



SCAPPOOSE
Oregon

**CITY OF SCAPPOOSE BUDGET COMMITTEE
COUNCIL CHAMBERS
33568 EAST COLUMBIA AVENUE
WEDNESDAY, MAY 10, 2023, 5:30PM**

Call to Order

Joseph Backus called the Budget Committee meeting to order at 5:30pm.

Roll Call

Present: Budget Committee Members ~ Joseph Backus; Rita Bernhard; Sandie Wiggs; Michelle Brown; Chris Vitron; Beth Rajski; Megan Greisen; Pete McHugh; Tyler Miller; Kim Holmes; Andrew Lafrenz; City Manager Alexandra Rains; Lieutenant Chris Fluellen; Community Development Director Laurie Oliver Joseph; Finance Administrator Carol Almer; Public Works Director Dave Sukau; Utility Supervisor Doug Nassimbene; Treatment Plant Supervisor Darryl Sykes; Treatment Plant Supervisor Kevin Turner; and Assistant to City Manager Isaac Butman.

Remote: Budget Committee Member Jeannet Santiago.

Excused: Budget Committee Member Teresa Keller; Budget Committee Member Ty Bailey; and City Recorder Susan M. Reeves.

Nominate a Budget Committee Chair

Budget Committee Member Megan Greisen nominated Joe Backus as the Budget Committee Chair (could not hear who seconded the motion). (Motion passed 12-0) Chair Joseph Backus, aye; Budget Committee Member Rita Bernhard; Budget Committee Member Sandie Wiggs; Budget Committee Member Michelle Brown; Budget Committee Member Chris Vitron; Budget Committee Member Beth Rajski; Budget Committee Member Megan Greisen; Budget Committee Member Pete McHugh; Budget Committee Member Tyler Miller; Budget Committee Member Kim Holmes; Budget Committee Member Andrew Lafrenz; and Budget Committee Member Jeannet Santiago, aye.

Approval of minutes ~ May 23, 2022

Budget Committee Member Pete McHugh moved, and Budget Committee Member Chris Vitron seconded the motion to approve the May 23, 2022 Budget Committee meeting minutes. (Motion passed 12-0) Chair Joseph Backus, aye; Budget Committee Member Rita Bernhard; Budget Committee Member Sandie Wiggs; Budget Committee Member Michelle Brown; Budget

Committee Member Chris Vitron; Budget Committee Member Beth Rajski; Budget Committee Member Megan Greisen; Budget Committee Member Pete McHugh; Budget Committee Member Tyler Miller; Budget Committee Member Kim Holmes; Budget Committee Member Andrew Lafrenz; and Budget Committee Member Jeannet Santiago, aye.

Receive Budget Message

City Manager Rains read the 2023-2024 Budget message.

Dear Mayor, City Councilors and Budget Committee Members,

It is my pleasure to submit a balanced budget for Fiscal Year 2023-2024 to the City of Scappoose Budget Committee. This year's budget maintains funding for delivery of core City services and investments in crucial infrastructure needs to address both the age of City assets and the City's capacity to accommodate population and economic growth. Additionally, the budget includes funding for Council's 2023-2024 Goals – local economic development, community livability, public safety, improvements to the local park system and upgrades to aging infrastructure.

Before delving into the accomplishments of the past year and discussing important upcoming projects, I want to take a moment to recognize the City's outstanding staff. They are incredibly talented and committed to providing the best customer service possible to the community – even in the face of increasing demands without the benefit of significant increases in staffing.

This past year has been very memorable for the Community, City Council and City Staff. First, the City was the recipient of approximately \$1.6 million in COVID-related emergency funds, via the American Rescue Plan Act (ARPA). Council appropriated the funds to cover the cost of replacing water meters across the City, financially contributing to the purchase of an ambulance for the Scappoose Rural Fire District, support for the Columbia Economic Teams newly formed Small Business Resource Center, purchasing a new vehicle for the police department, personnel costs for the police department, funding contingency budget due to inflation for public works wastewater projects, replacement of an aged water main, and Habitat for Humanity's affordable housing project. These funds have been distributed to the applicable departments and neighboring agencies and projects are well underway.

Second, the City welcomed a new Mayor, for the first time in over a decade, and new members of Council. This new group has brought fresh ideas and energy with which to tackle ongoing and upcoming projects and set policy for the City.

Third, City Staff have remained incredibly busy and were able to address the day-to-day operations of the City while also achieving many of the goals identified by Council in FY 2022-2023 including:

- Continued implementation of the City's voluntary sidewalk repair program

- Continued and expanded communication outreach efforts through methods such as the City Newsletter, Facebook and Instagram. The City's Instagram reach is up 100%, the Facebook Reach is 88,616, and Facebook Page profile visits are up 91%
- Renovation of the Peace Candle
- Support of the Senior Center
- Adventure Festival
- Significant progress on the 50 Year Plan and Parks Master Plan Update
- Completion of the Stormwater Master Plan
- Expenditure of ARPA funds on key infrastructure projects
- Police Department Events such as the Halloween Drive-Thru, Donut Day and Coffee with a Cop
- Progress on Phase 1 of the Wastewater Treatment Plant upgrades

Looking forward to the new Fiscal Year, the proposed budget includes funding for many important projects, inclusive of both our core services and City Council's adopted goals. The City's local economic development needs will be addressed by supporting key objectives, beginning with support of the development of the Columbia Commerce Center. All major work has been completed for phases 3 and 4 of the project, which includes utilities and street improvements up to Ring-A-Ring Road, and final overlay paving is being completed for the Moore Road waterline. Other efforts will include a community branding effort and a partnership with Columbia River PUD to produce economic development marketing materials.

The City's goal of enhancing community livability will be addressed in significant part through the development of the City's 50 Year Plan. This project is a multi-year effort with several components. Thus far, the Economic Opportunities Analysis, an update to the City's Housing Needs Analysis and Buildable Lands Inventory and a City-wide visioning process have been completed. Future elements will include updates to the Comprehensive Plan and Comprehensive Plan Map; the possible rezone of lands within the City; and updates to the development code. Additional efforts aimed at improving the livability of the City will include continuation of the City's annual event, Adventure Festival, the continuation and enhancement of outreach to the community, and support of the Senior Center through the direct allocation of funds and staff time.

The City's focus on the continued safety of the community remains a top priority. The Police Department underwent a Best Practices Review by the City's insurer, CIS; this report includes an assessment of operations, personnel practices, and staffing levels as well as recommendations for improvements that are currently being implemented. The Department will also renew efforts focused on code enforcement operations and identifying new ways to increase outreach and presence within the community. Importantly, the budget includes the funding necessary for the continuation of a part time evidence technician position that was added last year using ARPA funds.

The City's goal of continuing to develop a vibrant park system will focus considerable time and

effort on completing the ongoing comprehensive update to the City's Parks Master Plan. This project is taking a holistic look at existing parks, amenities and new park property the City has purchased in order to develop a prioritization list and capital improvement plan for City Staff to implement. The ongoing efforts to update the conceptual plan for the Grabhorn property will be closely tied to this process and will help inform the final outcome. Additional efforts around parks will include exploration of new funding mechanisms and ADA upgrades to existing parks.

Last but certainly not least, considerable time and effort will be expended on the City's effort to address aging infrastructure. Thanks to former Senator Betsy Johnson, the City received approximately \$14 million dollars for water and wastewater projects and is aggressively pursuing completion of those projects to meet the deadlines associated with the funding. These projects include, but are not limited to, updates to the wastewater treatment plant, a new basalt well, a new reservoir tank at the Keys Road Facility and upgrades to the Smith Road Pump Station. The City will also be issuing an RFP for a Facility Master Plan, updating transportation and wastewater system development charges and implementing sidewalk projects identified for funding by local fuel tax dollars.

In summary, this year's budget continues to maintain funding for core services, make strategic investments in City infrastructure and implement Council goals. I would like to recognize and thank the Mayor and Council for their leadership and support. This past year staff reached many key milestones and next year promises to be equally productive for the City.

Respectfully submitted,
Alexandra Rains, MPA
Budget Officer
City of Scappoose
end of Budget Message

Public Hearing/State Revenue Sharing Motion to Accept State Revenue Sharing

Chair Backus opened the public hearing and closed it due to no one wanting to speak on this matter.

Budget Committee Member Chris Vitron moved, and Budget Committee Member Rita Bernhard seconded the motion that the Budget Committee accept the State Revenue Sharing. (Motion passed 12-0) Chair Joseph Backus, aye; Budget Committee Member Rita Bernhard; Budget Committee Member Sandie Wiggs; Budget Committee Member Michelle Brown; Budget Committee Member Chris Vitron; Budget Committee Member Beth Rajski; Budget Committee Member Megan Greisen; Budget Committee Member Pete McHugh; Budget Committee Member Tyler Miller; Budget Committee Member Kim Holmes; Budget Committee Member Andrew Lafrenz; and Budget Committee Member Jeannet Santiago, aye.

Budget Deliberations

General Fund

Finance Administrator Carol Almer went over the General Fund. The General Fund consists of revenue collected from property taxes, franchise fees, license and permit fees, intergovernmental revenue, charges for services, interest income, transfers, and other miscellaneous income sources. Our goal is to maintain a healthy cash position and to provide needed community services. The General Fund for fiscal year 23-24 has a beginning cash position of \$3,606,446. This amount will provide the City with the working capital needed to meet General Fund expenditure requirements without interim borrowing prior to the receipt of property tax revenue in November. The proposed budget also provides for a \$379,830 contingency line item, provided that no unexpected expenditures occur. Staff has committed \$1,700,000 to an unappropriated ending fund balance. These funds cannot be utilized during the upcoming fiscal year and will provide the basis for fiscal year 24-25 beginning cash carryover. Property tax revenue is projected to be \$2,628,624. Columbia County collects all property taxes and distributes collections for the City's certified tax dollars back to the City. This amount is based on the City levying its tax rate of \$3.2268 per \$1,000 on the assessed value of the district. The City estimates a 94% collection rate for the fiscal year. Property Taxes account for 52% of the General Fund revenue. Franchise fee revenue is estimated to be \$520,300. Franchise agreements are made between the City and businesses that provide certain services within the City limits. The amount paid to the City is usually determined by a percentage of the gross revenues of the business and established by the franchise agreement. The current agreements we have in place are CenturyTel (7%) expired 6/2006, Columbia River PUD (5%) expiring 3/2043, NW Natural Gas (5%) expiring 9/2032, Waste Management of Oregon (5%) expiring 11/2026, Comcast Cable (5%) expiring 3/2033, and Astound Broadband (5%) expiring 12/2025. Franchise fees account for 11% of General Fund revenues. The City anticipates collecting \$15,100 in business license fees. Business license fees are collected from those who conduct business in the City and are not covered by a franchise agreement. Business license fees account for less than 1% of General Fund revenues. The total intergovernmental revenue is estimated to be \$617,000. The State of Oregon collects alcohol and cigarette taxes from all sales. These taxes are distributed to the City based on population, along with state revenue sharing funds. The City's share of special telephone tax revenue (911 communications) is deposited directly with the local jurisdiction providing emergency communication services. Intergovernmental revenues account for 14% of the General Fund revenues. Charges for services has anticipated revenue of \$173,300. Revenues in this category are generated by the Police Department, Municipal Court and Planning Department. The City anticipates receiving \$100,000 from Court revenue, \$43,000 from Planning revenue, and \$10,000 from Police administrative fees. Charges for services account for 3% of the General Fund revenues. Interest income for the year is estimated at \$110,000. The City places the vast majority of its funds in the state local government investment pool. Interest revenue accounts for 2% of the General Fund revenues. Miscellaneous revenue includes receipt of monies that are not otherwise accounted for in defined categories. The proposed budget estimates miscellaneous revenue at \$262,000. Miscellaneous revenue accounts for 2% of the General Fund revenues. Transfers to

the General Fund are projected to be \$418,666. Transfers are made from each department/fund to the General Fund to cover administrative costs associated with each department/fund. Transfer revenue accounts for 10% of the General Fund revenues. Total amount of revenue for the General Fund is projected to be \$4,744,990. Total fund resources are \$8,351,436.

Administration Department

Finance Administrator Carol Almer went over the Administration Department Fund. The Administration Department includes the City Manager and support staff. The responsibilities of the department include day-to-day management of the City, converting City Council goals into action plans, managing City contracts, franchise agreements and grant projects, responding to citizen inquiries and complaints, managing the City records, and working with state and federal elected officials and departments. The Administration Department is responsible for all City Recorder and Human Resources functions. The City Manager receives direction from the City Council, who set policy for the City through the passage of annual goals, ordinances, and resolutions. The City Council and City Manager are responsible for ensuring effective working relationships with citizens, community groups and other governmental agencies. The vision for the year is to ensure the City operates in accordance with the City Charter, State, and Federal laws.

The Administration Department is responsible for ensuring Council goals and day to day operations of the City are met.

- Promote community events .
- Promote outreach and track outreach impact.

The Administrative Department's proposed budget is \$1,603,320. The fund allocates \$96,018 for personnel services and \$1,456,902 for materials and services. Within materials and services, the largest expenditures are economic development at \$131,917, contractual professional at \$345,100 and Community Contributions \$60,400. Administration also pays expenses for all departments for City-wide expenses such as financial software, audits and insurance. Capital outlay is budgeted at \$50,000 to be spent on equipment and server upgrades and maintenance of City Hall building. This year Administration is also covering the Building Fund's expenses by transferring \$67,000 to the fund as well as covering Building expenses in the amount of \$28,674 that would normally be transferred as an ISF transfer.

Police Department

Lieutenant Fluellen went over the Police Department Fund. He explained we, the members of the Scappoose Police Department, are committed to maintaining a safe and livable community by working in partnership with the community to preserve peace, prevent crime, and protect property with professionalism and compassion. The vision of the Scappoose Police Department is to continue to enhance Officer Health and Wellness, work towards complete full-time coverage, purchase a new RMS system which is a countywide initiative, continue recruitment

until fully staffed, criminal investigations and traffic safety enforcement, increase emergency preparedness and update city ordinances. Continue our motto of community and compassion. Participate in community events which help enhance the relationship between police and the community.

COMPLIANCE WITH COUNCIL GOALS:

- Fund increased Community Engagement and Outreach for Public Safety
- Complete Operational needs analysis and prioritize the recommendation to support sufficient staffing for Police Department
- Create a Safe City & Visible Police Presence

Total operational cost for the department is budgeted at \$2,880,002. Personnel services are \$2,251,569. Material and services costs are budgeted at \$387,501. The largest expenditures within materials and services are contractual professional services at \$110,900 and utilities \$38,400. Capital outlay is budgeted at \$135,600 which includes a new computer server and outfitting our new police vehicle. Funds have also been set aside for a potential move to a county-wide RMS system.

Parks Department

Utility Supervisor Doug Nassimbene went over the Parks Department Fund. The Parks Department strives to maintain and enhance the City parks, public grounds, and public restrooms. The department is committed to ensuring the citizens of Scappoose have enjoyable recreational areas to visit for play and relaxation.

The vision of the Parks Department is to further improve our City parks and grounds in a manner which is satisfactory to citizens of Scappoose.

COMPLIANCE WITH COUNCIL GOALS:

- Update the Parks and Recreation Masterplan, prioritize projects and pursue funding
- Peace Candle – protect, restore and update the Welcome sign
- Create a funding mechanism for park maintenance and development
- Prioritize upgrades for existing parks to current ADA standards and fund improvement

The Parks Department Budget, a portion of the General Fund, maintains the City's park grounds. For Fiscal year 2023-24, the Parks Department has an operational budget of \$652,798. This figure is comprised of \$289,631 in personnel services, \$174,655 in materials and services and \$16,512 in transfers to the Administration Department. The fund has also identified \$172,000 in capital outlay projects that include: Commerce Drive Park access drive construction, park improvements identified in the new Masterplan, purchase of a new backhoe and utility pickup and a contribution to a newly established savings program for future park construction.

Municipal Court Department

Finance Administrator Carol Almer went over the Municipal Court Department Fund. The Scappoose Municipal Court operates under direction of the Presiding Judge, who has jurisdiction over misdemeanors and violations that occur within the jurisdictional boundary of the City of Scappoose. Felony crimes are handled by Circuit Court, located in St Helens. Municipal Court is held on Wednesdays. The Municipal Court's vision for the coming year is to continue to preside over misdemeanors and violations. The Municipal Court will continue to substantially reduce the number of outstanding uncollected citations. Assist Administration Department in ensuring Council goals are met. The Municipal Court's budget is \$336,381. Within that budget, \$92,160 is budgeted for personnel services costs and \$237,525 is budgeted for materials and services. Of that amount, contractual services for the Judge, court appointed Attorneys and Prosecuting Attorney represent \$167,275. The second largest expenditure in the materials & services is assessments at \$40,020. There will be \$8,501 transferred to the Administration Department.

Planning Department

Community Development Director Laurie Oliver Joseph went over the Planning Department Fund. The Planning Department is committed to serving existing and new residents and businesses with comprehensive planning services in the belief that a growing community can remain livable, meet the needs of its citizens, and become a diverse community with jobs and housing options. The department guides public and private development through long-range planning and development review and serves as an information resource for residents on a wide range of topics pertaining to land use and infrastructure. The Planning Department assists citizens with new industrial, commercial, and residential development projects. The primary Planning Department areas of focus for the year will be assisting citizens and developers with current planning projects, continued development of the 50-Year Plan, promoting and supporting small local businesses, supporting OMIC's expansion, and support and monitoring of the Columbia Commerce Center.

COMPLIANCE WITH COUNCIL GOALS:

- Promote and Support Small Local Businesses
- Continue Development of the 50 Year Plan
- Support and Monitor Development of Columbia Commerce Center
- Economic Development marketing

The budgeted amount from the General Fund for the Planning department is \$733,975. The Planning Department anticipates revenue of \$43,000. Personnel services costs are budgeted at \$430,556. Material and services costs are estimated at \$142,841. Capital outlay is budgeted at \$125,000 and there will be a transfer to the Administration Department of \$35,578. The Planning Department is addressing Council Goal 2.1 by budgeting \$125,000 this fiscal year to continue working with our consultant on the 50-Year Plan. It is anticipated that this project will be completed in late 2024.

Non-Departmental

Finance Administrator Carol Almer went over the Non-Departmental Fund. The fund contains transfers out, contingency, and unappropriated ending fund balance. The vision for the year is to maintain a strong contingency fund and unappropriated ending fund balance to serve as the basis for next fiscal year's cash carryover. The contingency line item has been budgeted at \$584,830. The unappropriated ending fund balance is retained at \$1,700,000.

Law Enforcement Assessments Fund

Finance Administrator Carol Almer went over the Law Enforcement Assessments Fund. This fund was established for Law Enforcement Assessment Fees. The vision for the year ~ The Municipal Court imposes an assessment fee appropriate to the cost of providing the enforcement services as established by the City. The assessments will be expended in relation to law enforcement and prevention activity in areas of traffic safety, drug, and alcohol prevention or other crime prevention activity.

COMPLIANCE WITH COUNCIL GOALS:

- Continue community safety initiatives
- National Night Out
- Donut Day
- Ice Cream Social
- Halloween Safety
- Citizen Academy
- Tip a Cop
- Suicide Prevention Walk
- Special Olympics Torch Run
- School supply donation drop site
- Maintain community safety
- Safety equipment for Officers in the field

This year there is working capital carryover of \$16,109. The fund anticipates intergovernmental revenue of \$5,000 and interest income of \$300. Total fund resources are estimated at \$21,409. The fund anticipates spending \$10,000 on training activities and equipment. The fund has a contingency of \$11,409.

Watts House Fund

Public Works Director Dave Sukau went over the Watts House Fund. This fund was established to provide a more efficient method of tracking Watts House expenditures. The vision for the year is to provide revenue for expenditures related to the Watts House.

COMPLIANCE WITH COUNCIL GOALS:

Maintain fiscal responsibility on behalf of the community.

This year has a beginning working cash carry over of 33,537 and the fund anticipates revenue of \$400 in interest. Total fund resources are estimated at \$33,937. The fund anticipates spending \$9,620 for materials and services. Under capital outlay, \$10,000 has been budgeted for miscellaneous house projects. Contingency is budgeted at \$14,317.

PEG Fee Fund

Finance Administrator Carol Almer went over the PEF Fee Fund. This fund was established for tracking of revenue and expenditures related to PEG Fees. The vision for the year is to upgrade the sound system in the City Council Chambers.

COMPLIANCE WITH COUNCIL GOALS:

Continue to develop a stronger communication plan.

The fund has a beginning cash position of \$41,000. The fund does not anticipate any PEG Fee revenue in FY 2023-24 due to the elimination of the PEG Fee revenue in the latest franchise agreement. Total fund resources are estimated to be \$43,280. The fund expects to spend \$30,595 for materials & services and contingency is budgeted at \$12,685.

Building Fund

Community Development Director Laurie Oliver Joseph went over the Building Fund. The Building Department is committed to serving our building community, developers and our existing and new residents, with comprehensive enforcement of building, plumbing, mechanical and fire and life safety codes of the State of Oregon. This department ensures that commercial and industrial buildings, residential dwellings, and public buildings including schools and government buildings, are constructed in conformance with all regulatory codes to ensure the continued safety and well-being of all members of the community. The vision for the year ~ Economic growth is still slow as businesses recover from the Coronavirus pandemic that began in March 2020. Inflation has slowed in recent months; however, it has taken its toll over the past year. Despite the uncertain economic future, the Building Department estimates that 14 single-family home permits could be issued this year. In addition, we anticipate 2 potential apartment developments could occur and 3 new commercial/light industrial building permits could be issued as well. Recent reduction in lumber costs could also increase small homeowner projects such as, decks, patios, and fences.

COMPLIANCE WITH COUNCIL GOALS:

Provide support to ongoing City projects

The Building Fund looks considerably different this year than in previous years since the Building Official position is currently vacant. The City has instead chosen to enter into an Intergovernmental Agreement with Columbia County to provide Building Official services. This

has shifted some costs in the department from personnel costs to materials and services costs. The Building Department is expecting to issue fewer building permits this year due to the state of the economy, which means that revenues are expected to be less than in previous recent years. The Building Fund begins the year with a starting position of \$21,052. Permit revenue and miscellaneous fees are anticipated to be \$217,040. Total anticipated revenue for this fund is projected to be \$289,856, which includes a transfer from the General Fund to cover shortages within the department of \$72,816. Total fund resources are expected to be \$310,908. Personnel services costs are budgeted at \$80,182. Materials and services are estimated at \$228,446. Contingency is \$2,280.

Street Fund

Public Works Director Dave Sukau went over the Street Fund. The Street Department is dedicated to maintaining the street and storm systems throughout the City. The department personnel ensure that traffic control signs, pedestrian crossings and roads are kept in good condition with the intention of providing public safety for the community. The vision for the year is to continue to provide maintenance and repairs to City owned streets. Construct new and repair existing sidewalks.

COMPLIANCE WITH COUNCIL GOALS:

- Update TSP and transportation SDC's
- Implement projects identified for funding by fuel tax dollars

The Street Fund receives its monies from multiple sources. These sources include: State Gas Tax revenue which is based on dollars per capita of our city, a local \$0.03 per gallon fuel tax, the Federal Surface Transportation Program Fund, infrastructure fees, interest earned and intergovernmental revenue. The budget shows a beginning cash balance of \$1,264,362, interest income of \$36,000, intergovernmental revenue of \$2,578,368 and charges for services of \$25,000. The total resources for this fund are \$3,903,730. The budgeted expenditures for the Street Fund are \$3,903,730. This is comprised of personnel services of \$349,326 and materials and services of \$232,675. The fund also budgeted \$2,006,407 for capital outlay projects which include a continued effort to improve streetlighting, signage, sidewalk construction and pavement maintenance. There is also \$83,781 in transfers and an anticipated contingency of \$1,231,541. Projects anticipated for the year include; pavement overlays in the NW portion of the City, Havlik Drive paving and wheelchair ramp upgrades, Dutch Canyon Rd. paving, sidewalk construction on SW 1st & Maple and sidewalk infill on E. Columbia.

Footpaths & Bicycle Trails Fund

Public Works Director Dave Sukau went over the Footpaths & Bicycle Trails Fund. This fund is intended for special sidewalk and path projects. Funding comes from one percent of the state gas tax revenue into this fund. The vision for the year is to promote the Sidewalk Improvement and Repair Program.

COMPLIANCE WITH COUNCIL GOALS:

Continue Sidewalk Improvement and Repair Program

The beginning working capital carryover for the Foot Path and Bicycle Trails fund is \$215,867. The fund anticipates revenue in the amount of \$9,000. The City expects to receive \$6,000 from state gas tax revenue and \$3,000 from interest. The total resources for the fund is \$224,867. For the 2023-2024 year, this Fund is allocating \$3,000 for materials and services. The Fund is also allocating \$25,000 for Citizen participation in the Sidewalk Improvement Program. This program is on a first come, first serve basis to qualifying participants. The City will match 50% of the cost to repair sidewalks that front the participant's property up to \$1,000. Property owners are only allowed to participate in this Program one time.

Storm Water Drainage Fund

Public Works Director Dave Sukau went over the Storm Water Drainage Fund. This fund was established with the intention to provide the revenue needed to meet Federal and State Stormwater requirements. The vision for the year is begin implementation of the updated Stormwater Masterplan.

COMPLIANCE WITH COUNCIL GOALS:

- Address aging infrastructure
- Update/review Stormwater Fees
- Implement the Stormwater Master Plan

The beginning Stormwater Drainage fund balance is \$945,149. The budget anticipates revenue of \$24,000 from interest income and \$383,724 in Stormwater user fees. Total resources for the Stormwater Drainage Fund are \$1,352,873. The fund anticipates expenditures of \$149,569 for personal services, \$236,745 for materials and services and \$219,000 in Capital outlay. The contingency for this year is \$747,559. Capital outlay for the 2023-24 budget year consists of the construction of stormwater infrastructure and continued partnership with the Scappoose Bay Watershed Council on waterway enhancement. Construction items consist of new UIC's and UIC retrofit, catch basins and pipework. Waterway enhancement for this year consists of the continued effort to construct Reach F. The City's contribution is a Grant Match for a SBWC capacity and enhancement project along the Eastern portion of the EJ Smith/Grabhorn Parcel.

Storm Water Drainage SDC Fund

Public Works Director Dave Sukau went over the Storm Water Drainage SDC Fund. The Stormwater Drainage System Development Charge is the mechanism by which the City of Scappoose collects funds from developers to pay for future storm water improvement needs generated by development. The focus for this year will be to begin implementation of the updated Stormwater Master Plan.

COMPLIANCE WITH COUNCIL GOALS:

- Develop and Implement a Capital Improvement Plan
- Construct Stormwater Capacity Improvements

The Stormwater Drainage SDC fund has a working capital carryover of \$329,917. The fund expects to collect \$64,610 in SDC fees, and \$8,400 in interest income for a current year resource total of \$73,010. The total fund resources are \$402,927. For expenditures, the city has budgeted \$200,000 for capital outlay to complete the Stormwater Master Plan update and other approved Stormwater extra capacity projects. There will be a transfer of \$3,231 to the General Fund to cover administrative costs. The contingency is budget at \$199,696. The total expenditures for the Stormwater SDC fund are \$402,927. Capital outlay projects for the 2023-2024 year consist of the implementation of the Stormwater Master Plan and construction of projects to be listed in the new Stormwater Master Plan CIP.

Street SDC Fund

Public Works Director Dave Sukau went over the Street SDC Fund. The Transportation System Development Charge is the mechanism by which the City of Scappoose collects funds from developers to pay both previous excess capacity improvements and to have funds available to pay for future improvement needs generated by development. The vision for the year is to continue capacity improvements of City Streets and Sidewalks.

COMPLIANCE WITH COUNCIL GOALS:

- Update TSP and transportation SDC's
- Implement projects identified for funding by fuel tax dollars

The Street SDC fund is projected to have a beginning cash balance \$847,174. The fund anticipates a collection of SDC revenue of \$319,100 and interest revenue of \$18,000. Current year resources total \$337,100 making the total estimated fund resources are \$1,184,274. The proposed expenditures for the Street SDC fund are \$1,184,274. These are comprised from Capital outlay projects totaling \$530,000, a transfer to the General Fund of \$15,171 to cover administrative costs, and a contingency of \$639,103.

Parks SDC Fund

Utility Supervisor Doug Nassimbene went over the Parks SDC Fund. The Park System Development Charge is the mechanism by which the City of Scappoose collects funds from developers to pay both for previous excess capacity improvements and to have funds available to pay for future improvement needs generated by development. The vision for the year ~ The Parks SDC Fund will focus on updating the Parks and Recreation Master Plan and conceptual design of the Grabhorn property conceptual plan.

COMPLIANCE WITH COUNCIL GOALS:

- Update the Parks and Recreation Masterplan, prioritize projects and pursue funding

- Peace Candle – protect, restore and update the Welcome sign
- Create a funding mechanism for park maintenance and development
- Prioritize upgrades for existing parks to current ADA standards and fund improvement

The Beginning working capital carryover for the Parks SDC fund is \$130,327. The City anticipates \$5,000 in interest revenue and \$70,727 in SDC revenue. The total fund revenue is \$75,727, bringing the total resources to \$206,054. For expenditures, the City has budgeted for \$100,000 in capital outlay, and a transfer of \$3,536 to the General Fund to cover administrative costs. The fund has a contingency of \$102,518. Capital outlay extra capacity projects planned for the 2023-24 budget year is the design of a future park based upon the recommendation by the Masterplan and selection by City Council.

Pool Fund

Finance Administrator Carol Almer went over the Pool Fund. The Pool Fund was created as a result of a Ballot Initiative which directed the City to construct a basic covered pool. This is a dedicated fund, and the resources can only be used for expenses related to the construction of a pool. The vision for the year ~ There are no projects anticipated for this fiscal year. The Pool fund has a beginning cash position of \$9,147. Interest income is projected to be \$250. Total fund resources are \$9,397. We do not anticipate any expenditures this fiscal year. The fund anticipates a contingency of \$9,397.

Unemployment Insurance Fund

Finance Administrator Carol Almer went over the Unemployment Insurance Fund. The City of Scappoose is self-insured for unemployment insurance and needs to maintain this fund to cover any unemployment claims. The resources in this fund are dedicated and can only be used for unemployment claims against the City. No staffing reductions are anticipated in this current budget year. Compliance with Council Goals ~ Maintain responsible fiscal management. The proposed budget has a beginning cash position of \$95,844, interest income of \$525, and total fund resources are \$96,369. There is a budgeted expenditure of \$50,000 in personnel services to cover any claims but the City is not anticipating any new claims. The fund has a contingency of \$46,369.

Utility Water Fund

Treatment Plant Supervisor Darryl Sykes went over the Utility Water Fund. The Water Fund is a dedicated "Enterprise" fund. The Water Department produces and distributes high quality drinking water that meets all State and Federal standards. The Water Fund is used to report financial operations of the City's water treatment facilities that provide drinking water to all City residents. This year's focus will be to continue reducing water loss, city-wide meter replacement, optimizing water production and distribution system replacement.

COMPLIANCE WITH COUNCIL GOALS:

- Address aging infrastructure
- Complete ARPA funded infrastructure projects

For the 2032-24 budget year, the Water Fund will begin with a cash carryover of \$3,917,616. The Fund expects to collect \$2,942,720 in service charges, \$8,350,000 in intergovernmental revenue and \$90,000 in interest. The total fund resources are \$15,300,336. Proposed expenditures in the water fund include: \$1,151,201 for Personal Services, \$837,670 for Materials and Services and \$9,947,000 for Capital Outlay. The fund budgets \$81,439 for debt service, \$222,996 for transfers and a projected contingency of \$1,258,746. This Fund also has a balance of \$1,800,000 in unappropriated funds. Capital Outlay items identified in this year's budget include; continued water meter replacement, treatment plant upgrades, distribution engineering, distribution replacement, design and construction of a new reservoir, design and construction of two new wells and the purchase of a backhoe and utility truck.

Water SDC Fund

Treatment Plant Supervisor Darryl Sykes went over the Water SDC Fund. The Water System Development Charge fund is a dedicated fund and is the mechanism by which the City of Scappoose collects funds from developers to pay both for previous and new capacity improvements. It makes funds available for future improvement needs generated by development. Water SDC'S are calculated based on the size of the water meter needed for the development. This account includes both the revenue and the capital outlay for those projects. This Fund's focus will be to identify future water sources and design capacity improving distribution projects.

COMPLIANCE WITH COUNCIL GOALS:

- Address aging infrastructure
- Complete ARPA funded infrastructure projects

For the 2032-24 budget year, the Water SDC fund begins the year with a projected beginning cash amount of \$61,614. Anticipated revenue is \$412,897 coming from three sources: \$4,000 from interest, \$283,897 from Water SDC's, and a transfer of \$125,000 from the Utility Water Fund to cover debt service payments. Total fund resources are \$474,511. Expenses within the fund include debt service in the amount of \$279,388. This is to make principal and interest payments on loans G03003, maturing in 2027, and S03003, maturing in 2035. The fund anticipates a transfer of \$13,519 to the General Fund for SDC administration. The Water SDC Fund anticipates a contingency of \$181,604 for a total in expenditures of \$474,511.

Utility Wastewater Fund

Treatment Plant Supervisor Kevin Turner went over the Utility Wastewater Fund. The City's sewer collection system collects and conveys wastewater from nearly 3,275 customer connections to the treatment plant located on East Columbia Ave. The collections system includes over 37 miles of gravity wastewater pipe and 7 pumping lift stations that move

wastewater from low elevations to adjacent areas where gravity lines exist. The Wastewater Treatment Plant (WWTP) is an extended aeration activated sludge treatment plant constructed in 1992 with a design capacity of 3.4 million gallons. The WWTP operates under a National Pollutant Discharge Elimination System Permit (NPDES) issued in 2009 and expired in 2014. This permit is currently on administrative extension and expected to be renewed in conjunction with completion of the Phase I improvements. The NPDES establishes minimum monitoring and reporting requirements, and not to exceed discharge limits. The most significant challenges facing the Wastewater Fund this budget cycle will be financing the infrastructure upgrades identified in the 2018 Facilities Master Plan. The phased approach, done in accordance with the facility plan, will increase design flow to 6.05 million gallons. Phase I upgrades should begin late spring 2024 and will be funded primarily through the Clean Water State Revolving Fund loan. To prepare for these upgrades, an interim aeration basin and flow pattern changes were completed last year. During all construction projects, staff must continue operate and meet regulatory requirements.

Phase I Improvements (\$9.2M):

- Engineering
- Influent Pump Station
- Headworks
- Aeration Basin
- Blower and Electrical Building
- Ultraviolet Disinfection
- SCADA & Electrical Services
- Civil Site Improvements

The Wastewater Fund anticipates utilizing American Rescue Plan Act (ARPA) funding on several projects:

- Biosolids Dryer – (\$2.5M) The Bio dryer is designed to dry biosolids to produce a nutrient rich Class A organic material that can be applied as a fertilizer or soil amendment. This process will also reduce storage volume requirements and can be disposed of throughout the year.
- Headworks – (\$2.2M) Designed so that all plant influent flow will be metered, screened, sampled, and grit removed.
- Smith Rd Pump Station – (\$900k) Pumping and wet well improvements for increased flow, capacity, and longevity.

Compliance with Council Goals

- Capacity Upgrades
- Complete ARPA funded infrastructure projects

The Wastewater fund will begin with a working capital carryover of \$4,135,065 and anticipates revenue from interest, intergovernmental programs, and long-term debt proceeds to be

\$8,180,532. Fund expenditures from personal, materials and services, capital outlay, debit services, and transfers, are expected to be \$8,960,221. Leaving a contingency of \$3,341,398.

Wastewater SDC Fund

Treatment Plant Supervisor Kevin Turner went over the Wastewater SDC Fund. The Wastewater System Development Charge fund is a dedicated fund and is the mechanism by which the City of Scappoose collects funds from developers to pay both for previous and excess capacity improvements. It makes funds available to pay for future improvement needs generated by development. Wastewater SDC'S are calculated based on the size of the water meter needed for the development. This account includes both the revenue and the capital outlay for those projects. Completing the engineering and begin construction of the Phase I improvements will be on the top priorities.

COMPLIANCE WITH COUNCIL GOALS

- Capacity Upgrades
- Complete ARPA funded infrastructure projects

The Wastewater SDC fund has a working capital carryover of \$1,073,462. The City anticipates receiving \$186,464 interest and fees. Total resources for the fund are \$1,259,926. Expenditures from capital outlay and transfers are anticipated to be \$1,095,673 which will leave \$164,253 in contingency.

Debt Schedules

Finance Administrator Carol Almer went over the Debt Schedules. The General Obligation Debt Service fund is a dedicated fund used to account for property taxes levied to pay bonded debt approved by voters. The property tax levy is based on the amount of funds needed to make the debt service payment. The last loan payment was made in Fiscal Year 18-19; therefore, this fund is now inactive. Remaining debt is listed below but not reliant on the debt service fund.

Transfers

Finance Administrator Carol Almer went over the transfers.

Budget Committee Member Andrew Lafrenz moved, and Budget Committee Member Chris Vitron seconded the motion to approve the 2023-2024 Budget as presented. (Motion passed 12-0) Chair Joseph Backus, aye; Budget Committee Member Rita Bernhard; Budget Committee Member Sandie Wiggs; Budget Committee Member Michelle Brown; Budget Committee Member Chris Vitron; Budget Committee Member Beth Rajski; Budget Committee Member Megan Greisen; Budget Committee Member Pete McHugh; Budget Committee Member Tyler Miller; Budget Committee Member Kim Holmes; Budget Committee Member Andrew Lafrenz; and Budget Committee Member Jeannet Santiago, aye.

Calendar Check ~ next meeting May 11 & May 16, 2023, if needed

No future meetings are needed.

Adjournment of the Budget Committee meeting of the City of Scappoose

Mayor Backus adjourned the meeting.



Mayor Joseph A. Backus

Minutes typed by:



City Recorder Susan M. Reeves, MMC