

**City of Oregon City
Budget Committee Meeting Minutes
April 20, 2009**

**Pioneer Community Center
615 5th Street
Oregon City, OR 97045**

1. Convene Meeting of the FY 2009-10 Budget Committee and Roll Call

Chair Caudle called the meeting to order at 5:30 p.m.

Budget Committee Present:

Mike Caudle, Chair
Doug Neeley
James Nicita
Alice Norris
Daphne Wuest
Rocky Smith, Jr.
Autumn Rudisel
Chris Geiger
Laura Zentner (arrived at 5:36 p.m.)
Justin J.A. Wolfe

Staff Present:

City Manager Larry Patterson
Police Chief and Public Safety Director Mike Conrad
Community Services Director Scott Archer
City Recorder Nancy Ide
City Engineer and Public Works Director Nancy Kraushaar
Finance Director David Wimmer
Community Development Director Dan Drentlaw
Human Resources Director Jim Loeffler

Media:

Colin Miner, *The Oregonian*

2. Review Budget Committee Process, Authority, and Decisions

Larry Patterson, City Manager, explained that the Budget Committee reviewed the budget and would send a recommendation to the City Commission.

3. Election of Chairperson

Motion by Alice Norris, second by Doug Neeley, to nominate Mike Caudle as Budget Committee Chair for the Fiscal Year 2009-10. Motion passed unanimously 9-0.

4. Review of Minutes of April 2008 Budget Committee Meetings

Motion by Autumn Rudisel, second by Chris Geiger, to approve the minutes of the April 2008 Budget Committee meetings as presented. Motion passed unanimously 9-0.

5. Review of City Commission Goals, Budget Addendum, and Future Forecast

Laura Zentner arrived at 5:36 p.m.

Mr. Patterson said the budget was based on the City Commission goals. He explained what would be discussed that night.

6. Receive the Budget Message from the Budget Officer

a. Proposed Budget for F/Y 2009-2010

Mr. Patterson gave the highlights of the Budget Message. He said the budget was in better shape than other cities around the region and he explained the reasons. There were several new initiatives that were not in the budget at the present time but would need to be added. He outlined those additions and gave cost estimates and which had General Fund impacts. He

explained the reorganization that had taken place in the City that affected the budget and the sources of revenues for the City. The Budget Addendum showed the cost of City services per household was \$4.75 per day. The budget was 64.8 million dollars; the dollar change from last year was 1.2 million which was a 1.92% change from last year. He discussed how much money was in each fund.

Mr. Patterson reviewed the Fire Annexation pledge, which was a pledge to not increase taxes for a minimum of five years beyond the 99 cent threshold if the assumptions in the plan held. Services would be maintained as they were at that time.

7. Review of Budget Document and Departmental Presentations

Mr. Patterson reviewed the General Fund, department budgets, and other funds and discussed the revenues, expenditures, and projections for each.

Ms. Norris thought they could be more fiscally conservative and cut back some of the ambition. She thought they should soften the increase in fees and go slowly. There was discussion about ways to be conservative in the budget.

John Lewis, Public Works Operations Manager, gave a presentation on the Payment Maintenance Utility Fee annual report. He discussed the adoption and maintenance of the fee. Jim Birch, Street Supervisor, discussed the road projects that were done last year and what was proposed for the coming year. He also discussed the reasons for choosing those roads.

The Committee asked questions about several funds in the budget. There was discussion about a possible future deficit and how to address the issue. The Committee gave staff direction about items to bring back for further discussion at the next meeting.

8. Adjourn

Motion by Alice Norris, second by Justin Wolfe, to continue the meeting to April 21, 2009 at 5:30 p.m. Motion passed unanimously 9-0.

Chair Caudle recessed the meeting at 8:48 p.m.

April 21, 2009

**Pioneer Community Center
615 5th Street
Oregon City, OR 97045**

1. Reconvene Meeting of the FY 2009-10 Budget Committee and Roll Call

Chair Caudle reconvened the Budget Committee meeting at 5:30 p.m. on April 21, 2009

Budget Committee Present:

Mike Caudle, Chair
Doug Neeley
Alice Norris
Daphne Wuest
Rocky Smith, Jr.
Autumn Rudisel
Chris Geiger
Justin J.A. Wolfe (arrived at 5:37 p.m.)

Staff Present:

City Manager Larry Patterson
Police Chief and Public Safety Director Mike Conrad
Community Services Director Scott Archer
City Recorder Nancy Ide
City Engineer and Public Works Director Nancy Kraushaar
Finance Director, David Wimmer
Community Development Director Dan Drentlaw
Human Resources Director Jim Loeffler

Media:

Colin Miner, *The Oregonian*

2. Review of City Commission Goals

Larry Patterson, City Manager, went through the Commission goals and how they related to the budget.

Mr. Patterson discussed the history of the Community Development and Building Operations funds. The funds went up and down depending on the activities and a transfer was needed from the General Fund to level the funds out. He also discussed the Park Maintenance Fee and the schedule for adding new police officers under the COPS Grant.

There was discussion about the COPS grant process, changing the grant proposal, and setting aside funds to maintain the positions. The original plan was for 9.5 officers over the next five years, and this proposal was for 6.5 officers. Mike Conrad, Police Chief and Public Safety Director, explained the impacts of having 6.5 instead of 9.5 officers.

Motion by Alice Norris, second by Doug Neeley, for the City to receive all five officers if awarded them through the COPS Grant. Motion passed unanimously 8-0.

3. Discussion of Blue Heron Tax Assessment

Mr. Patterson discussed how the Blue Heron's tax assessment was based on the real market value of the main account. It was still a tax and rate payer for the City.

4. Discussion and Elaboration of Construction Program

Mr. Patterson gave ideas for how to fund a construction program for the Library. There was discussion about the future Library facility.

5. Discussion of Carnegie Center Usage

Scott Archer, Community Services Director, gave an overview of the Carnegie Center utilization decision process and timeline. There was no funding in the 09-10 budget for this program. There was discussion about possibilities for how the facility could be used and cost for the maintenance of the building.

6. Discussion of End of the Oregon Trail Interpretive Center

Mr. Patterson explained the City owned the End of the Oregon Trail Interpretive Center buildings and had a management agreement with Clackamas Heritage Partners. They would need to do an analysis of how to operate the facility in the future. There was no financing for this until the consultant work was done. The attendance numbers never sustained the operation.

7. Discussion of Ermatinger House Restoration

Mr. Patterson said there was a possible tax credit program for restoration of the Ermatinger House.

Mr. Smith discussed multiple grant sources for this facility. He also explained the current issues with the house and how it needed to be a priority. Mr. Neeley thought it should be discussed by the Urban Renewal Commission.

8. Information on City Rental Properties

Mr. Patterson gave a list of City rental properties and what the revenues would be used for in the budget.

9. Police Department Remodel

Mr. Patterson explained the funding for the remodeling of City Hall for the Police Department.

Mr. Neeley discussed the issue of parks projects seeking major increases from the granting agencies and he thought it should be an investment that occurred within the General Fund. They could not let the grant programs be used as an increasing cash cow to the City. They had to look for some community support from businesses to support these programs.

Mr. Patterson explained how much money each program needed, and the total was \$100,000. There were more wants than there was money and they would have to make some hard decisions.

10. Approval of Budget Recommendation for FY 2009-10 to be forwarded to the City Commission

Mr. Patterson discussed the revenue adjustments in the General Fund. The net changes in the funds was \$608,000 and that changed the budget to \$65,480,173.

Motion by Alice Norris, second by Daphne Wuest, to forward the FY 2009-10 budget for the City of Oregon City to the City Commission to approve a permanent tax rate of \$4.1590 for the General Fund, to approve the levy of \$286,747 for the Fire Bond Debt Service Fund, and to approve a total budget of \$65,480,173. Motion passed unanimously 8-0.

11. Adjourn

Motion by Daphne Wuest, second by Mike Caudle, to adjourn the Budget Committee meeting. Motion passed unanimously 8-0.

Chair Caudle adjourned the meeting at 8:18 p.m.

Respectfully submitted,

Nancy Ide, City Recorder