

City of Cascade Locks
BUDGET COMMITTEE MEETING
Wednesday, May 30, 2012, 6:30 PM, City Hall

PURPOSE: The purpose of the Budget Committee is to develop the 2012-13 Budget for the City of Cascade Locks.

AGENDA:

1. **Call to Order / Pledge of Allegiance / Roll Call.**
2. **Approval of Minutes of May 23, 2012 Budget Committee Meeting (Minutes Were Mailed to all Committee Members)**
3. **Public Comment**
4. **Distribution and Explanation of Hand Outs of Additional Information to the Committee**
5. **Review and Discuss the Following Budget Elements (Department Overview of Services and Objectives for each Budget Element and Opportunity for Budget Committee Members to Ask Questions of Staff Prior to Action)**
 - a. **Tourism (8)**
 - b. **Electric (51)**
 - c. **CATV/BB (41)**
6. **Additional Opportunity for Public Comment**
7. **Continuance of Meeting to June 6, 2012, 6:30 PM, City Hall.**

PUBLIC IS WELCOME

1. Call to Order / Pledge of Allegiance / Roll Call: BCC Brostoff called the meeting to order at 6:30PM. Present were BCM's Shawna Hasel, Karen Sype, Tina Tarani, Randy Holmstrom, Rob Brostoff, Lance Masters, Sandra Kelley, Brad Lorang, Tom Cramblett, Mark Storm, Darlene Sullenger, Jeff Helfrich, and Gail Lewis. BCM Walker was absent. Also present were BO Paul Koch, Finance Officer Marianne Bump, Accounting Clerk Shirelle Price, Contracted PW Superintendent Dave Griffin, Field Maintenance Supervisor Sheldon Price and Camera Operator Betty Rush.

2. Approval of Minutes of May 16, 2012 Budget Committee Meeting: Motion: BCM Lorang moved, seconded by BCM Masters, to approve the minutes of May 16, 2012 Budget Committee Meeting. The motion passed unanimously.

3. Public Comment: There was no public in attendance.

4. Review & Discuss the following budget elements: BO Koch summarized his staff report (exhibit A) and pie charts (exhibit B) that were handed out at the beginning of the meeting. BCM Sullenger asked FO Bump if the county payback amounts were correct. FO Bump explained the amounts. BCM Kelley said it was illegal for enterprise funds to do free work. BO Koch said staff would research it and come back to the Committee with more information.

Streets (3): Motion: BCM Lewis moved, seconded by BCM Helfrich, to tentatively approve the Street Fund. BCM Sullenger said she would like the Use of City Property Fee taken out of the Street Fund as it is against policy. BCM Kelley said the Street Fund was a totally tax based fund. BCM Lewis amended his motion to remove the \$4,290 Use of City Property Fee. BCM Helfrich agreed. BCM Masters said there would be a ripple effect in the budget. He said this is a policy decision. BCM Lewis withdrew his motion.

Motion: BCM Masters moved, seconded by BCM Holmstrom, to tentatively approve the Street Fund as presented. BCM Sullenger asked if the department heads agreed with where the County Payback money was in the budget. BO Koch said it would require more research and staff would come back to the Committee with more information. BCM Masters clarified this is a tentative approval and his intent is to come back to it. The motion passed. BCM Kelley opposed. She said the Committee was no where near voting on this fund even tentatively. She said this is something that can be cleared up by making a call to Oregon Department of Revenue.

Water (21): Motion: BCM Masters moved, seconded by BCM Lorang, to tentatively approve the Water Fund as presented. BCM Sullenger asked CPWS Griffin how he felt about the operating budget. She asked if the payback was in the right place in the budget. CPWS Griffin said it's probably the best they could do. He said the last Water System Master Plan was done in 1998. He said the goal of having a Water System Master Plan is to bring in funding. He said it's basically the same way with the Sewer System Master Plan. BO Koch said an RFP for the Master Plans would be coming to Council soon. There was discussion on how funding would take place using the Master Plan and how those funds would be paid back. BCM Sullenger asked CPWS Griffin how he felt about Use of City Property Fee, Internal Payments, and Administration Department that's charged to those funds. CPWS Griffin said Enterprise Funds have to support Administration. BCM Masters asked about a reduction to Materials, Parts and Supplies. FO Bump said that amount was split and some added to a new line item of Vehicle Maintenance so it could be tracked. The motion passed unanimously.

Sewer (31): Motion: BCM Masters moved, seconded by BCM Storm, to tentatively approve the Sewer Fund as presented. The motion passed unanimously.

Minutes
Budget Committee Meeting
May 23, 2012

Grants (7): Motion: BCM Masters moved, seconded by BCM Storm, to tentatively approve the Grants Fund as presented. BCM Sype asked what the likelihood of receiving the grant was. CPWS Griffin said he felt there was a better chance of receiving it this year. BCM Kelley asked about the scope of work. CPWS Griffin said there would be new pavement, curbs, and storm drain and that the Electric Department would be putting in new conduit. The motion passed unanimously.

5. Additional Public Comment: There was no public in attendance.

6. Continuance of Meeting to May 30, 2012, 6:30 PM, City Hall: Motion: BCM Masters moved, seconded by BCM Helfrich, to continue the meeting to May 30, 2012.

Prepared by:
Shirelle Price
Accounting Clerk

Approved By:

Rob Brostoff, BC Chair

STAFF REPORT

Date: May 22, 2012
TO: City Budget Committee
FROM: Paul Koch, ICA 
SUBJECT: Supplemental Budget Information

I have received some additional questions from Budget Committee members. So that everyone has access to the same information, here is the response.

1. A question on the total cost of both the proposed wage and merit increases

The question focused on the total cost for both the proposed cost of living wage increase (2.96%) and the current wage plus 2%. The attached spread sheet shows in column 1, the current (FY 2011-12) wage by position with a 2.96% cost of living wage increase and column 2 shows the current (FY 2011-12) wage plus 2% merit payment. The total cost for the current wage plus 2.96 cost of living increase is \$11,706.84 over the current 2011-12 budget. The current wage plus 2% merit pay is \$7,910.03 over the current 2011-12 budget.

Column 3 on the attached chart shows the figures that are in the proposed budget. The proposed budget has been computed on making the cost of living adjustment plus a 2% merit payment. The total cost increase over the current budget is \$19,851.47.

2. The street fund and sewer fund shows an expense for Contract Services for the Contract Public Works Superintendent and Field Maintenance Supervisor.

The City entered into a contract for a part time contract Public Works Superintendent in last years budget. That contract position is being phased out over the next 18 months. Initially the position was seen as a cost savings and to get the City the proper and required State licensing and certifications in order to be able to operate both the water and sewer systems. Over the years, the City did not send any of the utility workers for training or certification, so when the Public Works Supt. left city employment, the City was without the ability to legally operate the water and sewer systems. Through use of the contract Public Works Supt., the

City was able to comply with State requirements by getting access to the certifications held by the Contract Supt.

Earlier this year the City Council extended the contract with the Contract Public Works Supt. for 18 months and approved a phase out plan for that individual that would keep the contract in place until mid-2013. Along with that, there is a City commitment to send the current three Public Works employees for training and certification so that the Contract Supt. is not needed. That will take about 18 months to achieve and could be longer depending on how the State schedules and conducts the needed training sessions. The State is short handed now and we are not seeing the training schedule as full and complete as has been seen in the past.

Also last year, the Department was reorganized and the lead workers job title was changed to Field Maintenance Supervisor. The other two positions were re-titled to Utility Maintenance Worker 1 and Utility Maintenance Worker 2. All three of these individuals are without the required training and certification and are on a training plan to have all required certifications by mid-2013.

3. Some funds show an expense for city property, what is this expense for.

The city property charge began in 2001 and started with a charge for the street lights and all the other enterprise funds (CATV, Water, Sewer, Electric). The charge was to pay for the cost for the use of city property for operations and storage. Apparently the idea was that if these city operations were private businesses, they would all have to have space and a location to operate from and those amenities would all cost money.

4. The street fund and water fund have inter-fund transfers for “cap resrv-county payback”.

The street and water fund transfers correct an error in a fund application identified by the auditor and merely places these funds where they properly belong. The original cost or expense for an extension of water and other utility services to the edge of the property at the new fire station was placed in the ground to make it easier for the County to connect too once they build the County building at that location.

5. Sewer Fund Capital Outlay:

The items in the proposed budget are for: 1) Replacement of an aging lift station pump; 2) Replacing the 20 year old gas detection equipment and ; 3) Replacement of the current pressure cleaner with a new high pressure jet cleaner. Because of the ineffectiveness of the current cleaner, Public Works usually has to contract out for this type of cleaning.

6. Street Fund Grant:

The proposed \$5,000 for grant match in the street fund is intended to be the local match for a \$50,000 State grant to re-pave Regulator Street. Prior to applying for the grant, the City Council will need to authorize the application. The City Council will not be asked to authorize such an application if the match funding is not approved.

7. Land Conservation Grant:

The Land Conservation Grant identifies funds that were received in the current budget year and have not been spent. In order to be able to use the funds in the coming budget year, they will need to be approved in the 2012-13 year budget. The City already has the money.

8. Fire Station Loan Options:

Currently the City has a policy resolution that establishes a ten year payment schedule to repay the Electric Fund for the \$450,000 borrowed to construct the new Fire Station. The annual payments are \$46,479. per year beginning this 2011-12 budget year. Under State Law, the Council must take this repayment action by resolution and must complete repayment within ten years. A resolution would be required to make or approve any changes to the current City policy. So if the Council were interested in making any changes in the current payment schedule, that would require a resolution and be action taken in an open public meeting. That would be consistent with State law and budget requirements.

The City Council could make ten years of equal payments, or they could stagger the payment schedule in any fashion they desire. The City Council could also do a new loan, pay off the current loan with different terms for that new loan. The payments just could not exceed ten years to pay the money back.

The current loan payment schedule as documented in the adopted resolution must be paid off within ten years. The proposed budget reflects a continuation of that loan payment schedule.

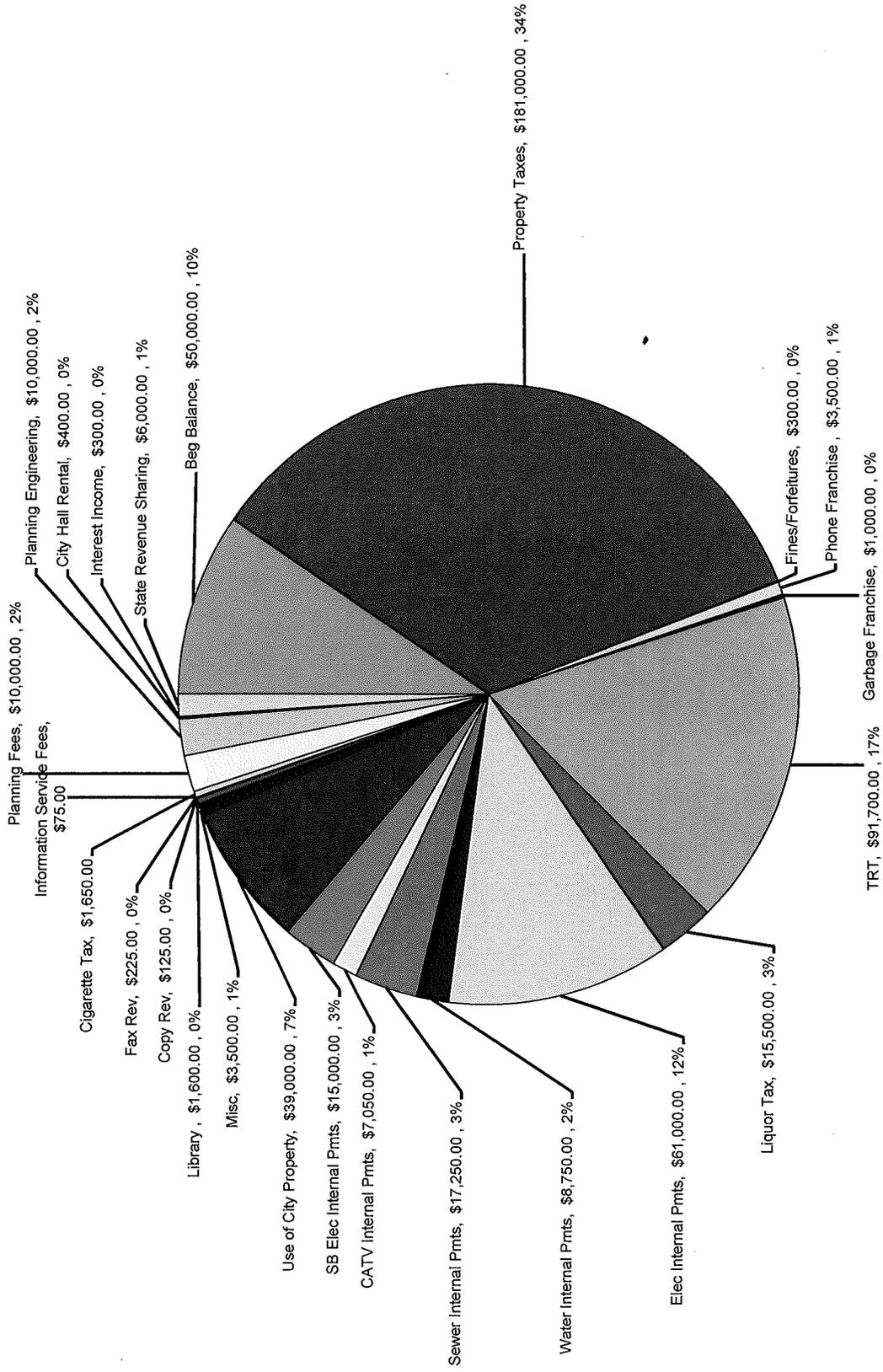
Should you have any questions on any of these items or any other budget questions, please feel free to contact me.

Thank you.

Current Annual Wage With Estimated Wage Projections									
For 2012-2013									
Name	Hourly Rate	Est. Annual Hours	Annual Wage	Current Wage + 2.96 COL	Current Wage + 2%	COL Wage + 2%	Merit Program @ 10% of Annual Wage	Merit Program @ 5% of annual Wage	
CA	33.66	1,040	35,006.40	36,042.59	35,706.53	36,763.44			
Chief/Paramedic	28.85	2,080	60,008.00	61,784.24	61,208.16	63,019.92	6,000.80	3,000.40	
Deputy Recorder	17.39	1,014	17,633.46	18,155.41	17,986.13	18,518.52			
City Recorder	26.75	2,080	55,640.00	57,286.94	56,752.80	58,432.68	5,564.00	2,782.00	
Finance Officer	25.32	2,080	52,665.60	54,224.50	53,718.91	55,308.99	5,266.56	2,633.28	
Office Assistant/Cashier	13.24	2,080	27,539.20	28,354.36	28,089.98	28,921.45	2,753.92	1,376.96	
Accounting Clerk	17.10	2,080	35,568.00	36,620.81	36,279.36	37,353.23	3,556.80	1,778.40	
Field Maintenance Supervisor	19.57	2,080	40,705.60	41,910.49	41,519.71	42,748.70	4,070.56	2,035.28	
Utility Maintenance Worker II	16.35	2,080	34,008.00	35,014.64	34,688.16	35,714.93	3,400.80	1,700.40	
Utility Maintenance Worker I	13.54	2,080	28,163.20	28,996.83	28,726.46	29,576.77	2,816.32	1,408.16	
Activity Coordinator (P&R)	10.00	250	2,500.00	2,574.00	2,550.00	2,625.48			
Activity Coordinator (P&R)	10.00	250	2,500.00	2,574.00	2,550.00	2,625.48			
Camera Operator	12.00	297	3,564.00	3,669.49	3,635.28	3,742.88			
			395,501.46	407,208.30	403,411.49	415,352.47			
				11,706.84	7,910.03	19,851.01			
Electric Working Foreman	41.30	2,080	85,904.00	85,904.00	85,904.00	85,904.00	THE ELECTIC CREW WAGE IS BASED ON UNION CONTRACT. THE INCREASE FOR 2012-2013 IS 2.54%		
Lead Lineman	38.44	2,080	79,955.20	79,955.20	79,955.20	79,955.20			
Journeyman Lineman	37.43	2,080	77,854.40	77,854.40	77,854.40	77,854.40			
Groundman/Truckdriver	28.48	2,080	59,238.40	59,238.40	59,238.40	59,238.40			
			302,952.00	302,952.00	302,952.00	302,952.00	33,429.76	16,714.88	

General Fund Revenues

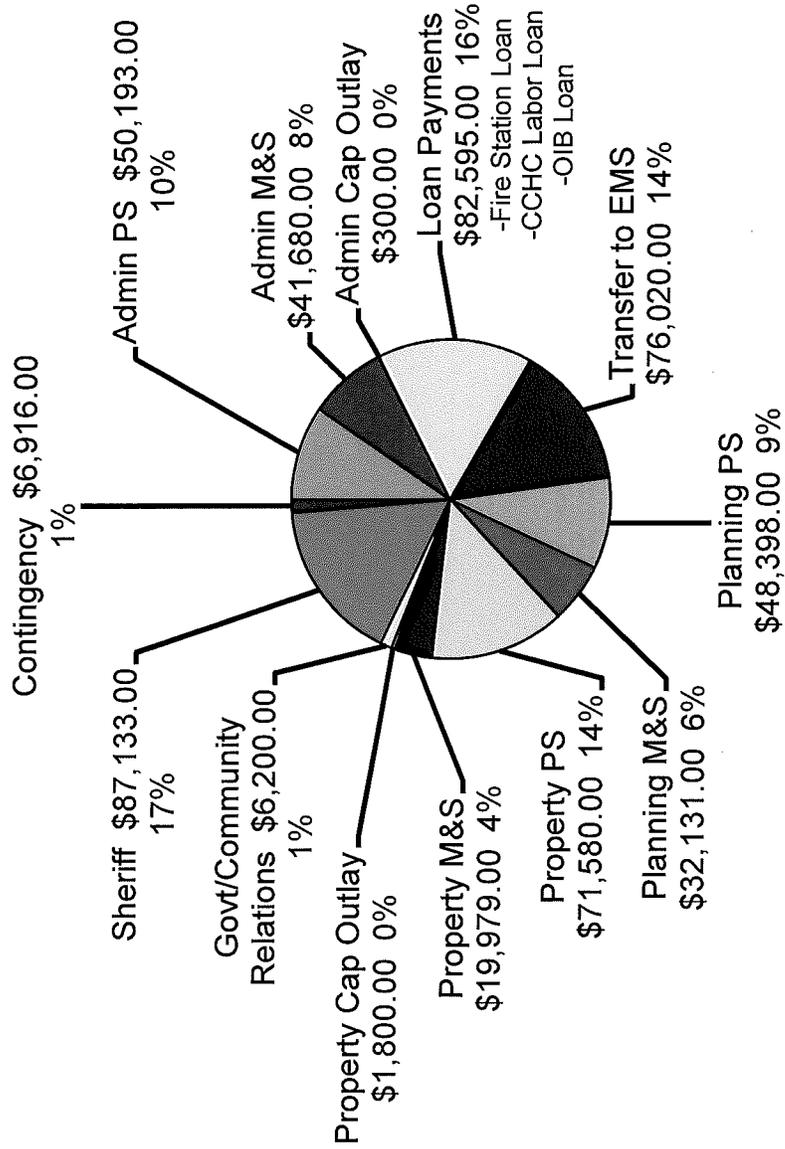
FY 2012-13



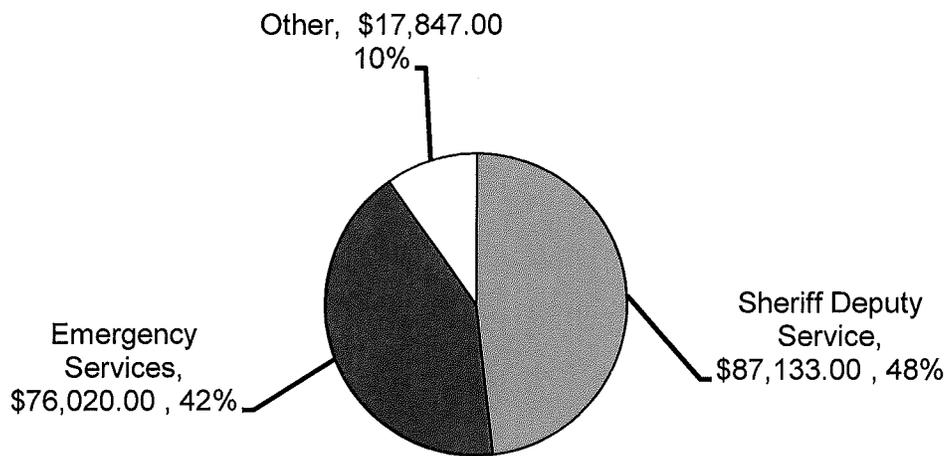
General Fund Expenses

FY 2012-13

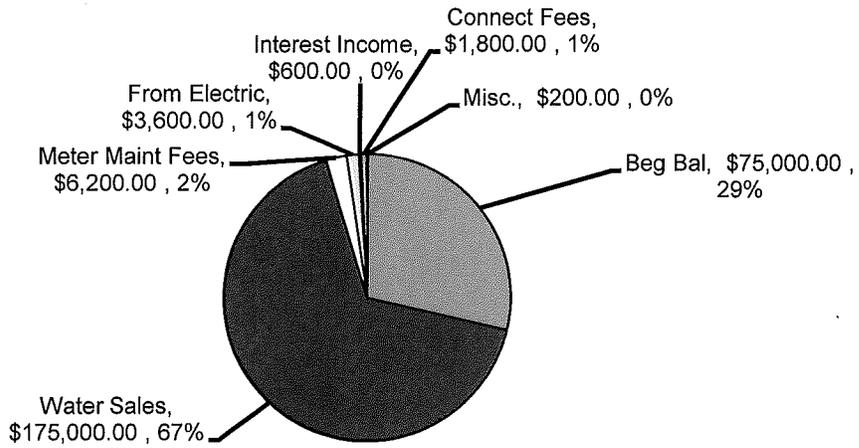
(\$524,925)



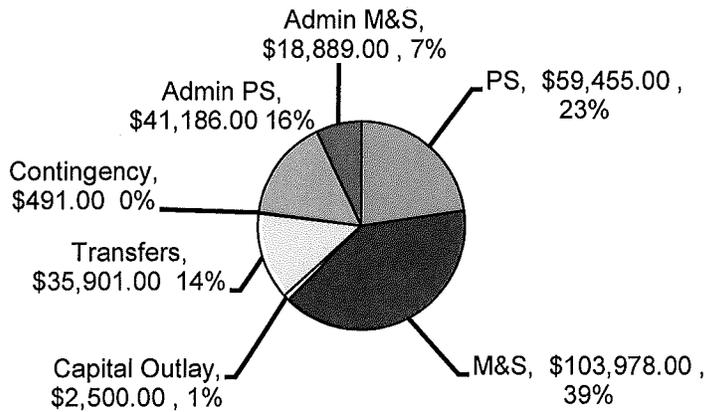
Property Tax Distribution (\$181,000) FY 2012-13



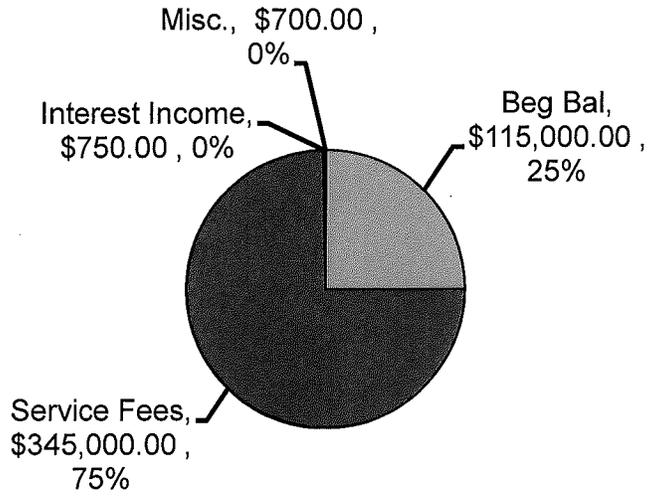
Water Fund Revenues FY 2012-13



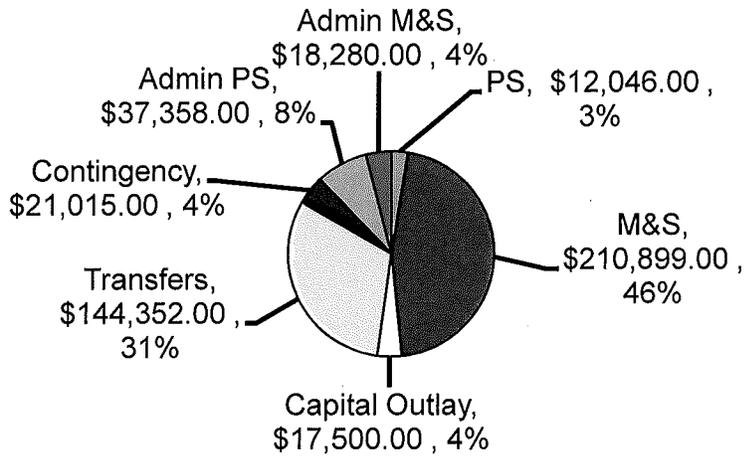
Water Fund Expenses FY 2012-13



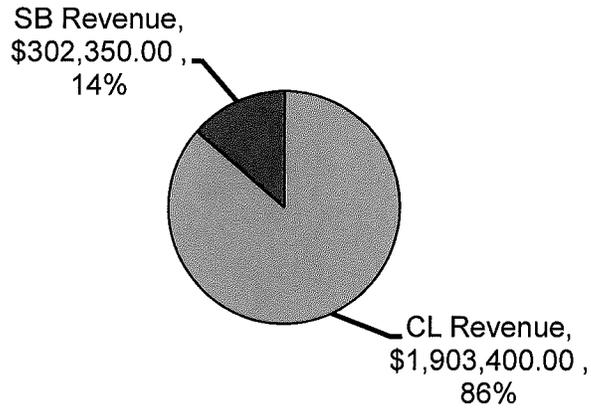
Sewer Fund Revenues FY 2012-13



Sewer Fund Expenses FY 2012-13



City Light Revenues FY 2012-13



City Light Expenses FY 2012-13

