



CITY OF SWEET HOME BUDGET COMMITTEE MINUTES

May 30, 2024, 4:00 PM
Sweet Home City Hall, 3225 Main Street
Sweet Home, OR 97386

Call to Order

The meeting was called to order at 4:00 PM.

Roll Call

PRESENT

Mayor Susan Coleman (exit 6:08 PM)
President Pro Tem Greg Mahler
Councilor Lisa Gourley
Councilor Angelita Sanchez
Councilor Josh Thorstad
Councilor Dave Trask
Committee Member Matthew Bechtel
Committee Member Cherrie Carranza
Committee Member Brennan Frenzel
Committee Member Diane Gerson
Committee Member Nancy White

ABSENT

Councilor Dylan Richards
Committee Member Bob Briana
Committee Member Joshua Marvin

STAFF

Kelcey Young, City Manager
Matt Brown, Contracted Finance Director
Angela Clegg, Tourism & Economic Development Coordinator
Megan Dazey, Library Services Director
Blair Larsen, Community & Economic Development Director
Adam Leisinger, Communications Manager
Jason Ogden, Police Chief
Cecily Hope Pretty, Administrative Services Director
Cindi Robeck, Finance Operations Manager

Election of Chair

Committee Member Gerson moved to nominate Committee Member Bechtel as Chair. Councilor Gourley seconded the motion. The motion carried unanimously by those present.

Approval of Minutes

- a) 2023-04-26 Budget Committee Meeting Minutes

Councilor Gourley moved to approve the minutes of the April 26, 2023 Budget Committee meeting. Committee Member Gerson seconded the motion. The motion carried unanimously by those present.

Public Comment

There was no public comment to be heard.

Review & Discussion of Proposed 2024-2025 Budget

a) Budget Presentation

Director Brown reviewed the purpose of the Budget Committee, budget regulations, governmental fund accounting practices, and the fund structure of the city (General Funds, Special Revenue Funds, Reserve Funds, and Enterprise Funds).

City Manager Young presented her Budget Message for Fiscal Year 2024-2025 (FY 2025).

Discussion ensued regarding property taxes and that the City did not have a role in assessing property values.

Director Brown reviewed actuals for Fiscal Years 2022 and 2023, the adopted budget for FY 2024, and the proposed budget for FY 2025 for the following funds:

- General Fund
- Public Safety Fund
- Library Fund
- Transportation Fund
- Enhancement Fund - Path Program
- Enhancement Fund - Special Events
- Enhancement Fund - Public Transit
- Enhancement Fund - Weddle Bridge
- Enhancement Fund - Pool Program
- Willow Yucca Fund
- System Development Charge (SDC) Funds
- Water Fund
- Sewer Fund
- Storm Fund
- Economic Development Fund
- Reserve Fund

Director Brown noted the increase in the beginning General Fund balance due to factors such as reorganization and an increase in interest revenue. He stated that contingency funds were set aside and could be transferred to specific line items throughout the year; unappropriated funds could not be utilized without a legal declaration of emergency.

Mayor Coleman asked of generally accepted guidance for unappropriated amounts. Director Brown replied that the recommendation for enterprise funds was typically three months of operating expenses; there is no standard recommendation for the General Fund. President Pro Tem Mahler expressed support for a policy requiring six months of operating expenses.

Councilor Trask asked of the proposed increase in wages for Parks in the General Fund. City Manager Young replied that increases were due to a shift away from funding wages through gas tax revenues due to declining revenues.

Director Brown stated that the City had previously approved a lower rate than approved by voters for the Public Safety Fund and that the proposed budget included the maximum rate.

Director Brown noted challenges related to reductions in gas tax revenues affecting the Transportation Fund. He stated that City Council or voters could approve ways to finance transportation-related improvements outside of the gas tax.

Councilor Sanchez did not express support for the addition of a transportation utility fee unless approved by the voters.

Committee Member Gerson expressed support for a local gas tax to minimize additional burden to property owners.

Mayor Coleman did not express support for a transportation utility fee but noted the importance of establishing a method to ensure street improvement projects.

Director Brown noted that several small funds were combined to form the Community Enhancement Fund.

President Pro Tem Mahler expressed concern that the amount budgeted for Weddle Bridge improvements was not sufficient. There was consensus from the group to move \$75,000 from the General Fund contingency to the Weddle Bridge portion of the Community Enhancement Fund.

Committee Member White asked of funding to cover potential costs related to future drawdowns of the Green Peter Reservoir. City Manager Young replied that those were budgeted in the General Fund contingency.

Director Brown noted a significant increase in the Sewer Fund due to an anticipated loan for the wastewater treatment plant project. He stated that approximately 50% was anticipated to spent in FY 2025 with the remainder remaining unappropriated.

Councilor Sanchez requested that staff investigate options to generate revenue on the unappropriated amount if allowed by the terms of the loan.

Mayor Coleman exited the meeting at 6:08 PM.

Director Brown stated that the entirety of the Reserve Fund was allocated to contingency or transfers.

b) Public Hearing: State Shared Revenue

Chair Bechtel opened the public hearing at 6:10 PM. He asked of personal bias, conflict of interest, or ex parte information. None were declared.

There were no comments to be heard.

Chair Bechtel closed the public hearing at 6:12 PM.

c) Approval of the Property Tax Rate

Councilor Gourley moved to recommend the proposed property tax rate for Fiscal Year 2024-2025 to the City Council. Committee Member Gerson seconded the motion. The motion carried by the following vote:

AYE: Mahler, Gourley, Thorstad, Trask, Bechtel, Carranza, Frenzel, Gerson, White

NAY: Sanchez

ABSENT: Coleman, Richards, Briana, Marvin

d) Approval of the Proposed City Budget for FY 24-25

Councilor Gourley moved to recommend approval of the proposed City budget for Fiscal Year 2024-2025 to the City Council. Councilor Thorstad seconded the motion. The motion carried unanimously by those present.

Adjournment

There being no further discussion, the meeting was adjourned at 6:16 PM.

Chair

ATTEST:

City Manager – Ex Officio City Recorder