

**CITY OF SILVERTON
BUDGET COMMITTEE MINUTES**

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

MAY 17, 2018 – 6:00 p.m.

I. Call to Order, Roll Call and Pledge of Allegiance

Member Kyle Palmer called the Meeting to order at 6:00 p.m.

Present	Absent	
X	_____	Jim Sears
X	_____	April Newton
X	_____	Rhett Martin
X	_____	Kyle Palmer
X	_____	Aaron Koch
_____	X	Jeff DeSantis
X	_____	Dana Smith
_____	X	Ammon Benedict
X	_____	Matt Plummer
X	_____	Rick Bittner
X	_____	Laurie Carter
X	_____	Chris Childs
X	_____	Jason Freilinger
X	_____	Micole Olivas-Leyva

Staff Present:

City Manager, Christy Wurster; Finance Director, Kathleen Zaragoza; Chief of Police, Jeff Fossholm; Public Works Director, Christian Saxe and Account Clerk II, Sheena Kroker

II. Approval of minutes from the meeting held on May 15, 2018

Member Freilinger moved to approve the minutes from the meeting held on May 15, 2018 as presented. Member Koch seconded the motion and it carried as follows:

Aye	Nay	Abstain	Absent
Jim Sears			
April Newton			
Rhett Martin			
Kyle Palmer			
Aaron Koch			
			Jeff DeSantis
Dana Smith			
			Ammon Benedict
Matt Plummer			
Rick Bittner			
Laurie Carter			
Chris Childs			
Jason Freilinger			
Micole Olivas-Leyva			

III. Accept State Revenue Sharing for general purposes

Member Smith moved to accept State Revenue Sharing for general purposes. Member Carter seconded the motion and it carried as follows:

Aye	Nay	Abstain	Absent
Jim Sears			
April Newton			
Rhett Martin			
Kyle Palmer			
Aaron Koch			
			Jeff DeSantis
Dana Smith			
			Ammon Benedict
Matt Plummer			
Rick Bittner			
Laurie Carter			
Chris Childs			
Jason Freilinger			
Micole Olivas-Leyva			

IV. Review/discussion of the budget; continuing with Page 80 – Sewer Fund

Chief of Police Fossholm submitted a breakdown of Police Supplies 010-050-61029. The Committee continued reviewing the budget page by page beginning on page 80 – Sewer Fund.

Pages 81-87 - Sewer Fund: Finance Director Zaragoza explained that anticipated capital projects will not be completed during the current fiscal year so a motion needs to be made to increase the beginning fund balance and expenditure line items. Member Carter moved to increase Beginning Fund Balance 030-000-49090 by \$140,000, decrease contingency 030-010-90001 by \$27,200, increase Sewer Operations Capital - Replacement 030-030-81003 by \$137,200 and increase Sewer Maintenance Capital - Replacement 030-035-81003 by \$30,000. Member Freilinger seconded the motion and it carried as follows:

Aye	Nay	Abstain	Absent
Jim Sears			
April Newton			
Rhett Martin			
Kyle Palmer			
Aaron Koch			
			Jeff DeSantis
Dana Smith			
			Ammon Benedict
Matt Plummer			
Rick Bittner			
Laurie Carter			
Chris Childs			
Jason Freilinger			
Micole Olivas-Leyva			

Page 88-89 Sewer-Debt Service: Member Smith asked staff for clarification of the two types of bonds outstanding. Finance Director Zaragoza explained the Sewer Refunding Bonds and LOCAP Bonds and life of the bonds and the interest rate associated with each one.

Pages 61-63 - Street Fund: Finance Director Zaragoza directed the Committee back to the street fund and explained that the allocation of the shop paving project needs to be corrected. Member Freilinger moved to increase contingency 020-010-90001 by \$60,000, decrease Building/Grounds Maintenance 020-020-61043 by \$75,000 and increase Capital - Replacement 020-020-81003 by \$15,000. Member Carter seconded the motion and it carried as follows:

Aye	Nay	Abstain	Absent
Jim Sears			
April Newton			
Rhett Martin			
Kyle Palmer			
Aaron Koch			
			Jeff DeSantis
Dana Smith			
			Ammon Benedict
Matt Plummer			
Rick Bittner			
Laurie Carter			
Chris Childs			
Jason Freilinger			
Micole Olivas-Leyva			

Pages 99-103 – Water Fund: Finance Director Zaragoza explained contingency needs to be reduced in order to do a SCADA system update and have the Water Fund pay for its portion of the shop paving project. Member Koch moved to decrease contingency 040-010-90001 by \$65,000, increase Water Operations Capital - Replacement 040-040-81003 by \$35,000 and increase Water Maintenance Capital - Replacement 040-045-81003 by \$30,000. Member Carter seconded the motion and it carried as follows:

Aye	Nay	Abstain	Absent
Jim Sears			
April Newton			
Rhett Martin			
Kyle Palmer			
Aaron Koch			
			Jeff DeSantis
Dana Smith			
			Ammon Benedict
Matt Plummer			
Rick Bittner			
Laurie Carter			
Chris Childs			
Jason Freilinger			
Micole Olivas-Leyva			

The Committee continued through the budget asking clarification questions.

Page 110-111 – Debt Service Fund: Member Carter asked for clarification of the purpose of this fund and Finance Director Zaragoza explained its function is to help reduce PERS rates.

Pages 114-115 – General Operating Reserve Fund: Finance Director Zaragoza explained that this fund needs to be reviewed once every 10 years to determine whether the fund will be continued or abolished. Member Childs made moved to continue the General Operating Reserve Fund for a period of 10 years. Member Freilinger seconded the motion and it carried as follows:

Aye	Nay	Abstain	Absent
Jim Sears			
April Newton			
Rhett Martin			
Kyle Palmer			
Aaron Koch			
			Jeff DeSantis
Dana Smith			
			Ammon Benedict
Matt Plummer			
Rick Bittner			
Laurie Carter			
Chris Childs			
Jason Freilinger			
Micole Olivas-Leyva			

Pages 116-119 - Parks Fee Fund: Finance Director Zaragoza explained that the beginning fund balance and expenditures need to be increased as obligated projects will not be completed until next fiscal year. Member Carter began a staff and Committee discussion on the need of additional swing sets in Coolidge McClaine Park. Member Carter moved to increase the Beginning Fund Balance 070-000-49090 by \$95,000 and increase Capital Parks Improvements 070-070-85001 by \$95,000. Member Freilinger seconded the motion and it carried as follows:

Aye	Nay	Abstain	Absent
Jim Sears			
April Newton			
Rhett Martin			
Kyle Palmer			
Aaron Koch			
			Jeff DeSantis
Dana Smith			
			Ammon Benedict
Matt Plummer			
Rick Bittner			
Laurie Carter			
Chris Childs			
Jason Freilinger			
Micole Olivas-Leyva			

Member Koch excused himself from the meeting at 6:45 pm.

Page 128-129 - WWTP Digester Project Fund: Finance Director Zaragoza explained that the beginning fund balance and expenditures needs to be increased because this project will not begin until July 1st. Member Freilinger moved to increase Beginning Fund Balance 212-000-49090 by \$116,000, increase Arch & Engineering Services 212-212-85010 by \$16,000, and increase Construction Costs 212-212-85020 by \$100,000. Member Childs seconded the motion and it carried as follows:

Aye	Nay	Abstain	Absent
Jim Sears			
April Newton			
Rhett Martin			
Kyle Palmer			
			Aaron Koch

			Jeff DeSantis
Dana Smith			
			Ammon Benedict
Matt Plummer			
Rick Bittner			
Laurie Carter			
Chris Childs			
Jason Freilinger			
Micole Olivas-Leyva			

Member Childs moved to approve the Budget of The City of Silverton as amended for Fiscal Year 2018-2019 in the amount of \$44,926,470 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. Member Carter seconded the motion and it carried as follows:

Aye	Nay	Abstain	Absent
Jim Sears			
April Newton			
Rhett Martin			
Kyle Palmer			
			Aaron Koch
			Jeff DeSantis
Dana Smith			
			Ammon Benedict
Matt Plummer			
Rick Bittner			
Laurie Carter			
Chris Childs			
Jason Freilinger			
Micole Olivas-Leyva			

V. Adjournment

Member Smith made a motion to adjourn the meeting and Chairman Palmer seconded the motion and closed the meeting.

The meeting adjourned at 7:11 p.m.

Respectfully submitted,

/s/Sheena Kroker
Account Clerk II