

CITY OF SILVERTON

**BUDGET COMMITTEE MEETING – April 23, 2020 6:30 p.m.**

(or immediately following the Silverton Urban Renewal Agency Budget Committee Meeting, whichever is later)

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**Silverton Community Center – Council Chambers – 421 South Water St.**

*American With Disabilities Act (A.D.A.) – The City of Silverton intends to comply with the A.D.A. The meeting location is accessible to individuals needing special accommodations such as a sign language interpreter, headphones, or other special accommodations for the hearing impaired. To participate, please contact the City Clerk at 503-874-2216 at least 48 hours prior to the meeting.*

A copy of the preliminary budget is available for review on the City website at [www.silverton.or.us](http://www.silverton.or.us).

Please consider submitting written comments to [finance@silverton.or.us](mailto:finance@silverton.or.us) by 5:00 p.m. on Thursday, April 23. Comments received will be shared with the Budget Committee and included in the record. The public is welcome to attend; however, we will be limiting the number of people in the Council Chambers in accordance with Governor Kate Brown’s Executive Order 2020-07. If you would like to provide oral comments at the meeting please contact the City Clerk at 503-874-2216 or [aspeier@silverton.or.us](mailto:aspeier@silverton.or.us) to be placed on a sign-in sheet and receive further instructions.

All Budget Committee meetings will be live streamed on Cable Access Channel 15 and can be viewed on-line here: [www.silverton.or.us/430/Watch-Meetings](http://www.silverton.or.us/430/Watch-Meetings).

**AGENDA**

**I. Call to Order, Roll Call, and Election of Officers**

1. Chair
2. Vice Chair

**II. Approval of the Minutes from the Meeting held on May 21, 2019**

**III. Presentation of the Budget Message**

**IV. Public Comment on the Proposed Fiscal Year 2020-2021 Budget**

**V. Public Hearing**

**5.1 Public Hearing on Election to Receive State Revenue Sharing**

1. Open Public Hearing
2. Accept public comment on possible uses of State Revenue Sharing Funds
3. Close Public Hearing

***Motion:** I move to receive State Revenue Sharing Funds for general purposes.*

**VI. Review/discussion of the Budget; beginning with the General Fund**

***Motion:** I move to approve the Budget of The City of Silverton for Fiscal Year 2020-2021 in the amount of \$64,006,341 and levy taxes at the permanent rate of \$3.6678 per \$1,000 of assessed valuation, and levy \$275,000 for the Pool Operating Levy.*

**VII. Adjournment**

1 CITY OF SILVERTON  
2 **BUDGET COMMITTEE MINUTES**

3 **Silverton Community Center – Council Chambers – 421 South Water St.**

4  
5 **May 21, 2019 – 6:00 p.m.**

6  
7 **I. Call to Order, Roll Call and Pledge of Allegiance**

8  
9 Chairman Kyle Palmer called the meeting to order at 6:02 p.m.

Present	Absent	
X	_____	Jim Sears
X	_____	April Newton
X	_____	Crystal Neideigh
X	_____	Kyle Palmer
_____	Excused	Aaron Koch
_____	Absent	R Walker Yeates
X	_____	Dana Smith
X	_____	Ammon Benedict
X	_____	Matt Plummer
X	_____	Rick Bittner
_____	Excused	Laurie Carter
_____	Excused	Chris Childs
X	_____	Jason Freilinger
X	_____	Micole Olivas-Leyva

10  
11  
12 **Staff Present:**

13 City Manager, Christy Wurster; Finance Director, Kathleen Zaragoza; Chief of Police, Jeff Fossholm;  
14 Community Development Director, Jason Gottgetreu; Public Works Director, Petra Schuetz; Water  
15 Quality Division Supervisor, Steve Starner; Account Clerk II, Sheena Kroker; Maintenance Division  
16 Supervisor, Travis Sperle; Assistant to the City Manager/HR Coordinator, Elizabeth Gray; and Assistant  
17 to the City Manager/City Clerk, Angela Speier

18  
19 **II. Approval of minutes from the meeting held on May 16, 2019**

20  
21 Member Smith made a motion to approve the minutes from the meeting held on May 16, 2019. Member  
22 Plummer seconded the motion. Member Smith asked about the status of the slope stability study and if  
23 that work had been completed. Staff explained that the study has been completed, but there is still work  
24 that needs to be done. The motion passed unanimously (10-0).

25  
26 **III. Review/Discussion of the Budget; continuing with Page 74 – Street Improvement SDC**

27  
28 The Budget Committee continued their review of the FY 2019-2020 Proposed Budget. Member Smith  
29 asked about fund 021-021-81801 Developer SDC Credits and why it was budgeted at \$33,087, but only  
30 \$5,000 was expended and then this year it is only budgeted at \$5,000. Finance Director Kathleen  
31 Zaragoza explained that some of the credits disappear after ten years and are no longer an obligation.

32  
33 On page 78 Member Bittner asked what MS4 stormwater compliance and design standards are and how  
34 they will impact the budget next fiscal year. City Manager Christy Wurster explained they are related to  
35 certain stormwater enhancements and once a city in the Willamette basin reaches a population of 10,000  
36 it triggers more rigorous stormwater requirements. Silverton has reached the population threshold and is  
37 beginning to prepare for those requirements which become official with the 2020 Census.

1 Member Freilinger made a motion to credit the contingency line item 030-010-91001 by \$15,000 and  
2 debit the sewer system maintenance line item 030-030-61048 by \$5,000 and to credit the legal line item  
3 030-030-61058 by \$5,000 and debit the chemical supplies line item 030-030-62525 by \$15,000. Member  
4 Smith seconded the motion. There was no discussion and the motion passed unanimously (10-0).

5  
6 Member Smith noted the budgeted amounts for System Development Charges (SDCs) last year were  
7 significantly higher than what was collected and the budgeted amount this year is lower than what was  
8 collected last year. She asked whether the City anticipates lower growth in the upcoming year.  
9 Community Development Director Gottgetreu explained that it can be difficult to estimate, because you  
10 are trying to predict the future number of homes that will be built. He explained last year the City  
11 budgeted for 50 new homes and this fiscal year is budgeting for 40 new home builds.

12  
13 Finance Director Zaragoza reviewed the following staff recommended changes to the Water Fund:

- 14 • Increase the beginning fund balance (040-000-49090) by \$55,901
- 15 • Decrease contingency (040-010-90001) by \$69,000
- 16 • Increase contracted services (040-040-61059) by \$35,000
- 17 • Increase the water meter program (040-045-61051) by \$39,000
- 18 • Increase contracted services (040-045-61059) by \$10,000
- 19 • Increase capital-new (040-045-85003) by \$40,901

20  
21 Member Plummer made a motion to accept the changes to the Water Fund as listed in the handout  
22 provided by staff. Member Freilinger seconded the motion. There was no discussion and the motion  
23 passed unanimously (10-0).

24  
25 Member Benedict noted on page 12 the budget message states that necessary treatment facility  
26 upgrades for both water and sewer are among the most critical improvements needed within the next five  
27 years. He asked what those upgrades are and what the estimated cost will be. Water Quality Division  
28 Supervisor Steve Starnier explained the Wastewater Treatment Plant will be 20 years old in November  
29 and staff has been incrementally replacing important parts in the system. He explained the digestion  
30 system is at capacity and will need to be replaced within the next three to five years which is about \$3  
31 million. Currently the City has capacity to treat four million gallons per day. Right now on peak days the  
32 City is treating 3.2 million gallons and does not anticipate reaching the four million mark until 2029, but  
33 the City needs to be ready for that. The cost to make the necessary upgrades will be approximately \$4  
34 million and will be needed in 5-10 years. Member Benedict asked how the City is going to fund these  
35 improvements. Finance Director Zaragoza explained SDCs can be used for capacity increasing projects.  
36 She directed members to page 107 and noted the transfers that are being made into the Water CIP Fund  
37 in order to start accumulating funds. City Manager Wurster noted this budget includes a water  
38 transmission line project of \$2.3 million with \$1.15 million coming from the federal government as a  
39 matching grant. The City portion of the project will come from SDCs and not from the rate payers. City  
40 Manager Wurster indicated that Mr. Starnier was instrumental in obtaining the grant and he also worked  
41 on a pilot project for the Water Treatment Plant which would save the City several million dollars. Mr.  
42 Starnier further explained the MS4 permit process.

43  
44 Member Bittner inquired about the engineering services expenditure listed on page 137 and when Phase  
45 II for the Steelhammer Project will occur. Director Zaragoza explained the project timing will depend on  
46 when the City has enough SDC funds to pay for the project.

47  
48 The Budget Committee discussed the Civic Building Fund. Staff explained the priority is to build the  
49 Police Station and if the budget allows City Council would like to build the entire civic building at the same  
50 time. This would include the City Hall, Police Station, and a Council Chambers that could be used for  
51 meetings and court. Member Benedict asked if there has been a cap set for the amount it will cost. City  
52 Manager Wurster explained current cost estimates per square foot, financing options available, and the  
53 need to have a space needs analysis done for City Hall and an updated one for the Police Department.

54  
55 Member Freilinger made a motion to add \$1,150,000 into the grants line item 340-000-34021 for the EDA  
56 Water Transmission Line Project and debit the construction costs line item 340-340-85020 by \$1,150,000.

1 Member Neideigh seconded the motion. Member Bittner asked to amend the motion to change the grant  
2 line item to read 340-000-43021, because the numbers were transposed. Members Freilinger and  
3 Neideigh were agreeable to that correction. There was no further discussion and the motion passed  
4 unanimously (10-0).

5  
6 Member Freilinger made a motion to increase the beginning fund balance line item 610-000-49090 by  
7 \$107,500 and to debit the capital equipment replacement line item 610-610-81003 by \$107,500. Member  
8 Neideigh seconded the motion. There was no discussion and the motion passed unanimously (10-0).

9  
10 Finance Director Zaragoza noted that the narratives will be updated to reflect the Budget Committee's  
11 approved monetary changes.

12  
13 Member Freilinger made a motion to approve the Budget of the City of Silverton as amended for Fiscal  
14 Year 2019-2020 in the amount of \$55,924,706 and levy taxes at the permanent rate of \$3.6678 per  
15 \$1,000 of assessed valuation, and levy \$275,000 for the Pool Operating Levy. Member Benedict  
16 seconded the motion. There was no further discussion and the motion passed unanimously (10-0).

17  
18 Member Freilinger said the budget document continues to evolve and improve overtime and thanked staff  
19 for the amount of detail that was provided this year. Chairman Palmer indicated the narratives improve  
20 every year and staff continues to respond to the items that seem to raise the most questions. In closing,  
21 he thanked the members of the Budget Committee for their time spent reviewing the budget and  
22 participating in this important process.

#### 23 24 **IV. Adjournment**

25  
26 Member Freilinger made a motion to adjourn and Chairman Palmer adjourned the meeting at 7:00 p.m.

27  
28 Respectfully submitted,

29  
30  
31 /s/Angela Speier  
32 Assistant to the City Manager/City Clerk