

**MONDAY, MAY 24, 2021, 5:30 PM
CITY OF SCAPPOOSE
BUDGET COMMITTEE MEETING**

Call to order

Mayor Burge called the Budget Committee meeting to order at 5:33 p.m.

Roll Call

Present: Mayor Scott Burge, Budget Committee Member Annette Pixley, Council President Megan Greisen, Councilor Pete McHugh, Councilor Josh Poling, Councilor Brandon Lesowske, Budget Committee Member Chris Vitron, Councilor Joel Haugen, Chief Norm Miller, Finance Administrator Jill Herr, Interim City Manager Alexandra Rains, and Program Analyst Huell White.

Remote: Budget Committee member Michelle Brown, Budget Committee member Sandie Wiggs, Budget Committee member Ty Bailey, Budget Committee member Rita Bernhard, Public Works Director Dave Sukau, Utility Supervisor Doug Nassimbene, Treatment Plant Supervisor Kevin Turner, City Planner Laurie Oliver Joseph, Building Official Don VanDomelen, Treatment Plant Supervisor Darryl Sykes and Councilor Tyler Miller.

Nominate a Budget Committee Chair

Megan Greisen moved to nominate Mayor Scott Burge, seconded by Joel Haugen. Motion passed (13-0). Scott Burge, aye; Annette Pixley, aye; Megan Greisen, aye; Pete McHugh, aye; Josh Poling, aye; Brandon Lesowske, aye; Chris Vitron, aye; Michelle Brown, aye; Sandie Wiggs, aye; Ty Bailey, aye; Rita Bernhard, aye; Tyler Miller, aye, and Joel Haugen, aye.

Approval of Minutes from May 26, 2020

Joel Haugen moved, and Josh Poling seconded the motion to approve the minutes from the May 26, 2020 Budget Committee meeting. (Motion passed (13-0). Scott Burge, aye; Annette Pixley, aye; Megan Greisen, aye; Pete McHugh, aye; Josh Poling, aye; Brandon Lesowske, aye; Chris Vitron, aye; Michelle Brown, aye; Sandie Wiggs, aye; Ty Bailey, aye; Rita Bernhard, aye; Tyler Miller, aye, and Joel Haugen, aye.

Receive Budget Message

2021-2022 Budget Message

May 24, 2021

Dear Mayor, City Councilors and Budget Committee Members,

Budget Committee meeting

May 24, 2021

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It is my pleasure to submit a balanced budget for Fiscal Year 2021-2022 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 2021-2022 Goals – which includes support for the first phase of the 50 Year Plan, local economic development, community livability, safety and expanding the local park system. The budget is also appropriately conservative to ensure adequate funds are available to mitigate the lingering impacts of COVID-19 moving forward.

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 the COVID-19 Pandemic and 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 and foremost, the COVID-19 Pandemic has impacted all aspects of our personal and professional lives. From restaurant, business and school closures to limitations on in-person meetings and social gatherings, the Pandemic has caused both financial and emotional stress and taken the lives of over half a million people in the United States alone. As a result of these difficult circumstances, the City was the recipient of ~\$213,000 in emergency funds, via the CARES Act, and was able to cover the costs of needed IT upgrades to facilitate telework capabilities and virtual meetings, distribute funds to the community through small business grants of up to \$5,000 per applicant, and provide direct contributions to the Senior Center for facility upgrades and the School District to purchase laptops for distance learning.

Second, the City Council bid farewell to Council President Kessi, welcomed the re-election of Mayor Burge, Council President Greisen and Councilor McHugh and saw the election of a new member, Councilor Miller. The Council set goals for the 2021-2022 FY in the winter of 2021. Third, City Staff have remained incredibly busy during the Pandemic 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 2020-2021:

- Staff worked with a consultant to develop a five-year financial forecasting tool for capital investments, the results of which are reflected in the proposed budget
- The City's voluntary sidewalk repair program continues to be administered by staff
- Council approved the purchase and installation of a piece of public art at City Hall
- Staff has continued communication outreach to the community through existing methods such as the newsletter and Facebook and launched the new City App
- The Police Department has focused considerable time and resources on traffic enforcement and officer retention through the implementation of an incentive program for lateral recruits
- Staff has the necessary agreement in place with the property owner to complete a full restoration of the Peace Candle once the site is no longer under construction

- Council approved the purchase of the Grabhorn Property for development of a City Park, the Grabhorn Park Ad Hoc Committee is working diligently to develop a park design
- Progress has been made on the engineering for Phase 1 of the Wastewater Treatment Plant upgrades
- The Stormwater Master Plan is well underway and tentatively scheduled for completion Fall of 2021
- Construction document review related to roads and utilities is underway for Phases 3 & 4 of the Columbia Commerce Center
- The PCC Campus is now complete and open
- The City received ~\$250,000 in revenue from the Fuel Tax for road and sidewalk improvements
- Staff worked with Donovan Enterprises to update the City's Water SDCs and is currently working to update the water rates as well

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 several key objectives, beginning with the expansion of OMIC; Oregon Tech plans to construct another building on their existing site beginning in 2021. Similarly, City Staff will also continue to support the development of the Columbia Commerce Center. Construction document review for Phases 3 and 4 of the road and applicable public infrastructure is currently underway and the City has an improvement agreement in place with Airpark Development LLC and ODOT in order to ensure the availability of ~\$2.8 million in pass through ODOT funds for the road portion of the project.

Another key economic development objective is the development of marketing materials for the industrially zoned property located within City limits. Staff plans to partner with the Columbia River PUD and the Port of Columbia County to develop these materials and has budgeted \$25,000 for this project. Finally, the City is currently transitioning from a cash basis of accounting to a GAAP recognized basis of accounting. This change is important because it will provide the City with more options when it comes to financing infrastructure improvements moving forward – a key component to all economic development in Scappoose.

The City's focus on the enhancement of community livability will include considerable time and effort planning the community's centennial celebration. The Mayor, with the consent of Council, created an Ad Hoc Committee to focus on the planning and logistics for this event. They have made significant progress and this event promises to be an extraordinary way to honor the City's 100th year. The City has allocated \$10,000 for the event and the City's Economic Development Committee allocated \$5,000 from their discretionary funds to the event as well – this is in addition to the many generous donations the City has received from local partners, businesses and individuals.

Additionally, development of the City's 50 Year Plan will be vital to enhancing community livability. This project will be a multi-year effort and include several complex components such as an Economic Opportunities Analysis, an update to the City's Housing Needs Analysis and Buildable Lands Inventory, a City-wide visioning process, updates to the Comprehensive Plan

and Comprehensive Plan Map, the possible rezone of lands within the City and updates to the development code. Staff hopes to release an RFP to begin this effort during the Summer of 2021. Another important focus area will be the City's sidewalk network. The Local Fuel Tax – passed in late 2019 – has provided a much needed, new source of funds that will be used to better connect our community. Of note, sidewalk infill on Old Portland Road will be completed this fiscal year and will considerably increase connectivity and accessibility in Southwest Scappoose. Finally, Staff will continue to focus on communication outreach with the community, to include increased use of the new City App.

City efforts to maintain the safety of the community will include an operational needs analysis of the Police Department, to look at both equipment and personnel, with the goal of ensuring that the Department has the resources necessary to thrive. In addition to the Department's internal efforts, there will also be emphasis on objectives that focus outward on the community, such as the resumption of community events such as *Tip-a-Cop* and *Donut Day*, following a temporary hiatus due to COVID-19 and the Citizens Academy. Finally, the Department has and will continue to focus extra resources on traffic enforcement along the City's side streets. Further development of the City's Park System in the coming year will focus heavily on the completion of a conceptual design for the Grabhorn Property by the Grabhorn Park Ad Hoc Committee (GPAHC) and a determination by Council regarding the community's pursuit of a public pool on the property. The GPAHC was formed by the Mayor, with the consent of Council, in the Winter of 2021 and, according to their bylaws, will have a design recommendation (one with a pool and one without) to present to Council by September of 2021. Following that presentation, Staff will address any additional engineering needs and look to Council for a final approval before beginning the process of adding the concept to the Parks Master Plan and the preparation of a grant application. Council's decision-making process regarding the pool will follow the conclusion of a Community Survey, set to close on June 3rd, that alerts the community as to the financial implications of pursuing such a project. Other objectives under this goal include the restoration of the Peace Candle, budgeted at \$50,000, support of public art and staff support for the Friends of Scappoose Parks program.

Last but certainly not least, the City will be allocating significant time and resources to address aging infrastructure. For this fiscal year, the focus of these efforts will be on certain key objectives including Phase 1 of the Wastewater Treatment Plant, completion of the Stormwater Master Plan and updates to the City's System Development Charges and fees.

In summary, this year's budget continues to maintain funding for core services, make strategic investments in City infrastructure and implements Council goals. I would like to recognize and thank the Mayor and Council for their leadership and support. This past year had many unique challenges, particularly those related to the COVID-19 Pandemic. However, staff was still able to reach many key milestones and next year promises to be equally productive for the City.

Respectfully submitted,

Alexandra Rains
Interim Budget Officer
City of Scappoose

Public Hearing / State Revenue Sharing (see page 12 for motion)

Mayor Burge opened the public hearing and closed due to no comments.

Budget Deliberations

General Fund (Pages 49-56)

Finance Administrator Jill Herr went over the General Fund. Purpose: 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. Vision for the year: To maintain a healthy cash position and to provide needed community services. Budget notes: Revenue ~ The General Fund for fiscal year 21-22 has a beginning cash position of \$4,070,133. 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 \$710,395 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 22-23 beginning cash carryover.

Administration Department (Pages 57-59)

Finance Administrator Jill Herr went over Administration Department. Purpose: 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. Vision for the year: To ensure the City operates in accordance with the City Charter, State, and Federal laws. Council and department goals: The Administration Department is responsible for ensuring Council goals are met.

Police Department (Pages 60-63)

Chief Miller went over the Police Department. Purpose: 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. Vision for the year: The vision of the Scappoose Police Department is to continue our motto of community and compassion while completing criminal investigations, traffic safety enforcement, emergency preparedness and updates to city ordinances. Additionally, we look forward to resuming all community events, following the

pause required by COVID restrictions, that help enhance the relationship between police and the community. Compliance with council goals: continue community outreach, continue emergency preparedness planning, continue Emergency Operation Plan, traffic enforcement plan, maintain sufficient staffing levels, continue Citizens Academy and updating city ordinances and codes.

Parks Department (Pages 64-67)

Utility Supervisor Doug Nassimbene went over the Parks Department. Purpose: 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. Vision: The vision of the Parks Department is to further improve our City parks and grounds in a manner which is satisfactory to the community of Scappoose. Compliance with council goals: Promote Community Events, continue friends of Scappoose Parks group, support public art, protect and restore the Peace Candle, develop South Scappoose Creek Trail Develop, E.J. Smith Road property Develop, and funding strategy for parks Develop Vista property.

Ty Miller stated the City has done great work at the parks this year.

Municipal Court Department (Pages 68-70)

Finance Administrator Jill Herr went over the Municipal Court Department. Purpose: 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. Vision for the year: 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. Compliance with Council goals: Assist Administration Department in ensuring Council goals are met. Budget notes: The Municipal Court's budget is \$317,373. Within that budget, \$117,670 is budgeted for personnel services costs and \$194,325 is budgeted for materials and services. Of that amount, contractual services for the Judge, City Attorney, court appointed Attorneys and Prosecuting Attorney represent \$120,400. The second largest expenditure in the materials & services is assessments at \$54,000. There will be \$5,378 transferred to the Administration Department.

Planning Department (Pages 71-73)

City Planner Laurie Oliver Joseph went over the Planning Department. Purpose: The Planning Department is committed to serving both existing and new residents as well as 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. Vision for the year: 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, developing a long-term comprehensive community vision through development of a 50-Year Plan, and updating the Development Code to add new permitted uses to the Commercial and Expanded Commercial zones. Compliance with Council goals: Update Codes and Ordinances, protect and restore the Peace Candle, continue to support OMIC's Expansion Promote and Support Small Local Businesses, begin long-term Comprehensive community, Vision – 50-year plan, support and monitor development of Columbia Commerce Center.

Non-Departmental (Page 74)

Finance Administrator Jill Herr went over the Non-Departmental.

Purpose: The fund contains transfers out, contingency, and unappropriated ending fund balance. Vision for the year: Maintain a strong contingency fund and unappropriated ending fund balance to serve as the basis for next fiscal year's cash carryover. Budget notes: The contingency line item has been budgeted at \$710,395. The unappropriated ending fund balance is budgeted at \$1,700,000.

Law Enforcement Assessments Fund (Pages 75-77)

Chief Miller went over the Law Enforcement Assessments Fund. Purpose: This fund was established for Law Enforcement Assessment Fees. 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 and safety equipment for Officers in the field. Budget notes: This year there is working capital carryover of \$17,344. The fund anticipates intergovernmental revenue of \$7,500 and interest income of \$100. Total fund resources are estimated at \$24,944. The fund anticipates spending \$10,000 on training activities and equipment. The fund has a contingency of \$14,944.

Pete McHugh mentioned that in the past there was a discussion about having a line item for special events. He asked is that somewhere in here.

Finance Administrator Jill Herr replied it is actually in the General Fund, under the Economic Development line item.

Watts House Fund (Pages 78-80)

Finance Administrator Jill Herr over the Watts House Fund. Purpose: This fund was established to provide a more efficient method of tracking Watts House expenditures. Vision for the year: To provide revenue for expenditures related to the Watts House. Compliance with Council goals: Maintain fiscal responsibility on behalf of the community. Budget notes: This year has a

beginning working cash carry over of \$44,548 and the fund anticipates revenue of \$400 in interest. Total fund resources are estimated at \$44,948. The fund anticipates spending \$10,600 for materials and services. Under capital outlay, \$5,000 has been budgeted for miscellaneous house projects. Contingency is budgeted at \$29,348.

PEG Fee Fund (Pages 81-83)

Finance Administrator Jill Herr went over the PEG Fee Fund. Purpose: This fund was established for tracking of revenue and expenditures related to PEG Fees. Vision for the year: Upgrade the sound system in the City Council Chambers. Compliance with Council goals: Continue to develop a stronger communication plan. Budget notes: The fund has a beginning cash position of \$58,254. The fund anticipates PEG Fee revenue of \$10,500, from the City collection of .52 cents per user, per month per the franchise agreement which expires 12/2022. Total fund resources are estimated to be \$69,379. The fund expects to spend \$48,195 for materials & services and contingency is budgeted at \$21,184.

Brandon Lesowske asked if there are overlaying competitors, they do not pay into this PEG fee, correct?

Finance Administrator Jill Herr and Interim City Manager Alexandra Rains both replied correct.

Brandon Lesowske stated and that is based on the franchise itself, not that we could enforce those competitors to participate, it has to be exclusive to the franchise?

Finance Administrator Jill Herr replied we do not have an agreement with them that allows us to charge that.

Brandon Lesowske asked could that be an opportunity in the future for City staff to see if that could be a potential revenue generator?

Interim City Manager Rains replied absolutely.

Ty Bailey asked if there is anything we can do to get competitive with this because he knows that we have dark fiber everywhere and it would be really great if CenturyLink turned it on.

Interim City Manager Rains replied yes, they can look into that.

Building Fund (Pages 84-87)

Building Official Don VanDomelen went over the Building Fund. Purpose: The Building Department is committed to serving 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 such as 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. Vision for the year: Trends projected that economic growth would continue into the

new fiscal year, however, the Coronavirus pandemic that arose in March 2020 has resulted in an economic recession. The medium and long-term impacts of the recession are currently unknown. Despite the uncertain economy, the Building Department estimates that more than 20 single-family homes and several multi-family building permits could be taken out this year. The Building Department expects to issue permits to a few industrial and commercial projects as properties around the Scappoose Airport develop. Compliance with Council goals: Provide support to ongoing City projects. Budget notes: The Building Fund begins the year with a starting position of \$236,038. Permit revenue and miscellaneous fees are anticipated to be \$443,480. Total anticipated revenue for this fund is projected to be \$445,880 and total fund resources are expected to be \$681,918. Personnel services costs are budgeted at \$250,565. The Materials and services are estimated at \$78,754. There will be a transfer to the General Fund of \$36,337. The contingency is \$276,262.

Street Fund (Pages 88-92)

Public Works Director went over the Street Fund. Purpose: 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. Vision for the year: To provide maintenance and repairs to City owned streets. Construct new and repair existing sidewalks. Compliance with Council goals: Pursue transportation funding, streetscape improvements, continue sidewalk improvement program, update Public Works Design Standards and pursue Transportation Funding. Budget notes: The Street Fund is funded by monies received from multiple sources. These sources include: State Gas Tax revenue which is based on dollars per capita of our city and a local \$0.03 per gallon fuel tax, the Federal Surface Transportation Program Fund, infrastructure fees, and intergovernmental revenue. The budget shows a beginning cash balance of \$994,240, interest income of \$7,000, intergovernmental revenue of \$5,409,897 and charges for service of \$20,000. The total resources for this fund are \$6,431,137. The budgeted expenditures for the Street Fund are \$6,431,137, beginning with personnel services costs which are budgeted at \$321,679 and materials and services which are budgeted at \$268,225. The fund also budgeted \$5,160,000 for capital outlay projects which include a continued effort to improve City streetlighting with new LED lights. Other street projects planned are the infill of missing sidewalks along SW Old Portland Road in the Fall of 2021 and partial replacement of wheelchair ramps throughout the year. The City is also planning to begin a series of asphalt overlays in the late Spring or early Summer of 2021. There is also \$90,073 in transfers and the fund anticipates a contingency of \$591,160.

Foot Paths & Bicycle Trails Fund (Pages 93-95)

Public Works Director went over the Foot Paths & Bicycle Trails Fund. Purpose: This fund is intended for special sidewalk and path projects. Funding comes from one percent of the state gas tax revenue. Vision for the year: Develop a plan to create new trails and sidewalks within the City. Compliance with Council goals: Continue sidewalk improvement program. Budget notes: The beginning working capital carryover for the Foot Path and Bicycle Trails fund is \$146,603. The fund anticipates revenue in the amount of \$31,832. The City expects to receive \$5,582 from state gas tax revenue, \$1,250 from interest income and a transfer from the street fund in the

amount of \$25,000. The total resources for the fund is \$178,435. The City plans to spend \$3,000 for repairs and maintenance of existing foot paths. This fund also has \$50,000 in capital outlay for developing new trails and continuing the City Sidewalk Program. This program is on a first come, first serve basis to qualifying participants. The City will match 50% of the lowest estimated bid 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. The fund anticipates a contingency of \$125,435. Total expenditures for the year are \$178,435.

Storm Water Drainage Fund (Pages 96-99)

Public Works Director went over the Storm Water Drainage Fund. Purpose: This fund was established to provide the revenue needed to meet Federal and State Stormwater requirements. Vision for the year: Develop a Stormwater Management Plan and provide maintenance to the system. Compliance with council goals: Address aging infrastructure, update/review Stormwater Fees, update Stormwater Master Plan. Budget notes: The beginning Stormwater Drainage fund balance is \$371,565. The budget anticipates revenue of \$6,000 from interest income and \$335,184 in Stormwater user fees. Total resources for the Stormwater Drainage Fund are \$712,749. The fund anticipates expenditures of \$109,672 for personnel services and \$185,540 for materials and services. There is \$100,000 budgeted in capital outlay and once the Master Plan is complete, we plan to move forward with construction of stormwater infrastructure projects such as new UIC's, catch basins and pipework. The contingency for this year is \$317,537.

Storm Water Drainage SDC Fund (Pages 100-102)

Public Works Director went over the Street SDC Fund. Purpose: The Stormwater Drainage System Development Charge is the mechanism by which the City of Scappoose collects funds from developers to pay for future stormwater improvement needs generated by development. Vision for the year: The focus for this year will be to update the Stormwater Master Plan. Compliance with Council goals: Update Storm Water Master Plan and develop Capital Improvement Plan. Budget notes: The Stormwater Drainage SDC fund has a working capital carryover of \$483,007. The fund expects to collect \$65,395 in SDC fees and \$5,000 in interest income for a current year resource total of \$70,395. The total fund resources are \$553,402. On the expenditure side, the city has budgeted \$312,000 for capital outlay to finish updating the Stormwater Master Plan and other approved Stormwater extra capacity projects. There will be a transfer of \$3,270 to the General Fund to cover administrative costs. The contingency is budgeted at \$238,132. The total expenditures for the Stormwater SDC fund are \$553,402.

Street SDC Fund (Pages 103-105)

Public Works Director went over the Street SDC Fund. Purpose: The Transportation System Development Charge is the mechanism by which the City of Scappoose collects funds from developers to pay for both previous excess capacity improvements and to pay for future improvement needs generated by development. Vision for the year: Develop a plan for improving City Streets. Compliance with Council goals: Street Extra Capacity Improvements, update Public Works Design Standards and continue sidewalk capacity improvements. Budget notes: The Street SDC fund is projected to have a beginning cash balance \$1,105,899. The fund

anticipates collecting SDC revenue in the amount of \$117,703 and interest revenue of \$9,500. Current year resources total \$127,203, making the total estimated fund resources are \$1,233,102. The proposed expenditures for the Street SDC fund are \$500,000 and are comprised of Capital outlay projects totaling \$500,000 to construct additional sidewalks SW Old Portland Road. There will be a transfer to the General Fund of \$5,885 to cover administrative costs, and a contingency of \$727,217.

Parks SDC Fund (Pages 106-108)

Utility Supervisor Doug Nassimbene went over the Parks SDC Fund. Purpose: 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 pay for future improvement needs generated by development. Vision for the year: The Parks SDC will focus on the design of the E. J. Smith Property/Veteran's Park extension. Compliance with Council goals: Develop Chapman Landing design, develop E.J. Smith Road property conceptual plan, begin to develop a South Scappoose Creek trail plan. Budget notes: The Parks SDC Fund has a working capital carryover of \$90,592. The City anticipates \$3,200 in interest revenue and \$223,592 in SDC revenue. The total fund revenue is \$226,792, bringing the total resources to \$317,384. For expenditures, the City has budgeted for \$201,200 in capital outlay for Chapman Landing improvements and development of the E. J. Smith Road property. There will be a transfer of \$11,180 to the General Fund to cover administrative costs. The fund has a contingency of \$105,004.

Joel Haugen asked where talks about 1.6 million if Council does not approve that road, where else can we spend that 1.6 million.

Public Works Director Dave Sukau replied that would be a Council Decision.

Mayor Burge stated he thinks that is for the development of the park as a whole because system development charges cannot pay for a road.

Pool Fund (Pages 109-110)

Finance Administrator Jill Herr went over the Pool Fund. Purpose: 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. Vision for the year: There are no projects anticipated for this fiscal year. Compliance with Council goals: Maintain responsible fiscal management. Budget notes: The Pool fund has a beginning cash position of \$8,927. Interest income is projected to be \$80. Total fund resources are \$9,007 We do not anticipate any expenditures this fiscal year. The fund anticipates a contingency of \$9,007.

Unemployment Insurance Fund (Page 11)

Finance Administrator Jill Herr went over the Unemployment Insurance Fund. Purpose: 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. Vision for the year: No staffing reductions are anticipated in this current budget year. Compliance with Council goals: Maintain responsible fiscal management. Budget notes: The proposed budget has a beginning cash position of \$104,945, interest income of \$1,000, and total fund resources are \$105,945. There is an anticipated expenditure of \$50,000 in the personnel services to cover past claims. The fund has a contingency of \$55,945.

Utility Water Fund (Pages 112-117)

Treatment Plant Supervisor Darryl Sykes went over the Utility Water Fund. Purpose: 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 operations of the City’s water treatment facilities that provide drinking water to all City residents. Vision for the year: The focus for this fiscal year will be water meter replacement, and maintenance and operation of the existing system. Compliance with council goals: Explore Future Water Sources, Update Public Works Design Standards, address aging infrastructure and Increase water production capabilities. Budget notes: For the 2021-22 budget year, the Water Fund will begin with a cash carryover of \$3,037,085. The Fund expects to collect \$2,428,291 in water user fees, and \$29,000 in interest. The total fund resources are \$5,494,376. Proposed expenditures in the water fund include \$1,060,902 for personnel services and \$914,383 for materials and services. For capital outlay the budgeted amount is \$865,000 for water meter replacement, chemical tank replacement, distribution project engineering, filter media replacement, Public Works utility vehicle purchase, water main replacement, booster pump for Bella Vista reservoirs and SCADA upgrades. The fund budgets \$172,783 for debt service, \$158,014 for transfers and a projected contingency of \$523,294. This Fund also has a balance of \$1,800,000 in unappropriated funds.

Public Works Director Dave Sukau explained the contractual line item is up this year, he just wanted to note there are some studies that are a one-time thing, but it will come back down. He explained the work around the treatment plant is nearing its completion. He explained we are working on revamping our water meter program.

Joel Haugen moved, and Ty Bailey seconded the motion to Accept State Revenue Sharing. Motion passed (13-0). Scott Burge, aye; Annette Pixley, aye; Megan Greisen, aye; Pete McHugh, aye; Josh Poling, aye; Brandon Lesowske, aye; Chris Vitron, aye; Michelle Brown, aye; Sandie Wiggs, aye; Ty Bailey, aye; Rita Bernhard, aye; Tyler Miller, aye, and Joel Haugen, aye.

Water SDC Fund (Pages 118-120)

Treatment Plant Supervisor Darryl Sykes went over the Water SDC Fund. Purpose: 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.

Vision for the year: The focus for this fiscal year will be updating the Water Master Plan and developing a Capital Improvement Plan. Compliance with Council goals: Address aging infrastructure, update Public Works Design Standards, update Water Master Plan and develop Capital Improvement Plan. Budget notes: The Water SDC fund begins the year with a projected beginning cash amount of \$404,414. Anticipated revenue is \$405,954 coming from three sources: \$3,300 from interest, \$306,940 from Water SDC's, and a transfer of \$95,714 from the Utility Water Fund, to make principal and interest payments. Total fund resources are \$810,368. Expenses within the fund include debt service in the amount of \$281,514. 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 \$14,616 to the General Fund for SDC administration and \$100,000 in capital outlay for extra capacity projects. The Water SDC Fund anticipates a contingency of \$414,238 for total expenditures of \$810,368.

Utility Wastewater Fund (Pages 121-126)

Treatment Plant Supervisor Kevin Turner went over the Utility Wastewater Fund. Purpose: The Utility Wastewater Fund is a dedicated "Enterprise" fund. The City of Scappoose operates and maintains a 1.58 M.G.D. activated sludge wastewater treatment plant with tertiary treatment, 36 miles of sewer lines and five pumping stations. The purpose of these facilities is to protect public health and public use of the Columbia River and Multnomah Channel by providing secondary effluent treatment. Treatment plant and staff is responsible for the operation of the wastewater facility to ensure proper treatment of all raw wastewater at all times. The operator is ultimately responsible to ensure all state and federal regulations are met. The City was issued a new permit in March 2009 and will be required to monitor influent, effluent, and process control. This monitoring will require the treatment plant operator to sample and test many functions within the treatment plant process as well as sampling of the receiving stream. Vision for the year: The Wastewater Fund will focus on long term upgrades as identified in the 2018 Facilities Master Plan. Engineering of Wastewater Master Plan Amendment Phase I upgrades along with a Facility Plan Amendment are priority projects for the year. Compliance with Council goals: Phase I Facility Improvement Design, construct interim aeration basin, Smith Road Pump station replacement, biosolids land application, root treatment, annual collections jetting and TV. Budget notes: The Wastewater fund will begin the year with a \$1,263,287 beginning cash position and anticipates revenue of \$2,431,225. Total operating revenue in this fund is projected to be \$3,694,512. Expenditures within the department include \$1,074,622 for personnel services and \$740,353 for materials and services. For capital outlay the projected budget is \$1,042,000 for Pump replacements at the Treatment Plant, Construction of the Interim Aeration Basin, completion of the Smith Road Pumpstation and complete engineering of the Phase I Treatment Plant Facility Improvements. The fund budgets \$118,480 for two principal and interest payments for loan R06809 which matures in 2031 and an interest only payment for loan R809831. The fund budgets \$138,568 for transfers and has budgeted a contingency of \$580,489.

Wastewater SDC Fund (Pages 127-129)

Treatment Plant Supervisor Kevin Turner went over Wastewater SDC Fund. Purpose: 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 new

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. Vision for the year: Engineering for Phase I improvements will be the top priority for this fiscal year. Compliance with Council goals: Address aging infrastructure Capacity Upgrades - Treatment & Collections Update Public Works Design Standards. Budget notes: The Wastewater SDC fund has a beginning cash position of \$1,265,868. The City anticipates receiving \$10,000 in interest income and \$138,506 in SDC fees. Total resources for the fund are \$1,449,001. Projects proposed for FY 21-22 include Completion of the Phase I Design and Engineering of the Treatment Plant and additional Sewer Capacity Upgrades. The fund contains a transfer to the General Fund of \$15,582 for administrative costs and a contingency of \$985,419.

Inactive Funds (Page 130)

Finance Administrator Jill Herr explained there is just one, Fund 45, which was our general obligation debt service fund which was paid in full in fiscal year 2019/2020.

Chair Burge explained he would like to suggest one change, which he and Councilor Miller talked about. They are wanting to move about \$25,000 into contracts for stronger communications through social media, whether it's working with a professional organization or something like that.

Finance Administrator Jill Herr explained there is a miscellaneous contract item in the general fund that we can label for that.

Joel Haugen asked about money for the art project.

Megan Greisen stated she knows Council ultimately approves the budget but before those additional items are put forth before Council, she still has not been given an overview of what the art project is or what it entails so if Council could be informed on that that before we put funds forward for that. She stated in regard to the \$25,000 for a social medial contract if we could look into what that actually looks like and what a contract is priced out to be. She would like us to do our due diligence first. She feels more information is needed.

Joel Haugen stated at the last meeting he mentioned that Michael Curry wants to present to Council and the community his basic design work, which he is working on as we speak.

Chair Burge stated with both of these items, why don't we make it so they have to be approved by Council. He explained it would be in the budget, but it wouldn't get spent unless Council approves.

Interim City Manager Rains explained the process staff would take as far as the social media contract. She also explained there is money already in the budget for the mural.

Ty Bailey asked about having year over year budget versus actual so they can compare.

Sandie Wiggs agrees with Ty Bailey.

Brandon Lesowske asked Joel Haugen if he would feel comfortable under the Park SDC Fund where it does say EJ Smith Road property would he request that staff omit the word road, so it just reflects the property and there's no confusion.

Joel Haugen replied he thinks that would be a prudent thing to do.

Finance Administrator Jill Herr explained the reason it says road is because the property is located on EJ Smith Road, nothing to do with the road, just the address.

Brandon Lesowske explained he understands that, and he thinks a lot of us do, but he thinks as we work through the Ad Hoc Committee or other concerned citizens that there is no confusion on that.

Ty Bailey moved, and Josh Poling seconded the motion that the Budget Committee approve the 2021/2022 Budget with the semantic suggestions.

Josh Poling thanked Jill Herr for doing a great job and he really appreciates her service.

Chief Miller stated he really wants to thank Jill for all the help she has given him with the budget over the year and thank her for all that she does for the City.

Tyler Miller also thanked Jill Herr.

Michelle Brown thanked Jill. She explained most of the questions she had were already answered in the synopsis of each section. She really appreciates the thoroughness of everything this year.

Sandie Wiggs thanked Jill for everything.

Motion passed (13-0). Scott Burge, aye; Annette Pixley, aye; Megan Greisen, aye; Pete McHugh, aye; Josh Poling, aye; Brandon Lesowske, aye; Chris Vitron, aye; Michelle Brown, aye; Sandie Wiggs, aye; Ty Bailey, aye; Rita Bernhard, aye; Tyler Miller, aye, and Joel Haugen, aye.

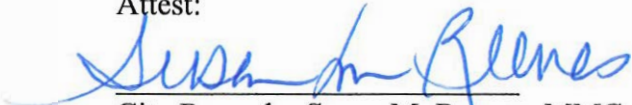
Calendar Check ~ No future meetings are needed.

Adjournment of the Budget Committee meeting

Chair Burge adjourned the Budget Committee meeting at 6:51 p.m.


Chair Scott Burge

Attest:


City Recorder Susan M. Reeves, MMC