reviewed and hereby approves the budget as proposed for the 2017-18 fiscal year, seconded by Budget Committee Member Jim Mackey. Motion is unanimously carried and so ordered.

8. Announcements

Budget Committee Member Allen Taylor made a motion for the Council and Budget Committee to meet again in January at a date to be determined by city staff, seconded by Budget Committee Member Jim Mackey. Motion is unanimously carried and so moved.

9. Adjourn

The Budget Committee Meeting adjourned at 8:35 pm.

I, TIM RHYNE, CITY RECORDER, DO HEREBY CERTIFY THAT THE FORGOING MINUTES OF SAID MEETING OF THE GERVAIS CITY BUDGET COMMITTEE HELD ON MAY 8, 2017 ARE CORRECT AS RECORDED.

ATTESTED:

Shanti Platt, Mayor

Tim Rhyne, City Recorder