

The Budget Committee for the City of Junction City, met at 6:30 p.m. on Thursday, April 26, 2018, in the Council Chambers of City Hall, 680 Greenwood Street, Junction City, Oregon.

PRESENT: Council Members: Chair, Bill DiMarco; Vice Chair, Dale Rowe; Mayor, Mark Crenshaw; Councilors Rob Stott, Jack Sumner, and John Gambie; Absent: Councilor Kara McDaniel. **Citizen Members:** Ms. Sue Huntley; Mr. James Hukill; Mr. Ken Wells; Mr. Austin Lee; Ms. Cindy Montgomery; Ms. Bev Ficek; and Ms. Katy Brady. **Staff:** City Administrator, Jason Knope; Finance Director, Mike Crocker; Police Chief, Bob Morris; Public Works Director, Gary Kaping; Community Services Director, Tom Boldon; and Administrative Assistant, Tere Andrews.

1. Call to Order

Chair DiMarco called the meeting to order at 6:30 p.m.

2. Follow-up from April 19, 2018 Meeting

Preventative Street Maintenance

Director Kaping distributed and reviewed a document on the current and future street maintenance needs and costs.

- Divided the town into 5 sections, to come up with a five year projection.
- Total maintenance over 5 years was \$1,203,000, with an average annual cost of \$240,600.
- Grind Overlay calculated at \$30,000/block; Reconstruct calculated at \$85,000/block; Maintenance calculated at \$3,000/block.
- Total reconstruction and overlay in those sections of street work that the City was far behind on was 1.9 million dollars.
- Once all roads were fixed, total maintenance over 5 years would be \$1,293,000, with an average annual cost of \$258,600.
- In another three years, the total of the 50% of franchise fees being transferred from General Fund to the Street Fund would be approximately \$225,000.
- Options to increase Street Fund revenue included:
 - Implementing a Street User Fee. With 2179 utility customers, a \$1.50 fee would be \$39,000 per year; \$1.75 = \$45,000; \$2.00 = \$52,000.
 - Implementing a Business License, based on number of employees.
 - Going out for a bond.
 - Proposing a Gas Tax. (It was noted that a gas tax had previously been proposed to the voters and failed 2 to 1).
- As of today, the City had roughly 1.9 million dollars (\$1,890,000) in backlog work for grind overlay and reconstruction work. The total maintenance for those five years was \$1,203,000.
- Currently, \$70,000 had been set aside for street maintenance. To get caught up, the City would need to do the 1.9 million in backlog, plus the \$240,000 for maintenance and then budget \$250,000 for annual maintenance thereafter.
- It was noted that the City had not went out for a bond on for this type of work.

3. Public Comment

None.

4. Public Review Hearing on the Possible Uses of State Revenue Sharing

Chair DiMarco opened the public hearing.

Staff Report

Director Crocker stated that this hearing was required by state law for the City to receive State Revenue Sharing Funds. A hearing would also be held before the Council, and he referred to the League of Oregon Cities report in Section 6 in the Budget Reference notebook. The total of these funds were approximately \$565,000 and included: State Revenue Sharing Fund of \$66,100, State Liquor Taxes of \$96,900, Cigarette Taxes of \$8,100, State Street Tax of \$389,000, and State Highway Bike Path of \$3,900.

Public Testimony

None

Committee Comments or Questions

Chair DiMarco asked what was being proposed for the State Revenue Sharing Fund (page 162). Director Crocker responded that there were \$140,000 appropriated for Pool Projects, a transfer to the Community Center Fund to fund scholarships, and a transfer to Administration for the Resource Development Coordinator, which left an Unappropriated Ending Fund Balance of \$10,800.

Chair DiMarco noted that in last year's budget, the Council approved the \$140,000 for the Pool Projects, but it had not been spent.

Chair DiMarco closed the public hearing.

5. Review and Discussion of Proposed FY 18-19 Budget

Community Services Director Tom Boldon reviewed:

Community Services Reorganization Plan

The two year plan to address the \$248,000 deficit in Community Services included: Elimination of the Parks Lead, Library Director, Pool Manager, Summer Reading Seasonal and Senior Center Coordinator positions, as well as making cuts in various Materials and Services line items. This first year would be short by \$26,000, but a surplus was expected for the 2019 budget.

Community Center Fund (Page 77)

- Line 2 Transfer from State Revenue Sharing: \$15,000 to help cover the scholarship costs for Summer Camp. 50% to 75% of campers were on scholarships.
- Line 11 Fundraising Events: Decreased, based on actuals. Mostly from the JC3.1 Run/Walk and trying to grow that; would be 4th Annual this year.
- Materials and Services Line items were close to same.
- Wages increased to reflect increases in minimum wage costs.
- The State Shared Revenue transfer of \$15,000 would remain in the Community Center Fund, but Council could direct that any of those funds not expended could go back into the State Shared Revenue Fund.

Viking Sal Senior Fund (Page 82)

- Personnel Services changed because of the elimination of the Senior Center Coordinator position.
- A current Intergovernmental Agreement (IGA) with Lane Council of Governments (LCOG) for the Senior Meals Program would discontinue, as they paid to have the Senior Center Coordinator run the Senior Meals Program; however, LCOG would continue the program and a new IGA would be negotiated for them to lease the facility. Volunteers would continue to deliver meals.

Swimming Pool (Page 88)

- Line 3 School Swim Rentals and Line 8 Private Pool Rentals: Numbers vary, as rentals varied from year to year.
- Line 12 Property Taxes: Lower than last year, as more was given to the Library. 22% of property taxes was given to Community Services as a whole and that amount could be split in various ways amongst the divisions within Community Services.

Library (Page 94)

- Would see changes in personnel services, due to elimination of the Library Director and Summer Reading Seasonal positions
- Line 26 Books: Decreased by \$7,000. The Library received 10 to 12 cases of books from the Library of Congress and new books and resources would continue to be provided.
- Line 44 Repair and Care of Library: Decreased, as removed custodial service.
- The Summer Reading Program would continue.
- Line 34 IT Services: Increased, based on staff and public computer needs.

In response to a question on why the insurance benefit lines varied from department to department, Director Crocker responded that this was for health benefits of medical, dental, and vision, and the cost varied as some employees had their whole family covered, some just employee and spouse, and some just employees.

Community Services Capital Projects Fund (Page 100 - 101)

- Line 70 Computer and Network: Would be replacing the 8 public work stations at the Library. This occurs every 4 of 5 years. In the past the Library had received a grant to purchase new computers through the Bill and Melinda Gates Foundation.

Break was held.

Finance (Page 41)

- Finance was an internal services fund, with charges allocated to all departments.
- No significant changes to personnel or M and S.
- Transfer increased, in anticipation of a software project in the CEP.

Court (Page 46)

- The amount received in court fines was directly related to staffing challenges at the Police Department. It was anticipated that those number would increase, as the City realized full staffing levels.

- It was noted that the community had identified that traffic enforcement was something that was lacking; therefore, direction had been given to the department to focus on traffic enforcement.
- Line 20 Personnel Services had decreased by \$4,000, as court went from having two bailiffs to one.
- Materials and Services increased by \$6,000 in administration charges and by \$4,000 for the Judge's contract.

Chair DiMarco noted the next meeting would be held on Thursday, May 3, 2018 at 6:30 p.m.

6. Recess

The meeting was recessed at 8:30 p.m.

ATTEST:

APPROVED:

Kitty Vodrup, City Recorder

Bill DiMarco, Chair