

**CITY OF PHILOMATH
BUDGET COMMITTEE
MINUTES
April 23, 2014**

2013 Chair Jerry Jackson Sr. called the meeting to order at 7:23 p.m.

1. ROLL CALL

Present: Angie Baca, Matthew Bierek, Robert Boss, Ashley Hall, Jerry Jackson Sr., Charla Koepp, Candy Koetz, Jason Leonard, David Low, Sean Manning, Rocky Sloan, Scott Weaver.

Staff: Chris Workman, City Manager; Joan Swanson, Finance Director; Ken Elwer, Chief of Police; Kevin Fear, Public Works Director; Ken Rueben, Police Sergeant; and Ruth Post, City Recorder.

Absent: Nolan Bartlow.

2. ELECTION OF CHAIR

MOTION: Angie Baca moved, Charla Koepp second, to nominate Jerry Jackson Sr. as 2014 City Budget Committee Chair. Motion APPROVED 12-0.

3. APPROVAL OF MINUTES

MOTION: Matt Bierek moved, Jason Leonard second, to approve the minutes of May 22, 2013, as presented. Motion APPROVED 12-0.

4. VISITORS/PUBLIC COMMENTS

Kay McGee, President, Philomath Downtown Association (PDA), Philomath, OR – Ms. McGee referred to the letter distributed to the Committee describing the direction the PDA is headed. She stated it is an evolving organization and will continue to foster a closer relationship with the City and the Chamber towards the goal of a staffed visitors center. She stated the support requested is to support the PDA paid staff and fixed costs. She described fundraising efforts they have ongoing. Mr. Jackson questioned how much money is allocated in this budget to the PDA. Ms. Swanson stated \$12,000 has been allocated and would suggest if the Committee wants to allocate more funds they should determine where to re-allocate funds from. She suggested reviewing the request during the Non-Departmental Budget discussion. Mr. Jackson questioned how many people are members of the PDA. Ms. McGee stated they have lots of volunteers and that there will be a major board transition this summer. She described the need for increased communication. Ms. Baca stated the Executive Director is the source of the communications and is making economic development connections for the PDA. Mr. Jackson questioned if there is any money potential from the County's economic development funds. Mr. Workman explained that the Corvallis-Benton County Economic Development office is currently working on renewing their own budget and is unlikely to have funding available for the PDA's purposes. Mr. Weaver questioned if the PDA has attempted to get any state or federal grant monies using the City funds as a match. Ms. McGee stated she has not personally looked into any of those but stated that Heidi Henry has worked on numerous grants for them. Mr. Weaver suggested the PDA contact the Cascades West COG for additional information. Mr. Low questioned how many hours the Executive Director works currently and how many she would work if they

received the additional funds. Ms. McGee said she currently works 10 hours per week and, with additional funding, would be projected to work 15 hours per week. Mr. Low asked if the funds are allocated, what would Ms. McGee anticipate reporting next year to this Committee as having been accomplished. Ms. McGee stated she would expect to report that a non-profit newspaper had been launched.

5. **BUDGET MESSAGE**

Mr. Workman provided the budget message as included in the proposed budget document.

6. **REVIEW GENERAL FUND BUDGET**

General Fund Revenues – Ms. Swanson reviewed the estimated revenues for the General Fund. She explained the continuing effect of the Hewlett-Packard settlement on cash carryforward and anticipated property taxes. She noted that the estimated city share from state revenue sharing is down. She reviewed building permit, franchise fee, and municipal court revenues. Ms. Swanson also reviewed grants budgeted including a grant to update the Transportation System Plan. Chief Elwer explained the ODOT Motor Carrier grant that is a result of Officer Grant Moser becoming certified as a weighmaster. He stated that Sgt. Ken Rueben applied for another ODOT traffic safety grant.

Administration/Planning – Mr. Workman reviewed the Administration Department budget and noted that there is a decrease with him as the new City Manager. He summarized Administration's objectives for the next year. Mr. Weaver questioned if there are any ramifications on healthcare costs due to Obamacare. Ms. Swanson explained she would review the healthcare costs in the Finance Department discussion.

Building Permits – Mr. Workman noted that building permits are still pretty flat. He stated there has been a recent uptick in residential construction but still not as much as in the past. He stated the budget may be conservative and if more construction occurs it would be good news. Mr. Low questioned if Philomath compares housing construction starts with other area communities. Mr. Workman states we do not currently but his conversations with other area city managers indicate everyone is in the same place. Mr. Sloan stated that inventory is a problem with a lack of buildable lots in Philomath. He stated that enrollment at the schools is down also.

Finance – Ms. Swanson summarized union negotiations earlier this year with the City's two employee unions. She explained that both unions presented reasonable contract requests and were easy to come to agreement with. She stated the city has had 25 employees for several years now. She described the healthcare costs and the anticipated 5% increase in health insurance. She also reviewed the reduction in PERS costs and the workers compensation costs. She also described the City's overall liability costs that particularly impact the Police Department.

Municipal Court – Ms. Swanson described personnel changes in the court staff. She noted that increased court revenue results in increased assessments to the state and county. Chief Elwer reviewed the types of citations and criminal charges. There was brief discussion about jail days ordered by the judge. Chief Elwer noted that for every citation issued, there are probably 2 to 3 warnings given.

Police – Chief Elwer reviewed the Police Department's operations as a full time 24/7 force. He reviewed the operation of the 9-1-1 Center and noted that the estimated expense is down this year thanks to improved technology reducing the number of calls

officers must make into the Center. He stated that a taxing district for the Center is still on the table but has not progressed beyond the discussion stage. Mr. Jackson stated that the Philomath Police Department is well respected in the community. Chief Elwer discussed replacement of one patrol vehicle and the need to avoid switching manufacturers to save money on the interior equipment. He also discussed the addition of new car cameras that should increase the range of the microphones. He stated that cameras are for the officer's benefit and protection.

Chief Elwer described the hunter safety course that Officer Mark Koeppe has organized with PYAC and the School Resource Officer that the City continues to fund for the school district. He also reviewed the success of the drug take-back program. There was a brief discussion about the 1-year medical marijuana moratorium approved earlier this month by the City Council.

Chief Elwer stated it has been a goal to obtain grant money to improve security at the schools. He described improvements in the past year and the active shooter drill conducted last year. He described mental health issues in the community. He also described his community outreach involvement and staffing plans for the next year.

Ms. Manning questioned the new line item for transcription. Chief Elwer explained the use of an outside service to transcribe interviews. There was a brief discussion about the reserves program and its benefit to the City.

Buildings & Grounds – Mr. Fear explained a 5% increase in the Building & Grounds expenses due to maintenance, particularly replacing siding on the west side of the Police Department building.

Parks – Mr. Fear stated there are no major projects in the Parks Department planned for FY 2014-15. He described some improvements being made to the City Park gazebo. Mr. Jackson questioned if there is any maintenance being performed on the disc golf course. Mr. Fear stated there haven't been any reports of maintenance needed. Ms. Manning questioned the expense for the park caretaker. Mr. Fear explained that the caretaker is an unpaid position in exchange for living there. He described the duties the caretaker performs at City Park and Marys River Park.

Non-Departmental – Ms. Swanson reviewed the Non-Departmental budget. She described the popularity of the bus service. She reviewed community organization support, including the \$12,000 contribution to the PDA, \$6,500 for fireworks display for the Frolic & Rodeo, and a \$6,500 match for Philomath Community Services (PCS) to pave their parking area. There was discussion about Hughes Excavating donating services and some materials to the PCS project. Ms. Swanson explained the social service funding requests scheduled for next week. Mr. Weaver questioned the increasing costs of bus service. Ms. Swanson explained the partnership with the City of Corvallis transit department to operate the bus and stated the cost to operate it is actually twice what is budgeted. The additional cost is offset by grants obtained by the City of Corvallis. There was brief discussion about the spring cleanup sponsored by the City.

Ms. Swanson questioned if there was additional discussion about the funding request from the PDA. Ms. Baca stated her support for the increase. She questioned if the PDA could make a request through the social service funding. Ms. Swanson stated the intent of the social service funding is for agencies that provide assistance to community members. Mr. Leonard questioned the newspaper idea that Ms. McGee discussed and

thought there was possibly a better way to provide communications. Ms. Swanson suggested that the PDA is in a transition period and suggested that the Committee might want to wait a year. Ms. Manning questioned if there was any leeway on the funding of the Frolic fireworks or the PCS paving. Mr. Workman provided a history of the fireworks funding that the City originally paid half of but now pays the full sponsorship. He stated he would love for a business to sponsor the fireworks as a marketing tool. Ms. Swanson suggested going back to the Frolic and encouraging them to work on sponsorships. Ms. Koeppe stated that the program is set for this year but would support having that discussion with the Frolic for next year. Ms. Baca stated support for that plan. Mr. Sloan stated he supports the Frolic as a community celebration and likes that the City participates. Mr. Bierek suggested that the City's funding of the fireworks be a matching program. Mr. Workman stated that opening the door to the Frolic and encouraging them to explore other sponsorships for the fireworks would be good.

7. **ADJOURNMENT:**

There being no further business to come before the Budget Committee, Chair Jackson adjourned the meeting at 8:56 p.m.

SIGNED: Jerry Jackson Sr., Chair

ATTEST: Ruth Post, MMC, City Recorder