

The first meeting of the City of Astoria 2013-14 Budget Committee was held at the above place at the hour of 7:00 p.m.

Committee Members Present: Mayor Van Dusen, City Councilors Mellin, LaMear, Warr, and Herzig, Richard Hurley, Kera Huber, Kathleen Sullivan and Laura Leebrick. Loran Mathews was excused.

Staff Present: City Manager Benoit, Finance Director Carlson, Director Estes, Police Chief Curzon, Fire Chief Ames, Park Director Cosby, Interim Parks Director Moss.

The meeting was called to order by Chair Leebrick.

Budget Committee Review Schedule  
Review of City of Astoria Departments/Funds for FYE 6/30/14

**BUDGET MESSAGE**

- a. City Manager's Opening Comments and Budget Message

*[Audio recording begins here]*

City Manager Benoit presented a brief overview of the proposed 2013-2014 Budget and its key funds, noting that last year's balanced budget resulted from a reduction in spending and drawing about \$69,000 from the City's reserves. For Fiscal Year (FY) 2013-14, expenses again exceed revenue; however the deficit is approximately \$220,000. PERS rates have increased significantly, by about 20 percent, resulting in about \$130,000 in added expense. Other factors include medical insurance costs, property tax revenues increasing at lower rate, and the increased cost of materials. Looking forward, the City will continue to see expenses exceeding revenue. Maintaining a healthy reserve fund balance is critical to cover expenses in the interim before property taxes come in and for the City to address emergencies. Through a combination of reductions, the proposed balanced budget does not draw down the City's reserves. Key reductions include replacing three full-time employee positions in the fire, finance and building departments with part-time positions, making no cost-of-living adjustment for employees, and reducing the overtime forecasted for the police department. He explained that PERS rates are set by the State of Oregon for the entire population of public employees, both retired and retiring. Income needs are calculated and the rates set according to the projected interest earnings from investments. This rate does not change what current employees get or what their retirement will look like, but the rates are established to keep the entire system solid. With the adjustments made this year and PERS rates not being adjusted until FY 2016-17, the City will be well positioned for the 2014-15 budget with a projected contingency of \$1.4 million, approximately 18 percent of the City's budgeted expenses. Generally, a 12 to 20 percent contingency is desired.

City Manager Benoit and Finance Director Carlson responded to clarifying questions from the Budget Committee regarding property tax collections and projections, the Landfill Reserve Fund and Promote Astoria Fund, as well as the City's current long term debt.

**PUBLIC HEARING ON CITY OF ASTORIA BUDGET AS PROPOSED**

Chair Leebrick opened the public hearing on the proposed City of Astoria 2013-2014 Budget at approximately 7:42 p.m. and called for public comment. There being none, she closed the public hearing at approximately 7:43 p.m.

**INDIVIDUAL BUDGET CONSIDERATION**

**General Fund:**  
City Council

City Manager Benoit described the purpose for the fund and provided a brief overview of the \$13,220 budget, which covers travel, training and conferences. Travel expenses to Germany were in the Promote Astoria Fund for

the current, not the proposed budget. Mayor Van Dusen described the trip being taken to Waldorf, Germany, Astoria's Sister City. Discussion regarded questions about why the prior year's budget was higher and Council's travel commitments.

**Committee Action:** Motion made by Richard Hurley, seconded by Councilor LaMear to tentatively approve the City Council Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan and Laura Leebrick voted yes.

#### City Manager Administration

City Manager Benoit noted no changes were proposed to the \$269,820 budget from last year. Finance Director Carlson agreed to provide details regarding City Manager Benoit's and Julie Lampi's salaries. City Manager Benoit responded to inquiries about line items for Extra Help, Employee Recognition,

**Committee Action:** Motion made by Councilor LaMear, seconded by Councilor Warr to tentatively approve the City Manager Administrative Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes.

#### Human Resources Division

This fund is now included under Professional Services within the Non and Interdepartmental Fund.

#### Municipal Court

City Manager Benoit briefly reviewed the budget, describing increases in personnel and professional services. He clarified that balances for Technology Services and Miscellaneous were transposed and would be corrected. He and Finance Director Carlson addressed questions regarding Miscellaneous and Fines/Forfeitures/Fees line items. Discussion regarded the relationship between revenue and expenditures of the individual fund budgets and where revenues are shown or distributed.

**Committee Action:** Motion made by Councilor Mellin, seconded by Mayor Van Dusen to tentatively approve the Municipal Court Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes.

#### Finance

City Manager Benoit overviewed the budget, noting reductions this year total \$27,100. Finance Carlson answered questions about auditing costs.

**Committee Action:** Motion made by Councilor Warr, seconded by Councilor LaMear to tentatively approve the Finance Department Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes.

#### City Attorney

City Manager Benoit noted no changes were proposed to the contract with Blair Henningsgaard. He clarified that this fund was only for contracted services, items like additional personnel expenses and the money due for the district attorney lawsuit would be paid from Non and Interdepartmental Fund found under Professional Services.

**Committee Action:** Motion made by Councilor Warr, seconded by Richard Hurley to tentatively approve the City Attorney Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes.

#### Community Development

City Manager Benoit stated that overall the department's budget was decreasing by \$3,540. Community Development Director Estes responded to questions regarding line items for CREST, CZM Assistance, Historic Preservation Fee, and Postage, which is now budgeted in the Non and Interdepartmental Fund.

**Committee Action:** Motion made by Councilor LaMear, seconded by Kera Huber to tentatively approve the Community Development Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes.

#### City Hall

City Manager Benoit briefly reviewed the budget, noting an increase of approximately \$5,000. He and Finance Director Carlson responded to questions about Inter Fund Wages, cost efficiencies experienced in the remodeled building, the adjustments in Retirement Contributions, operating Supplies, and Public Utility Services.

**Committee Action:** Motion made by Councilor Herzig, seconded by Richard Hurley to tentatively approve the City Hall Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes.

#### Non and Interdepartmental

City Manager Benoit described the items contained in the budget, including Postage, Professional Services, IT, and Memberships and Dues. Human Resources is now also included under Professional Services and currently contracted with Xenium. Questions were addressed regarding items related to Transcription and Website Services, Community Organizations, the City's telephone and internet systems, and General Miscellaneous, which includes funds for the recruitment of department heads.

**Committee Action:** Motion made by Mayor Van Dusen, seconded by Councilor Warr to tentatively approve the Non and Interdepartmental Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes.

#### Fire

City Manager Benoit reviewed the budget, describing the impacts of personnel changes. Staff responded to several clarifying questions about Overtime, PERS rates, Annual Turnout Purchases, Volunteer Services and Capital Outlay/Improvement Fund. Discussion also referenced some items in the Police Budget.

**Committee Action:** Motion made by Councilor Herzig, seconded by Kathleen Sullivan to tentatively approve the Fire Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes.

#### Police

City Manager Benoit presented the budget, highlighting changes in Personnel Services and Materials & Services. Chief Curzon addressed questions from the Committee regarding Extra Help, Vehicles, and work done by the State police officer to address trucking issues.

**Committee Action:** Motion made by Mayor Van Dusen, seconded by Councilor Warr to tentatively approve the Police Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes.

#### Library

City Manager Benoit reviewed the budget, noting that expenses related to architectural services and exploration of renovating the library would be budgeted from the Logan Memorial Trust Fund. Questions from the Committee regarded the ODLC Library-to-Go consortium and decrease in book purchases. [mostly inaudible]

**Committee Action:** Motion made by Councilor LaMear, seconded by Councilor Herzig to tentatively approve the Library Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes.

#### Capital Improvement Fund

City Manager Benoit presented the budget, noting the projects funded by grants. Staff addressed clarifying questions regarding the City's communication systems and related federal requirements. The Committee discussed suggested changes regarding smaller Capital Improvement Fund items which seemed to be duplicated in the budget.

**Committee Action:** Motion made by Mayor Van Dusen, seconded by Councilor Warr to tentatively approve the Police Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes

*End of recording; static at 1:57:03 to end of file.*

#### Parks Operation Fund

City Manager Benoit presented the parks budget. Finance Director Carlson presented some historical information on past parks budgets. Parks Director Cosby and Interim Director Moss answered question of committee members.

**Committee Action:** Motion made by Mayor Van Dusen, seconded by Councilor Warr to tentatively approve the Police Budget. (Motion carried.) Mayor Van Dusen, City Councilors Mellin, LaMear, Warr and Herzig, Richard Hurley, Loran Mathews, Kera Huber, Kathleen Sullivan, and Laura Leebrick voted yes

Chair Leebrick adjourned the meeting at 9:15.

**ATTEST:**

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Secretary