



CITY OF LYONS

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449 5TH STREET
LYONS, OREGON 97358

BUDGET COMMITTEE MEETING MINUTES

May 31, 2016

Council Present: Mayor Troy Donohue, Councilor Mark Orr, Councilor Lloyd Valentine, Councilor Mike Wagner, Councilor Jessica Ritchie

Council Absent: none

Budget Committee Members Present: Pam Brown, Steve Baldwin, Jerry Tabler, and James Wright

Budget Committee Members Absent: Jesse O'Dell

Employees Present: Micki Valentine – City Recorder

Public Present: Barbara Orr, Candice Hampton, Kristin Gustafson

Opened w/pledge @ 6:30pm by Troy Donohue

Mayor Troy introduces those present.

State Revenue Sharing Hearing

Troy reads the explanation. Lyons qualifies by providing:

- Police Protection,
- Street Construction, Maintenance, and Lighting
- Storm Sewers and
- Planning, Zoning, and Subdivision Control

Resolutions #522 and #523 authorizing the City of Lyons to receive State Revenue Sharing funds provided for review.

Troy asks for public comment. No comments were offered by the public.

Hearing closed.

Elect Budget Committee Presiding Officer and Secretary

James Wright motions to appoint Steve Baldwin as the presiding officer and seconded by Jerry Tabler – motioned carried with all in favor. James motions to appoint Pam Brown as secretary and seconded by Jerry – motioned carried with all in favor.

Budget Message

Micki Valentine reviews the year of adding personnel, the business license requirement passed, and the marijuana issue will be on the November ballot. Micki explains the property tax rate and the permanent rate. Steve asked if there are any questions. A question arose regarding if this is what we are working off of. This gives us the amount we can put in our budget that we'll receive from taxes as part of our revenue. The tax base is our main revenue. This is what comes out of your property tax bill for the city. Another question arose about a tax bond (levy) for additional police protection. This would be an additional and separate tax that the voters would approve.

The Building Reserve Fund was added last year. The State Revenue Sharing Fund was closed with the monies moved to the General Fund.

Page 1 - Resources

It is required by the state to have allocated and not allocated expenses. Grants can be applied for and included as a supplemental budget or create a new fund, depending on grant requirements. Because we have not applied for any grants yet, we would not include it in the budget. Grants can be accepted and spent without it being budgeted within the same budget year. There was a question about line item 8, the Pacific Power franchise. We are expecting more from the Pacific Power franchise fees than previously budgeted. The 2013-2014 and 2014-2015 numbers are actual amounts and the 2015-2016 is the current budgeted amount. There was another question about line 1, Beginning Cash, regarding the extra money. There hasn't been a lot of spending, we had reduced expenditures, and the State Revenue Sharing Fund was added to the General Fund. Line 27, Loan Returns – Housing Rehabilitation, we have not received any money for the last 2 years. If it comes in, it would be extra income to our budget and would be added at that time. The program (*housing rehabilitation*) is still in place. Line 26 is for when a developer comes in to do a subdivision they have to pay a fee to the city.

Page 2 - Allocated Requirements

Steve asks if there are any questions about page 2 of the spreadsheet. A question about the health benefit numbers being accurate and Micki thought they were pretty close. Question about a PERS increase – doesn't increase until the following fiscal year.

An equipment line item is being put in capital outlay for expenses such as a new lawnmower and equipment trailer. In the future we can have an equipment reserve fund. A reserve fund will keep accumulating money. The line items are for maintenance and day-to-day operations. There was discussion on moving the funds to an equipment reserve fund. It was decided to leave the fund as is on the equipment line item 17.

Page 4 - Detailed Requirements

Micki stated that computers are going to need to be updated but would need to be approved by council in the future. There is a possibility of getting a new copier on a lease agreement. There was a question about consulting and what it was for. It is for consultants who have expertise about city business such as Dave Kinney. There was a question about item 30 on page 4 for street lights and was answered by Micki that the amount is for the electricity for the street lights. LED lighting was discussed.

Steve wanted to know why we weren't budgeting for grant preparation. Micki said that since she was the one that would likely be preparing a grant it was covered under her payroll. It was discussed about hiring an outside grant preparer.

There was a question about line 33 since miscellaneous has lowered and Micki answered that she had moved items out of miscellaneous and put them on other line items to better define the expense.

Page 3 - Non Allocated Requirements

Shows the General Fund transfers and the State Revenue Sharing Fund (SRS) transfers. Question was asked about the Building Reserve Fund as opposed to the building improvement fund (*line item*). The building improvement is a line item in the General Fund for maintenance. Another question about the increase of transfer to the Cemetery Fund and was answered that it

included the SRS transfer. Question about line 14, Building Reserve transfer – with the transfer the total in the Building Reserve Fund will be \$75,000.

Pages 5, 6, & 7 - Library Fund

Steve asks if there are any questions about what we are going to receive. Question about the copy fees and answered by Micki that the library has its own copier and the public comes in and asks for copies and pays a fee. Library Board would like to budget for additional hours for the library aide to cover for people that are sick or are on vacation. The full-time equivalent (FTE) is a requirement that has to be reported in the budget document. The previous quotes for an air conditioner have been \$5,500. The library received a grant for their summer reading program. A question was asked about the equipment and answered that they need to start replacing the computers.

Page 8 - Street Fund

Contingency was lowered closer to 15% of the budget. The last grant for streets was when 13th street was paved. There was a discussion about roadside spraying. The state gas tax is based on the population of the city.

Page 9 & 10 - Cemetery Fund

The Transfer In is used for payroll and projects needed to be done in the cemetery. A question about PERS and answered that the current employee is not eligible due to PERS rules. When he is no longer employed with us, his replacement would be eligible for PERS.

Page 11 – Building Reserve Fund

After discussion, it was decided to move the money from the Architect line item down to the Building Improvements line and take Architect off. *Budget committee approved moving line item 7 Architect to line item 8 Building Improvements.*

Page 12 – State Revenue Sharing Fund

This fund is abolished with an effective date of 6-30-2016. All funds moved to the General Fund. This page is provided for historical purposes.

James Wright motions to compliment Micki Valentine on her wonderful presentation on the budget – carried with all in favor.

James Wright motions that the City of Lyons Budget Committee approve the proposed budget with changes for the 2016 – 2017 fiscal year at the rate of 1.8926 per \$1,000 of assessed value for operating purposes – Pam seconds – carried with all in favor.

Public Comment

Kristin commented concerning library hours and employees not being able to volunteer at the library. It is an Oregon State law that a paid employee can't volunteer if the duties are the same. Proposals are always welcome for the council.

Next Meeting – June 28th is the Budget Hearing @ 6:30
June 7th meeting is not needed

Adjourned 8:25 pm

Transcribed by Carol Hendricks, Assistant City Recorder