

# AMITY BUDGET COMMITTEE

Minutes  
May 11, 2022

Mayor Rachel King called the first meeting of the budget committee to order at 6:00 pm with the *Pledge of Allegiance*.

**ROLL CALL:** Present members included Mayor Rachel King, Councilor Melissa Bojorquez, Councilor April Dyche, Councilor Sandy McArthur, Sean Fitzgerald, Rose Lorenzen and Richard Lorenzen. Members absent included Councilor Cody Goings, Councilor Acid Dunlap and Councilor Denis Saucier.

There were no members of the public present in the audience.

**ELECT CHAIRPERSON:** Rose Lorenzen nominated Councilor Dyche for Chairperson and Sean Fitzgerald seconded. Councilor Dyche was appointed the Amity Budget Committee Chairperson for fiscal year 2022-2023.

**PUBLIC HEARING:** Chairperson Dyche opened the public hearing, giving the public opportunity to comment on the city's budget and the state revenue sharing funds. With no citizens commenting either in person or via ZOOM, Chairperson Dyche closed the public hearing.

**BUDGET MESSAGE & DISCUSSION OF BUDGET:** City Administrator Thomas presented his 2022-23 budget message. He explained all the different funds the City has in the budget. He explained the budget process.

He stated the most pressing issues for this fiscal year, which are: Inflation over the last year, water System Improvement Project and results of sewer rate study.

He explained future issues the City could see which are: Sewer and wastewater infrastructure will need improvements within 3-5 years, and this will require additional debt servicing. Library will need signification renovations in 3-5 years. City will continue to seek ways to diversify and expand its business base to sustain revenues & services during economic downturns and the city will look to improve roads and other infrastructure as growth continues in Amity.

Administrator Thomas went over proposed budget with the Budget Committee. The Budget Committee reviewed the proposed budget and went over all the funds including the General, Building, Capital Projects, Tourism, and Street Fund.

**Recommendations/discussion from Committee and Staff regarding General Fund Revenues/Expenses:** Administrator Thomas went over all the different revenue and expenses in the general fund. There was discussion and recommendations.

Mayor King asked for line item 20 6282 to be changed to Adm Employee Recruitment and Retention and increase the budget from \$10,000 to \$15,000. Also add another \$5,000 to line item 20 5010 for Administrator pay increase.

Chair Dyche asked regarding line item 29-6102 shared labor why \$10,000 budgeted this year but not last year. Administrator Thomas explained why the need for shared contract labor. CFO Kathy Taylor explained further.

Chair Dyche asked if it is the same for Workers Comp. CFO Kathy Taylor explained allocated differently.

Councilor Bojorquez asked Administrator Thomas regarding sufficient issues. She asked for further explanation regarding property tax base and what it looks like for the City. Administrator Thomas explained possibility of increase in the revenue due to upcoming growth. She asked if the focus is more on business growth or occupant growth. He explained the focus is on both.

Mayor King asked if can change line item 26 6705 to “Community Assistance” but keep the amount of \$5,000 and not change the amount. Councilor Bojorquez asked if it would be better to get rid of it all together since it’s not essential for the city. Administrator Thomas explained why it is important to have the funding set aside. The line item was put in due to some issues that have been brought to Council this last year, to include graffiti and properties that may need nuisance abatement. Committee Member Lorenzen asked if business owners could split the cost with the city. Chair Dyche explained this is a topic that has been discussed with Council and Council plans to discuss this further. There was more discussion regarding this between the Committee.

Council decided to change the name of line item 26 6705 to just say “Nuisance Abatement” and keep the \$5,000 but add another line item to be named “Community Assistance” and to add \$1,000 to that fund.

Councilor Bojorquez asked if there is a risk of park maintenance fund going up if there is no park host. Public Works Superintendent explained that is a possibility and why. She asked if this should be a concern for the budget. Administrator Thomas explained he feels comfortable with the parks budget and is hopeful will have a park host.

Mayor King asked why there was \$200,000 transferred from the General Fund into the Water Fund. City Recorder Johnson explained the transfer was to cover the cost of the new meters and the revenue came from ARPA Funds.

Councilor Bojorquez asked the Administrator about the Tourism line items. Administrator Thomas explained it’s a requirement since the city receives transient lodging tax. Chair Dyche explained further and what the funds go towards. There was no further discussion regarding General Fund Expense or Revenue.

**Recommendations/discussion from Committee and Staff regarding Street Fund**

**Revenues/Expenses:** Administrator Thomas went over all the different revenues and expenses in the fund. There were no changes made.

Mayor King asked regarding SCA Grant and if the city doesn’t receive the grant, will the city still spend the expense. CFO Taylor explained if city doesn’t receive the grant, then the city won’t spend the expense. She asked for further explanation of the budget showing the SCA Grant as revenue and expense and if the city did get the grant. CFO Taylor explained further and how it is a projection.

Mayor King asked regarding Safe Routes to School Grant and the city must match the grant. She asked if that is in the budget. Administrator Thomas explained can use SCA Grant funds for that as long as they match up. CFO Taylor explained there is money in the fund balance to cover the match and if new revenue and expense you declare revenue and expense and do a budget amendment when it happens.

**Recommendations/discussion from Committee and Staff regarding Water Fund**

**Revenues/Expenses:** Administrator Thomas went over all the different revenue and expenses in the fund. There were no changes made.

Mayor King asked if the cost of the Salt Creek Bridge project is less than what we budgeted for, how would the City account for that. Administrator Thomas explained the any remaining funds would go back to Business Oregon, ensuring the fund stays balanced.

**Recommendations/discussions from Committee and Staff regarding Sewer Fund Revenues/Expenses:** Administrator Thomas went over all the different revenues and expenses in the fund. There were no changes made.

Administrator Thomas explained trimmed some expenses in this fund. He explained one expense he trimmed was \$35,000 for a truck for Public Works.

Committee Member Fitzgerald asked for more clarification regarding the difference between repair Maintenance and System Maintenance expenses. Public Works Superintendent Mathis explained the differences.

Mayor King asked regarding line 50 8245 and what that is and how long the loan is. Administrator Thomas explained sewer loans and they are previous projects that the city is paying back on, and they are 30-year loans.

Administrator Thomas brought up if anyone wanted to add back the expenses that were cut. Mayor King said wants to wait and see where the fund is at after the sewer rate study.

Committee Member Fitzgerald asked for more explanation regarding sewer rate study. Administrator Thomas explained why it was needed and what it will entail. Committee Member Fitzgerald asked how the Council comes to rate increases. Mayor King and Chair Dyche explained the process of implementing rate increases. City Staff explained also explained the need for rate increases.

**Recommendations/discussion from Committee and Staff regarding Govt SDC and Enterprise SDC Fund:**

Committee Member Lorenzen asked for clarification on how the city can spend the SDC funds. Administrator Thomas explained the funds need to be spent on certain infrastructure items that improve capacity or capability to meet growth.

Chairperson Dyche asked if there was further discussion regarding the proposed budget. Mayor King thanked city staff for all their work on the budget. Chair Dyche recapped what the changes were with the budget and Committee all agreed. There was no further discussion.

**BUDGET COMMITTEE MOTIONS:**

- a. Budget Committee Member Rose Lorenzen moved to approve City of Amity's budget for fiscal year 2022-2023 at an ad valorem rate of 3.6105 per \$1,000 of assessed valuation to be certified for collection to Yamhill County. Councilor Bojorquez seconded. With no other discussion, motion passed 7-0.

**ADJOURNMENT:** Budget Committee Member Fitzgerald moved to adjourn. Mayor King seconded. With no other discussion, the meeting adjourned by a unanimous vote of the Committee.

**Respectfully submitted by:**

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**Natasha Johnson, City Recorder**

**Approved:**

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**April Dyche, Budget Chairperson**