

The City Council for the City of Junction City, met for a work session at 6:30 p.m. on Tuesday, January 25, 2022 in the Council Chambers of City Hall, 680 Greenwood Street, Junction City, Oregon and in a virtual meeting format via internet and phone.

PRESENT: Mayor, Beverly Ficek; Council President, Ken Wells; Councilors Sandie Thomas, Sidney Washburne, Andrea Ceniga, John Gambie (arrived at 6:32 p.m.), and Karen Leach; City Administrator, Jason Knope; Finance Director, Mike Crocker; and City Recorder, Kitty Vodrup.

1. Call to Order and Pledge of Allegiance

Mayor Ficek opened the meeting at 6:30 p.m., led the Pledge of Allegiance, and took roll call.

2. Lane ACT Report

Councilor Leach reported:

- ODOT (Oregon Department of Transportation) was proposing various improvements to address safety and congestion concerns along a 7.2 mile section of Oregon Highway 126 between Veneta and Eugene. The proposed improvements included widening the 2 lane road to a 4 lane, creating a shared use path adjacent to the road and bus stops, and installing new traffic signals, roundabouts, and additional left turn lanes at multiple intersections. Over 18,000 vehicles used that highway every day, and they were working on funding sources via grants, etc.
- The cities of Eugene and Creswell were applying for ODOT grants to make improvements at their airports.

3. LCOG Board of Directors Report

Councilor Gambie reported that the LCOG Board of Directors meeting had been postponed and rescheduled to January 27, 2022, so he looked forward to providing a report next month; the Board had not met since September.

4. Bucket System Review

Administrator Knope stated that at the last meeting, Council asked for a review of the Bucket System from an historical perspective. He reviewed:

- The Bucket System was first implemented in the Fiscal Year (FY) 2015-2016 budget, with the first in-depth review to occur five years later. That in-depth review occurred in 2021 at the same time the City looked at balancing the Court Department budget.
- Before FY 2015-2016 there were many challenges every year to the budget process:
 - What was the Budget Committee, Council, and Council Committees supposed to focus on and how did they decide what amount of funding would be given to each department.
 - At that time, all General Fund (GF) revenue received went into one large pot, and each year there was an internal fight amongst the General Fund departments to scramble for those dollars.
 - This also fostered more of a reactionary approach to the budget to put out fires that occurred because there was a lot of delayed maintenance and lack of savings. Example was a dispatch console failing with no capital savings to replace it and then having to use that large GF pot of money to replace it.
- Administrator Knope and the Administrator at the time, Melissa Bowers, looked at how to address these issues, and Administrator Knope suggested using the same approach for General Fund that was used for the Enterprise Funds.
 - Each General Fund department would have their own allocation of General Fund revenue. If this revenue was not used, it would roll over into that department's budget for the following year.
 - Each department manager would be in control of living within their budget, and this provided an incentive for department managers to save and to put money aside into capital reserve funds for future replacement of vehicles, equipment, etc., as opposed to the "use it or lose it" budgeting process in the past.
 - Each GF department would need to operate within the "bucket" that they had, and this term turned into calling this type of budgeting the "Bucket System."
 - Departments would have their own GF revenue, but there was still the overall GF revenue pot that would back up departments.
- Administrator Knope and Director Crocker looked at how to make allocations of wages more transparent and easier to understand.

- An example was the Administrator's wage, which at the time was split amongst every department: those splits could be seen on a large spreadsheet that showed percentages, and those percentages changed from year to year depending on what the Administrator wanted to do.
 - Director Crocker suggested having an internal services charge which would be based on a consistent methodology and those costs would be charged to each department for their share of administration, finance, building, and other services provided. An example of the methodology used for the administration charges was it was a certain cost per employee.
 - The internal services charge was then listed as a line item in each department budget, which provided transparency on these charges for each department, instead of being blended into the department's personnel and other line items.
- Before the bucket system, all General Fund revenue, including property taxes, general revenue (franchise fees, cigarette/liquor taxes, etc.), and individual department fees such as Library or Pool Fees all went into the large General Fund revenue pot. With the bucket system, individual department fees received went into that department's revenue. This provided an incentive for departments to come up with revenue generating ideas, as any dollars generated would benefit their department and not go into the overall GF pot.
 - Then they looked at how to allocate the GF property taxes and general revenue. The Council chose percentage allocations for each GF department, based on maintaining service levels and working with the amount of revenue received.
 - The Finance and Judiciary Committee did the in-depth review of the allocations in 2021, and recommended allocation changes for Court, Planning, Police Department, and Community Services, which the Council approved.

Councilor Leach noted that the City used to have a City Planner on staff and asked what happened to that position and to that funding. Administrator Knope responded that the DOC (Department of Corrections) had provided funding for some planning projects associated with the prison/hospital development and those funds were used by the Administrator at the time to hire an in-house planner. There was also a lot of development at that time, and the City Planner was doing the administration of the building program so building fees received were also supplementing the planner's salary. The DOC funding ran out, development slowed down, and the City hired an in house Building Official due to issues with contracted building services; therefore, the funding sources for a full time inhouse Planner dried up, and the City created the Planning Technician position and went back to using LCOG (Lane Council of Governments) contracted planning services when higher level planning services were needed.

Discussion followed on Community Services and that the City had to do a lot of work to get the budgets in those various departments to be balanced. An example was the Library had been \$150,000 in the hole, but through careful planning, they were able to restructure without reducing services; the Library was now open more hours than it had been previously. Other departments in Community Services had also not been balanced, so restructuring occurred with no loss in services; consequently, all Community Services Department budgets were now balanced. Administrator Knope was currently serving as the manager of Community Services and had reinstated the Community Services Coordinator position and moved that position and the Senior Center Aide position to 40 hours per week to provide more frontline service to the public. In the future when they were able to move beyond COVID impacts and if they could increase programming, they could assess whether there were sustainable resources to hire a Community Services Director, possibly even at part time, and still keep the department budgets balanced.

Administrator Knope continued that he would be meeting with the Senior Center Advisory Board soon to get their thoughts on reopening and seeing what would be sustainable going forward. The Senior Center programming depended heavily on a strong volunteer base, and pre-COVID the volunteer numbers had been decreasing. It was noted that even though the Senior Center was closed, LCOG was still running the Meals on Wheels program out of that building. Also noted was that pre-COVID, staff recognized that some programs that had been held at the Senior Center had not been successful; however, if the same program was held at the Community Center, it would be successful just because it was under Community Center instead of Senior Center name.

Mayor Ficek asked if there were any other Councilor questions. Councilor Thomas asked about the status of the forensic audit. Director Crocker responded that it was out for bid, with a deadline of February 2, 2022.

5. Adjournment

As there was no further business, the meeting was adjourned at 7:23 p.m.

ATTEST:

APPROVED:

Kitty Vodrup, City Recorder

Beverly A. Ficek, Mayor