

MINUTES
Budget Committee Meeting
May 23, 2019

The meeting was called to order at 6:02 p.m. by Chair Galindez. Present were Councilors Cate Arnold, Lacey Beaty, Mark Fagin, Laura Mitchell, and Marc San Soucie, and Members Tiffany Burton, John Dugger, Jose Galindez, Renu Kamath (alternate member), Bill Kanable, and Clay Moorhead. Also present were Mayor Denny Doyle; Patrick O’Claire, Finance Director; Dave Waffle, Assistant Finance Director; Susan Cole, Assistant Finance Director; Abigail Elder, Mayor’s Office Director; Cheryl Twete, Community Development Department Director; Patricia Anderson Wieck, Human Resources Director; Cadence Petros, Development Division Manager; Leigh Crabtree, Community Development Operations Manager; Anna Slatinsky, Planning Division Manager; Mike Williams, Economic Development Manager; Jody Yates, Site Development Division Manager; Kimberlee McArthur, City Building Official; Kristine Burns, Office Supervisor; Jenny Marston, Assistant City Attorney 3; Matthew Rawls, Support Specialist 2; and Peter Wong, Valley Times.

FISCAL YEAR 2019-20 PROPOSED BUDGET

Mr. O’Claire gave opening comments.

BUDGET REVIEWS

Community Development Department

Cheryl Twete reviewed the proposed FY 2019-20 Budget for the Community Development Department (CDD). Ms. Twete introduced CDD’s division managers. She said CDD’s mission is to plan and facilitate for a healthy, vibrant and complete community, one that is safe and connected and provides economic prosperity and quality housing choices for all. She said fundamentally they strive to ensure that the community’s long term livability through quality business climate, strong neighborhoods, wonderful spaces and places for our community to gather, revitalization of the downtown core, and improved mobility throughout the region.

Ms. Twete showed a video that described the work within CDD and its customers’ perspectives.

Ms. Twete said over the last three years, there has been a big increase in permitting activity for Building, Planning, and Site Development. She said from FY 2016-17 to the current year, the number of land use applications processed increased considerably. She said there were 550 submitted in FY 2016-17, 795 in FY 2017-18, and 750 is estimated for FY 2018-19.

Ms. Twete explained the main accomplishments of CDD. She said Beaverton has been awarded the first project approval by Metro for the \$650 million Metro Affordable Housing Bond Program. She said construction on the PRCA and adjacent parking garage should start in September 2019. She said tomorrow will be the grand opening of Beaverton’s first ever Street Seat project which is located outside the Rise Old Town.

Ms. Twete gave an overview of the CDD’s proposed budget for FY 2019-20. She said \$750,000 is proposed for the electronic application system which is the last phase of the 3-year implementation of the development review process. She said the Cooper Mountain Community Plan will be a 3 to 4 year project.

Councilor San Soucie referred to page 1130 in the proposed budget and expressed support for the list of projects associated with item #7 – Tentative improvements to the next Transportation System Plan update.

Member Galindez asked what has become of Canyon Road and Farmington Road realignment.

Ms. Twete said they are working in partnership with ODOT for reconstruction of a portion of Canyon Road, however, the project is probably about a year and a half out. She said there is nothing new to report about Farmington Road, but she explained that there is a lot of focus on The Loop of the Hall – Watson couplet that runs north and south and will merge the old town downtown with the new downtown here at the Round.

Councilor Beaty commented about the Metro Affordable Housing Bond section and said she hopes there are additional units built beyond the proposed 75 units.

Member Kanable asked if there has been transportation planning associated with South Cooper Mountain such as working with Tri-Met to extend their service to that area.

Ms. Twete said transportation and infrastructure planning is a major portion of the upcoming planning process for the South Cooper Mountain and the majority of the funding is in the Planning Division budget.

Member Dugger, a resident in the core of Beaverton, expressed concern crossing Canyon Road and Farmington Road.

Ms. Twete discussed the various remedies for Canyon Road and Farmington Road that are in the works associated with The Loop project.

Mr. O'Claire explained that Mr. Kamath is an alternate member of the Committee so he can participate in the discussions, but cannot vote.

In response to an earlier question by Member Galindez, Mr. O'Claire explained how Beaverton's water rate ranked. He also explained the Water Revenue Bond Issues and the water debt service.

Member Moorhead said the City's 5% participation in the Willamette Water Supply Project seemed low considering the development potential there is in Beaverton.

Mr. O'Claire said the City will not need this additional 5 MGD of water until about 2040, however, the City has to participate now because the project is being built.

Member Dugger requested that the rate increase be labeled as "capital" on the water bill so residents understand the need for it.

Mr. O'Claire explained that the first bill after a rate increase contains information regarding the rate increase and the reason for it.

There was discussion regarding the City's water rate and its share in the Willamette Water Supply system.

Mr. O'Claire reviewed the six Amendment Packets that were distributed.

There was discussion regarding the effect of the proposed Amendments on the General Fund Contingency balance.

Public Hearing for General Public Input

The Chair opened the hearing for general public input at 7:45 p.m.

No one was present to testify. The public hearing was closed at 7:45 p.m.

Public Hearing on State Revenue Sharing

The Chair opened the Public Hearing portion of the meeting on the proposed uses of State Revenue Sharing funds at 7:46 p.m.

There being no public testimony, the public portion of the Public Hearing was closed at 7:46 p.m.

Approval of Budget

The Chair entertained a motion to approve the Proposed FY 2019-20 Budget as submitted.

Member Kanable MOVED/SECONDED by Member Moorhead to approve the FY 2019-20 Budget as submitted.

The Chair called for discussion.

The Chair entertained a motion to approve Amendment Packet 1.

Councilor San Soucie MOVED/SECONDED by Councilor Fagin to approve the Amendment Packet 1 as submitted by the Finance Director to the Proposed FY 2019-20 Budget.

**AMENDMENT PACKET NO. 1
 PROPOSED BY CITY STAFF
 AMENDMENTS TO THE FY 2019-20 BUDGET**

1. BURA General Fund, BURA Debt Service Fund and a new Fund Entitled BURA Programs and Activities Fund

Create an additional Fund for the Beaverton Urban Redevelopment Agency to account for BURA Program and Activities that have been previously accounted for in the BURA General Fund. Creating a separate fund will more accurately account for these programs and activities and the use of tax increment revenues. This new Fund’s activities will be funded by the short term “daylight” loan program from the City’s General Fund. The General Fund loan will be paid off by a transfer from the BURA General Fund to the BURA Debt Service Fund:

New Fund – BURA Programs and Activities

Create a new BURA Programs and Activities Fund and transfer budgeted items in the BURA General Fund to the new Fund and create a contingency account with a balance of \$500,000.

Account Number	Description	FY 2019-20 Amended Recommended
Revenues		
903-03-0000-453	Loan From City of Beaverton’s General Fund	\$2,367,150
903-03-0000-381	Rental of City/BURA Property	\$95,100
903-95-0694-387	General Liability Insurance	\$4,000
903-95-0694-388	Property Insurance	\$20,000
903-95-0694-480	Property Tax Expense	\$66,250
903-95-0694-506	Affordable Housing Program	\$300,000

903-95-0694-507	Tenant Improvement Program	\$295,000
903-95-0694-509	Acquisition Due Diligence	\$100,000
903-95-0694-511	Professional Services	\$115,000
903-95-0694-516	Business Storefront Improvement Expense	\$50,000
903-95-0694-518	Property Management Expense	\$232,000
903-95-0694-519	Development Feasibility Assistance	\$475,000
903-95-0694-559	Streetscape Enhancement Expense	\$305,000
903-95-0694-991	Contingency	\$500,000

BURA General Fund

Remove budgeted items in the BURA General Fund that are now accounted for in the BURA Programs and Activities Fund and fund the debt service payment to repay the “daylight” loan from the City of Beaverton and fund a \$500,000 Contingency in the new Fund. Budget Document Page Numbers 1308 and 1309 and 1312 through 1317.

Account Number	Description	FY 2019-20 Amended Recommended
Revenues		
901-03-0000-381	Rental of City/BURA Property	(\$95,100)
Expenditures		
901-95-0691-387	General Liability Insurance	(\$4,000)
901-95-0691-388	Property Insurance	(\$20,000)
901-95-0691-480	Property Tax Expense	(\$66,250)
901-95-0691-506	Affordable Housing Program	(\$300,000)
901-95-0691-507	Tenant Improvement Program	(\$295,000)
901-95-0691-509	Acquisition Due Diligence	(\$100,000)
901-95-0691-511	Professional Services	(\$115,000)
901-95-0691-516	Business Storefront Improvement Expense	(\$50,000)
901-95-0691-518	Property Management Expense	(\$232,000)
901-95-0691-519	Development Feasibility Assistance	(\$475,000)
901-95-0691-559	Streetscape Enhancement Expense	(\$305,000)
901-95-0691-839	Transfer to BURA Debt Service Fund	\$2,367,150
901-95-0691-991	Contingency	(\$500,000)

BURA Debt Service Fund

Record repayment of “daylight” loan from the City of Beaverton funded by a payment from the BURA General Fund to the BURA Debt Service Fund. Budget Document Page Numbers 1326 through 1329.

Account Number	Description	FY 2019-20 Amended Recommended
Revenues		
904-03-0000-444	Transfer from BURA General Fund	\$2,367,150
Expenditures		
904-95-0693-748	Repayment of Short Term Loan From the City of Beaverton	\$2,367,150

The Chair called for discussion.

Hearing none, the Chair called for a vote on Amendment Packet 1 as submitted by the Finance Director. The motion CARRIED (10:0).

The Chair entertained a motion to approve Amendment Packet 2.

Member Kanable MOVED/SECONDED by Councilor Arnold to approve the Amendment Packet 2 as submitted by the Finance Director to the Proposed FY 2019-20 Budget.

**AMENDMENT PACKET NO. 2
 PROPOSED BY CITY STAFF
 AMENDMENTS TO THE FY 2019-20 BUDGET**

1. General Fund – Police Department

Transfer the 1 FTE Deputy Police Chief position and the associated Payroll Taxes and Fringe Benefits to the correct program in the FY 2019-20 Proposed Budget. The position was inadvertently entered in Program 0611, when it should have been entered in Program 0622. Budget Document Page Numbers 587 and 588.

Account Number	Description	FY 2019-20 Amended Recommended
001-60-0611-032	Deputy Police Chief (-1 FTE)	(\$121,786)
001-60-0611-299	Payroll Taxes and Fringe Benefits	(\$69,826)
001-60-0622-032	Deputy Police Chief (+1 FTE)	\$121,786
001-60-0622-299	Payroll Taxes and Fringe Benefits	\$69,826

2. General Fund – Revenue

Additional reimbursement from the Beaverton School District for the School Resource Office (SRO). After the Federal Community Oriented Policing (COP) Grant ends in September 2019, the school district will reimburse 100% of the SRO's salary and fringe benefits for the remainder of the year. Budget Document Page Numbers 484 and 485.

Account Number	Description	FY 2019-20 Amended Recommended
001-03-0000-558	School Dist. Police SRO Reimbursement	\$125,055
001-13-0003-991	Contingency	\$125,055

3. General Fund – Mayor Office Programs – Neighborhood and Public Involvement

Based upon comments by Budget Committee Member Dugger, the Mayor is recommending increasing the budget for the NAC Matching Grant Program from the proposed budget of \$40,260 to \$50,000. Budget Document Page Numbers 748 and 749.

Account Number	Description	FY 2019-20 Amended Recommended
001-10-0659-461	Special Expense–NAC Matching Grant Program	\$9,740
001-13-0003-991	Contingency	(\$9,740)

4. General Fund – Public Works Operations Department

Transfer within existing Materials and Services appropriations in the Landscape Maintenance program to reclassify Equipment Operation & Maintenance Expense (object code 371) to a newly created account Rolling Stock & Equipment Under \$10,000 (object code 372). This new account was created for purchasing equipment that is under \$10,000 capitalization threshold. The items to be purchased are a replacement for a riding mower \$6,500 and a Grandstand Riding Mower for \$7,320. Budget Document Page Numbers 72 and 73

Account Number	Description	FY 2019-20 Amended Recommended
001-85-0772-371	Equipment Operation & Maintenance Expense	(\$13,820)
001-85-0772-372	Rolling Stock & Equipment under \$10,000	\$13,820

5. Street Fund – Street Maintenance

Transfer the appropriation for winter sanding attachments to the correct account in the FY 2019-20 Proposed Budget. The appropriation was inadvertently entered in the Vehicle account, when it should have been entered in the Rolling Stock account within the Street Maintenance Capital Outlay appropriations. This change reflects a change in policy to clarify between Vehicles (on-road), Rolling Stock (off-road or accessories) and Equipment (non-vehicle capital assets) with a minimum value of \$10,000. Budget Document Page Numbers 138 and 139

Account Number	Description	FY 2019-20 Amended Recommended
101-85-0732-641	Street Maintenance - Vehicles	(\$13,500)
101-85-0732-670	Street Maintenance – Rolling Stock	\$13,500

6. Street Fund – Street Maintenance

Additional appropriation in Capital Outlay – Rolling Stock to add equipment for the roadway striping trailer that is begin replaced in the FY 2019-20 Proposed Budget. Budget Document Page Numbers 144 and 145.

Account Number	Description	FY 2019-20 Amended Recommended
101-85-0733-670	Street Maintenance – Rolling Stock	\$2,465
101-85-0732-991	Contingency	(\$2,465)

7. Community Development Block Grant – 26th Program Year – FY 2019-20

Increase the CDBG grant revenue to reflect an \$8,030 increase in the Federal Government’s HUD Community Development Block Grant entitlement allocation to the City of Beaverton and adjust the corresponding appropriations in uncommitted grant funds expense. Budget Document Page Numbers 1258, 1259, 1260 and 1261.

Account Number	Description	FY 2018-19 Amended Recommended
106-03-6026-327	Grants Revenue - Federal	\$8,030
106-70-6026-416	Uncommitted Grant Funds	\$8,030

8. Library Fund – Library Administration

Communications Expense in Materials and Services. This appropriation was inadvertently deleted from the Recommended Budget Column, Budget Document Page Number 862.

Account Number	Description	FY 2018-19 Amended Recommended
115-35-0551-341	Communications Expense	\$11,500
115-35-0551-991	Contingency	(\$11,500)

9. Water Operating Fund – Public Works

Transfer within existing Materials and Services appropriations in the Water System Distribution Program to reclassify Equipment Operation & Maintenance Expense (object code 371) to a newly created account Rolling Stock & Equipment Under \$10,000 (object code 372). This new account was created for purchasing equipment that is under \$10,000 capitalization threshold. The item to be purchased is a Bradco pickup broom \$5,500. Budget Document Page Numbers 235 and 236.

Account Number	Description	FY 2019-20 Amended Recommended
501-85-0742-371	Equipment Operation & Maintenance Expense	(\$5,500)
501-85-0742-372	Rolling Stock & Equipment under \$10,000	\$5,500

10. Water Construction Fund – Water System Improvements - Extra Capacity Program

Eliminate a duplicate entry among water system extra capacity projects. This appropriation request was inadvertently included in preparing the Internal Review and FY 2019-20 Proposed Budget documents.

Account Number	Description	FY 2019-20 Amended Recommended
505-75-3620-683	Water Extra Capacity Program - Construction Design and Inspection Upsizing (Last Entry)	(\$10,000)
505-75-0744-994	Water System Improvements Reserve - SDC	\$10,000

11. Storm Drain Fund - Revenues

Decrease Customer Service Charges. Revenues are overstated due to double-counting equivalent service units (ESUs) in the newly withdrawn areas from Tualatin Valley Water District. There is no net increase in ESUs, only a re-categorization. Budget Document Page Numbers 307, 308, 321 and 322.

Account Number	Description	FY 2019-20 Amended Recommended
513-03-0000-364	Storm Drain – Customer Service Charges	(\$700,000)
513-85-0734-991	Storm Drain – Contingency Unreserved	(\$700,000)

12. General Fund - Revenues

Increase various revenues projections for the General Fund over the amounts in the FY 2019-20 Recommended Budget due to updated revenues received so far year-to date. Budget Page Numbers 478 through 487 and Pages 509 and 510.

Account Number	Description	FY 2019-20 Amended Recommended
001-03-0000-318	Business License Fees	\$20,000
001-03-0000-315	ROW Fee – NWNG Base 3.0%	\$20,000
001-03-0000-319	ROW Fee – Other Utilities (Electric)	\$47,000
001-03-0000-504	ROW Fee – PGE Privilege 1.5%	\$40,000
001-03-0000-505	ROW Fee – NWNG Privilege 2.0%	\$14,000
001-03-0000-371	Court Fines and Forfeitures	\$100,000
001-03-0000-373	Parking Fines	\$20,000
001-13-0003-980	General Fund Contingency ROW Fee Future Use	\$54,000
001-13-0003-991	General Fund Contingency Unreserved	\$207,000

The Chair called for discussion.

Hearing none, the Chair called for a vote on Amendment Packet 2 as submitted by the Finance Director. The motion CARRIED (10:0).

The Chair entertained a motion to approve Amendment Packet 3.

Member Moorhead MOVED/SECONDED by Councilor San Soucie to approve the Amendment Packet 3 as submitted by the Finance Director to the Proposed FY 2019-20 Budget.

**AMENDMENT PACKET NO. 3
 PROPOSED BY CITY STAFF
 AMENDMENTS TO THE FY 2019-20 BUDGET**

1. Water Fund Revenues

Increase the water consumption rate by 30 cents to fund the debt service payments on a \$30 Million Water Revenue Bond Issue scheduled for late FY 2019-20. The bond issue proceeds will be used to assist with funding:

- \$11.7 Million contribution to the Willamette Water Supply Project
- \$10.5 Million Cooper Mountain 2nd Water Reservoir and Transmission Lines,
- \$ 4.5 Million Willamette Water System Intertie Projects
- \$ 3.5 Million Meridian Pump Station Replacement Project
- \$ 2.5 Million purple pipe irrigation project

Account Number	Description	FY 2019-20 Amended Recommended
Revenues		
501-03-0000-361	Water Sales	\$1,278,930
501-85-0741-991	Contingency	\$1,278,930

The Chair called for discussion.

Councilor Beaty said that she will support Amendment Packet 3, however, will need more community input before she can agree to it.

Member Dugger said he agrees with Councilor Beaty's comment that good public communication is needed.

Member Moorhead said he is in support of Amendment Packet 3. He said this is a placeholder that allows the process and timetable to continue and will allow the City Council to consider it in the next budget cycle.

The Chair called for a vote on Amendment Packet 3 as submitted by the Finance Director. The motion CARRIED (8:2). Councilor Arnold, Councilor Fagin, Councilor Mitchell, Councilor San Soucie, Member Burton, Member Galindez, Member Kanable, and Member Moorhead voted for Amendment Packet 3; Councilor Beaty and Member Dugger voted against Amendment Packet 3.

The Chair entertained a motion to approve Amendment Packet 4.

Councilor San Soucie MOVED/SECONDED by Councilor Mitchell to approve the Amendment Packet 4 as presented by Councilor San Soucie to the Proposed FY 2019-20 Budget.

**AMENDMENT PACKET NO. 4
PROPOSED BY COUNCILOR SAN SOUCIE
AMENDMENTS TO THE FY 2019-20 BUDGET**

1. General, Street, Water, Sewer, Storm Funds

Establish a reserve in certain individual funds to begin building a reserve for the eventual replacement of the Operations Facility Complex. The proposed reserve total for all funds is \$500,000 in FY 2019-20.

General Fund

001-85-0772-972	Reserve – Operations Facility Replacement	\$70,597
001-13-0003-991	General Fund Contingency	(\$70,597)

Street Fund

101-85-0732-972	Reserve – Operations Facility Replacement	\$132,657
101-85-0732-991	Street Fund Contingency	(\$132,657)

Water Fund

501-85-0743-972	Reserve – Operations Facility Replacement	\$121,939
501-85-0741-991	Water Fund Contingency	(\$121,939)

Sewer Fund

502-85-0753-972	Reserve – Operations Facility Replacement	\$65,269
502-85-0753-991	Sewer Fund Contingency	(\$65,269)

Storm Drain Fund

513-85-0734-972	Reserve – Operations Facility Replacement	\$109,538
513-85-0734-991	General Fund Contingency	(\$109,538)

The Chair called for discussion.

Hearing none, the Chair called for a vote on Amendment Packet 4 as presented by Councilor San Soucie. The motion CARRIED (10:0).

The Chair entertained a motion to approve Amendment Packet 5.

Councilor San Soucie MOVED/SECONDED by Councilor Fagin to approve the Amendment Packet 5 as presented by Councilor San Soucie to the Proposed FY 2019-20 Budget.

**AMENDMENT PACKET NO. 5
 PROPOSED BY COUNCILOR SAN SOUCIE
 AMENDMENTS TO THE FY 2019-20 BUDGET**

1. General Fund and Capital Development Fund

Provide an additional \$750,000 appropriation in the Capital Development Fund to acquire property that may become available during the year funded by a transfer from the City’s General Fund. The total appropriation for property acquisition will then be \$1 Million.

Capital Development Fund - Property Acquisition Program 3513

Account Number	Description	FY 2019-20 Amended Recommended
301-03-3513-411	Transfer In From General Fund	\$750,000
301-70-3513-651	Property Acquisition (Land and Buildings)	\$750,000

General Fund

001-13-0003-815	Transfer To Capital Development Fund	\$750,000
001-13-0003-991	General Fund Contingency	(\$750,000)

The Chair called for discussion.

Member Dugger said he supports Amendment Packet 5 and explained why he thinks the Amendment is needed.

Member Galindez said he supports Amendment Packet 5.

The Chair called for a vote on Amendment Packet 5 as presented by Councilor San Soucie. The motion CARRIED (10:0).

The Chair entertained a motion to approve Amendment Packet 6.

Councilor San Soucie MOVED/SECONDED by Member Dugger to approve the Amendment Packet 6 as presented by Councilor San Soucie to the Proposed FY 2019-20 Budget.

**AMENDMENT PACKET NO. 6
 PROPOSED BY COUNCILOR SAN SOUCIE
 AMENDMENTS TO THE FY 2019-20 BUDGET**

1. BURA General Fund, BURA Capital Projects Fund and BURA Debt Service Fund

Provide an additional \$500,000 in funding for potential property acquisitions that may become available during the year using the short term “daylight” loan program from the City’s General Fund. The General Fund loan will be paid off by a transfer from the BURA General Fund to the BURA Debt Service Fund:

BURA Capital Projects Fund – Property Acquisition Program 6503

Record additional \$500,000 in “daylight” loan proceeds from the City of Beaverton to have a total of \$1 Million in funding available for property acquisitions that may become available during the year.

Account Number	Description	FY 2019-20 Amended Recommended
Revenues		
902-03-0000-453	Loan From the City of Beaverton’s General Fund	\$500,000
Expenditures		
902-95-6503-651	Property Acquisitions	\$500,000

BURA General Fund

Provide an additional \$500,000 appropriation to fund the debt service payment to repay the \$500,000 “daylight” loan from the City of Beaverton for property acquisitions that may become available during the year.

Account Number	Description	FY 2019-20 Amended Recommended
Expenditures		
901-95-0691-839	Transfer to BURA Debt Service Fund	\$500,000
901-95-0691-991	Contingency	(\$500,000)

BURA Debt Service Fund

Record repayment of “daylight” loan from the City of Beaverton funded by a payment from the BURA General Fund to the BURA Debt Service Fund to provide an additional \$500,000 for property acquisitions that may become available during the year. .

Account Number	Description	FY 2019-20 Amended Recommended
Revenues		
904-03-0000-444	Transfer from BURA General Fund	\$500,000
Expenditures		
904-95-0693-748	Repayment of Short Term Loan From the City of Beaverton	\$500,000

The Chair called for discussion.

Hearing none, the Chair called for a vote on Amendment Packet 6 as presented by Councilor San Soucie. The motion CARRIED (10:0).

Councilor San Soucie said he wants to propose another amendment and distributed information pertaining to pay levels for strong mayors and Oregon elected officials. He said that he thinks Mayor Doyle is being overpaid. He said there needs to be a conversation about how much Beaverton's elected officials are paid. He said Mayor Doyle is the ninth highest paid Mayor in the United States of America and the highest paid elected official in Oregon. He wants to propose an amendment to the Mayor's salary so that he is no longer the highest paid elected official in Oregon, but wants to first discuss it with the Committee.

Councilor San Soucie MOVED/SECONDED by Councilor Beaty to approve Amendment 7 as presented by Councilor San Soucie to the Proposed FY 2019-20 Budget to reduce Mayor Doyle's base salary to \$175,000.

The Chair called for discussion.

Member Moorhead said Amendment 7 seems to be a policy issue and not a Budget Committee decision. He said he is in favor of appropriate placement of Beaverton elected officials' salaries, but he is not comfortable with setting a decision in this form without thoroughly researching it and consulting with Human Resources.

Councilor Mitchell said she agrees with Member Moorhead's comment. She said it is important to have Human Resources' input and more information prior to making a decision.

Councilor Beaty said the comment she hears most often from other elected officials is how the Mayor's salary is three times that of the State Treasurer and two times that of the Governor, so she supports Amendment 7.

Member Galindez said he is not in support of Amendment 7 because it has to be looked at in a larger view and with more data.

Mr. O'Claire said the City Council establishes the salary for all City employees including the Mayor, and it is not for consideration by the Budget Committee.

Jenny Marston, Assistant City Attorney, said she agrees with Mr. O'Claire's comments. Ms. Marston said Chapter 3, Section 10 of the City Charter confirms what Mr. O'Claire said. She said setting the Mayor's salary is outside the scope of the Budget Committee.

Councilor Fagin requested that establishing the Mayor's salary be put on a future City Council Agenda within the next couple of weeks.

Patricia Anderson Wieck, HR Director, recommended making a decision after completing research and also according to the City Charter.

Councilor Arnold said she would like to have more information before making a decision.

Councilor Beaty said as the Council President, she will have a discussion with Ms. Wieck at a later time to decide on how to proceed with this issue.

There was discussion regarding the various methods of establishing the Mayor's and City Council's salaries.

Ms. Marston discussed the issue of conflict of interest and how to proceed if that is the case.

Councilor San Soucie withdrew his motion for Amendment 7.

The Chair said there is no motion on the table to discuss.

Mayor Doyle said his work week averages 70 to 80 hour per week and he has not received a raise in eleven years besides the Cost of Living increase.

The Chair called for a vote on the main motion as amended by Amendment Packets 1, 2, 3, 4, 5, and 6, and that the Budget be forwarded to the City Council for a Public Hearing on June 11, 2019, to discuss and adopt the Proposed FY 2019-20 Budget as amended. The main motion CARRIED (10:0).

Councilor San Soucie MOVED/SECONDED by Member Kanable to approve the Minutes from the November 15, 2018, Budget Committee Meeting.

The Chair called for discussion.

Councilor Arnold said some of the Budget Committee members will need to abstain from voting as they were not present at the November 15, 2018, meeting.

The Chair called for a vote on approval of the minutes. The motion CARRIED (6:0). Councilor Arnold, Councilor Beaty, Councilor Fagin, Councilor San Soucie, Member Galindez, and Member Moorhead voted for approving the minutes; Councilor Mitchell, Member Burton, Member Dugger and Member Kanable abstained from voting.

Discussion of Supplemental Budget #S-19-2

The Chair called upon Mr. O'Claire to discuss Supplemental Budget #S-19-2.

Mr. O'Claire said earlier in the evening Amendment Packet 1 was distributed. Mr. O'Claire reviewed Amendment Packet 1. He requested that Supplemental Budget #S-19-2 be amended with Amendment Packet 1.

The Chair conducted a review of the Supplemental Budget using the Transmittal Memorandum.

After the review ended, the Chair called for a motion on the Supplemental Budget #S-19-2.

Councilor San Soucie MOVED/SECONDED by Member Kanable to approve the Supplemental Budget #S-19-2 as submitted.

The Chair called for a motion to approve the amendments in Amendment Packet 1 as submitted by the Finance Director.

Councilor Arnold MOVED/SECONDED by Member Kanable to approve Amendment Packet 1 to Supplemental Budget #S-19-2 as submitted by the Finance Director.

**PROPOSED AMENDMENTS TO FY 2018-19 SUPPLEMENTAL BUDGET (S-19-2)
 Packet Number 1**

1. General Fund – Mayor’s Office Programs – Events Program

Record Parade Sponsorship Revenues of \$7,750 and appropriate this amount to purchase a digital electronic sign for traffic control.

Account No.	Account Title	FY 2018-19 Supplemental Amendment
001-03-000-755	Sponsorship Revenues	\$7,750
001-10-0527-304	Department Equipment Expense	\$7,750

2. General Fund – Human Resources

Additional appropriation in Materials and Services - Employee Recruitment Expense to conduct a nation-wide search for the Police Chief position.

Account No.	Account Title	FY 2018-19 Supplemental Amendment
001-15-0534-322	Employee Recruitment Expense	\$27,500
001-13-0003-991	General Fund Contingency - Unreserved	(\$27,500)

3. General Fund – Municipal Court:

Additional appropriations in various Court Material and Services Accounts as follows:

- \$45,000 for Court Appointed Attorneys due to the increased need for representation of qualified defendants as authorized by the Court Justices.
- \$5,000 for Travel, Training & Subsistence due to the increased need for travel and training.
- \$4,900 for Federal Bureau of Justice Administration Grant expenditures that are to be reimbursed by the grant revenue.

Account No.	Account Title	FY 2018-19 Supplemental Amendment
001-45-0571-501	Court Appointed Attorney Fees	\$45,000
001-13-0003-991	General Fund Contingency - Unreserved	(\$45,000)
001-45-0571-321	Travel, Training & Subsistence	\$5,000
001-13-0003-991	General Fund Contingency - Unreserved	(\$5,000)
001-03-0000-555	Grants – Federal SAMHSA-SOBR/BJA	\$4,900
001-45-0576-453	B-SOBR Participant Treatment Services	\$1,000
001-45-0576-455	B-SOBR Participant Assistance	\$3,900

4. Street Lighting Fund – Transfer to Street Fund:

Reverse a portion of the Request #2611, residual balance transfer to the Street Fund. The original request #2611 was to transfer the ending fund balance directly to the Street Fund, however, ORS 294.353 requires the ending fund balance to be transferred to the General Fund when no other directions were established in the original creation of the fund.

Account No.	Account Title	FY 2018-19 Supplemental Amendment
111-85-0811-810	Transfer to Street Fund	(\$550,964)
111-85-0811-991	Contingency	\$550,964
101-03-0000-440	Transfer from Street Lighting Fund	(\$550,964)
101-85-0732-991	Contingency	(\$550,964)

5. Street Lighting Fund – Transfer to General Fund:

With the planned termination of the Street Lighting Fund, transfer the estimated residual balance to close out the Street Lighting Fund into the General Fund per ORS 294.353.

Account No.	Account Title	FY 2018-19 Supplemental Amendment
111-85-0811-807	Transfer to General Fund	\$550,964
111-85-0811-991	Contingency	(\$550,964)
001-03-0000-440	Transfer from Street Lighting Fund	\$550,964
001-13-0003-991	Contingency	\$550,964

6. General Fund – Transfer to Street Fund:

Transfer the ending fund balance received from the Street Lighting Fund into the Street Fund. After the Street Lighting Fund is eliminated, the Street Lighting Program is to be accounted for in the Street Fund.

Account No.	Account Title	FY 2018-19 Supplemental Amendment
001-13-0003-810	Transfer to Street Fund	\$550,964
001-13-0003-991	Contingency	(\$550,964)
101-03-0000-411	Transfer from General Fund	\$550,964
101-85-0732-991	Contingency	\$550,964

Various Funds – Payroll taxes and Fringes:

Additional appropriation in Personnel Services - Payroll Taxes and Fringe Benefits to fully fund anticipated year-end accruals of compensated absences (personal time off and compensatory time) and PTO payout at retirement at June 30, 2019.

General Fund – Engineering Management Services Program 0703

Account No.	Account Title	FY 2018-19 Supplemental Amendment
001-72-0703-299	Fringe Benefits	\$20,000
001-13-0003-991	Contingency – Unreserved	(\$20,000)

Traffic Impact/Dev Tax Fund – Transportation Improvements Program 0669:

114-72-0669-299	Fringe Benefits	\$1,500
114-72-0669-991	Contingency – Unreserved	(\$1,500)

Reprographics Fund – Reprographics Program 0721:

601-25-0721-299	Fringe Benefits	\$3,000
601-25-0721-991	Contingency – Unreserved	(\$3,000)

The Chair called for discussion.

Councilor Beaty asked which department would own the digital electronic sign for traffic control.

Mr. O’Claire said that his understanding was that it would belong to the Events Program.

The Chair called for a vote on Amendment Packet 1 to Supplemental Budget #S-19-2. The motion CARRIED (10:0).

The Chair called for a vote on the main motion as amended by Amendment Packet 1 and that the Supplemental Budget #S-19-2 be forwarded to the City Council for a Public Hearing to discuss and approve the Supplemental Budget as amended. The motion CARRIED (10:0).

The Chair suspended the Budget Committee Meeting and turned the gavel over to the Mayor to conduct a Special Council Meeting.

Special Council Meeting

A Special Council Meeting was called to order at 8:29 p.m. by Mayor Doyle. Present were Councilors Arnold, Beaty, Fagin, Mitchell, and San Soucie.

Public Hearing

The Public Hearing was called at 8:29 p.m. for the adoption of the Supplemental Budget S-19-2 for FY 2018-19. There being no testimony, the Mayor closed the Public Hearing at 8:30 p.m.

Mayor Doyle entertained a motion to approve the Supplemental Budget S-19-2.

Councilor San Soucie MOVED/SECONDED by Councilor Mitchell that the City Council approve Agenda Bill 19110, A Resolution adopting the Supplemental Budget S-19-2 for the Fiscal Year commencing July 1, 2018, and making appropriations therefrom Resolution 4576.

The Mayor asked for discussion. Hearing none, the Mayor called for a vote on the motion. The motion CARRIED (5:0).

Mayor Doyle entertained a motion to set the public hearing date of June 11, 2019, for adoption of the FY 2019-20 Recommended Budget as amended by the Budget Committee.

Councilor Mitchell MOVED/SECONDED by Councilor Beaty to set a public hearing date of June 11, 2019, to adopt the FY 2019-20 Recommended Budget as amended by the Budget Committee.

The Mayor called for discussion. Hearing none, the Mayor called for a vote on the motion. The motion CARRIED (5:0).

The Special Council Meeting adjourned at 8:30 p.m.

The Chair asked if there was any other business before the Budget Committee.

There being no further business to discuss the meeting was adjourned at 8:31 p.m.

Recorded by
Matthew Rawls

APPROVED BY Bill Kanable, Secretary