

## CITY OF SILVERTON

### **BUDGET COMMITTEE MEETING – April 22, 2021, 6:30 p.m.**

(or immediately following the Silverton Urban Renewal Agency Budget Committee Meeting, whichever is later)

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#### **Zoom Web Conference Platform**

*American With Disabilities Act (A.D.A.) – The City of Silverton intends to comply with the A.D.A. The meeting location is accessible to individuals needing special accommodations such as a sign language interpreter, headphones, or other special accommodations for the hearing impaired. To participate, please contact the City Clerk at 503-874-2216 at least 48 hours prior to the meeting.*

A copy of the preliminary budget is available for review on the City website at [www.silverton.or.us](http://www.silverton.or.us).

A copy of the full packet is available on the City's website at [www.silverton.or.us/agendacenter](http://www.silverton.or.us/agendacenter). In accordance with House Bill 4212 the meeting will be held electronically using the Zoom web conference platform. Please submit written comments to [finance@silverton.or.us](mailto:finance@silverton.or.us) by 5:00 p.m. on Thursday, April 22, 2021. Comments received will be shared with Budget Committee before the meeting and included in the record. If you wish to participate through Zoom, see the meeting information below.

All Budget Committee meetings will be live streamed on Cable Access Channel 15 and can be viewed on-line here: [www.silverton.or.us/430/Watch-Meetings](http://www.silverton.or.us/430/Watch-Meetings).

Zoom meeting link:

<https://us02web.zoom.us/j/84188761994?pwd=am0yVTEwVXp5VIJDeFQxRXdFRStwUT09>

Webinar ID: 841 8876 1994

Passcode: 423844

Dial in: 1 (253) 215-8782

#### **AGENDA**

- I. Call to Order, Roll Call, and Election of Officers**
  1. Chair
  2. Vice Chair
  
- II. Approval of the minutes from the meeting held on April 28, 2020**
  
- III. Presentation of the Budget Message**
  
- IV. Public Comment on the Proposed Fiscal Year 2021-2022 Budget**
  
- V. Public Hearing**
  - 5.1 Public Hearing on Election to Receive State Revenue Sharing**
    1. Open Public Hearing
    2. Accept public comment on possible uses of State Revenue Sharing Funds
    3. Close Public Hearing

*Motion: I move to receive State Revenue Sharing Funds for general purposes.*

- VI. Review/discussion of the Budget; beginning with the General Fund**

*Motion: I move to approve the Budget of The City of Silverton for Fiscal Year 2021-2022 in the amount of \$62,901,115 and levy taxes at the permanent rate of \$3.6678 per \$1,000 of assessed valuation, and levy \$275,000 for the Pool Operating Levy.*

- VII. Adjournment**

1 CITY OF SILVERTON  
2 **BUDGET COMMITTEE MINUTES**

3 **Silverton Community Center – Council Chambers – 421 South Water St.**  
4

5 **April 28, 2020 – 6:00 p.m.**  
6

7 **I. Call to Order and Roll Call**  
8

9 Chairman Kyle Palmer called the meeting to order at 6:00 p.m. He announced the meeting is being held  
10 through Zoom in order to comply with Governor Brown’s Executive Order 20-12.  
11

Present	Absent	
X	_____	Jim Sears
X	_____	April Newton
X	_____	Crystal Neideigh
X	_____	Kyle Palmer
	Excused	Aaron Koch
X	_____	R Walker Yeates ( <i>joined the meeting at 6:36 p.m.</i> )
	Excused	Dana Smith
X	_____	Ammon Benedict
X	_____	Matt Plummer
X	_____	Greg Chase
X	_____	Laurie Carter
	Excused	Chris Childs
X	_____	Jason Freilinger
X	_____	Micole Olivas-Leyva ( <i>joined the meeting at 6:05 p.m. and departed at 6:51 p.m.</i> )

12 Staff Present:

13 City Manager, Christy Wurster; Finance Director, Kathleen Zaragoza; Public Works Director, Petra  
14 Schuetz; Assistant Finance Director, Sheena Kroker; Maintenance Division Supervisor, Travis Sperle;  
15 Assistant to the City Manager/HR Coordinator, Elizabeth Gray; and Assistant to the City Manager/City  
16 Clerk, Angela Speier  
17  
18

19 **II. Approval of minutes from the meeting held on April 23, 2020**  
20

21 Member Freilinger made a motion to approve the minutes from the meeting held on April 23, 2020.  
22 Member Benedict seconded the motion. There was no discussion and the motion passed unanimously 9-  
23 0 with Member Carter abstaining, because she was absent from the meeting.  
24

25 **III. Review/discussion of the Budget; continuing with Page 106 – Sewer Fund**

26 Finance Director Kathleen Zaragoza reviewed staff recommended changes in the budget document that  
27 members will be asked to approve. The first revision is located on page 10; the amount for the Gravity  
28 Thickener needs to be changed to \$175,000. The second change will correct a motion made at the last  
29 meeting related to Community Programs and the line item should read 010-012-62574.  
30

31 Member Benedict inquired about the amount of total sewer debt. Director Zaragoza confirmed the  
32 principle sewer debt is \$8 million. He referred to the budget message which states the most critical  
33 improvements needed within the next five years will be necessary treatment facility upgrades. He pointed  
34 out a similar statement was made last year and asked how the City is addressing these needed  
35 upgrades, besides raising water and sewer rates. Director Zaragoza said the City has been putting  
36 money aside through the capital project funds. The Sewer Capital Project Fund has \$3 million to be spent  
37 during the FY 2020-21 on capital projects. Member Benedict is concerned the City is not being

1 aggressive enough in funding these critical infrastructure needs. He further stated the Civic Center is not  
2 a critical infrastructure need and is something the City could do without, whereas these upgrades are not  
3 and asked if these needs are on City Council's priority list. The City should be addressing these critical  
4 infrastructure needs before funding a new Civic Center. Director Zaragoza explained water and sewer are  
5 enterprise funds and at this point there have not been any transfers from these funds to the Civic Center  
6 project. The Civic Center has been completely funded by General Fund revenue. At some point they will  
7 need to pay something, because they will have services housed there. Member Benedict asked about the  
8 transfer from the Sewer Fund to the General Fund. Director Zaragoza referred members to page 17 which  
9 breaks out how that money is spent on services provided to the Sewer Fund from the General Fund, an  
10 example is accounting. Mayor Palmer explained the City is under a federal mandate to get the Police  
11 Department into a seismically safe facility. Discussion ensued about the debt in the Sewer Fund and the  
12 difference between the General Fund and Enterprise Funds.

13  
14 Director Zaragoza explained there is a staff recommended change to the Water Fund that would remove  
15 \$26,000 from Contingency to Contracted Services in order to fund USGS water gauges that were  
16 accidentally omitted. Member Freilinger made a motion to decrease line item 040-010-90001  
17 (Contingency) by \$26,000 and increase line item 040-040-61059 (Contracted Services) by \$26,000.  
18 Member Benedict seconded the motion. There was no discussion and the motion passed unanimously  
19 (11-0).

20  
21 Member Carter asked about the City owned property on Ames Street and noted it does not have a  
22 sidewalk in front of it. She said it is a dangerous area for pedestrians, because they have to walk in the  
23 street. Mayor Palmer said he hears from residents in the area that they would like there to be no parking  
24 on at least one side of the street.

25  
26 Members discussed the Civic Center Building Fund and the various funding mechanisms. Director  
27 Zaragoza explained the City is aiming to fund the project through savings and a loan. She said the  
28 General Fund should have the capacity to make a loan payment without having to burden the ratepayers.  
29 Member Benedict stated he feels Silverton residents should have the opportunity to vote on the Civic  
30 Center no matter how it is funded, this would give City Council direction on if the citizens think it is a good  
31 idea to build now or not. Mayor Palmer explained his position is the City Council is elected to make these  
32 decisions and it has been a campaign issue in the past. He said the funding mechanism would also be  
33 hard to explain in a ballot format. Members discussed the fund and upcoming design process.

34  
35 Member Benedict asked about the three vehicles budgeted to be replaced in the Fleet Replacement  
36 Fund. He spoke with the Finance Director about a possible grant for the Trolley vehicle, but asked if the  
37 police vehicle and the street sweeper need to be replaced this year or if those purchases could be made  
38 at a later date. Director Zaragoza said replacing the Silver Trolley is dependent on receiving the grant.  
39 Members discussed the vehicle replacement schedule and Public Works Maintenance Supervisor Travis  
40 Sperle explained the repairs needed for the street sweeper and the annual maintenance costs. There was  
41 further discussion about the financial hardships facing Silverton residents and businesses due to the  
42 COVID-19 outbreak and how the City should be looking to save money in this budget. Members  
43 discussed the timing of the vehicle purchases and that they will need to be approved by City Council even  
44 though they are budgeted, because they are over \$50,000.

45  
46 Member Benedict made a motion to not purchase the three vehicles, 1) police vehicle, 2) the trolley  
47 vehicle; and 3) the street sweeper during the FY 2020-2021 budget. The money would remain in the fund  
48 and only be used if the vehicles cannot be repaired and the purchases must be approved by City Council.  
49 Director Zaragoza confirmed the intent is to leave the money in the Capital Fleet line item and they will  
50 only be replaced if a vehicle breaks down and cannot be repaired. She voiced her concern about the  
51 grant funding for the trolley vehicle, the budget must show that funding is available. Member Benedict  
52 amended his motion to keep the Trolley Vehicle replacement of \$50,700 in the budget, but only replace  
53 the Trolley if the City gets the grant. The police vehicle and the street sweeper would not be replaced, but  
54 the amount in the fund would remain the same. Member Newton seconded the motion. Staff clarified the  
55 police vehicle and the street sweeper would be removed from the narrative on page 154. Chairman  
56 Palmer said he cares about what the citizens think and how they view the City's budget. He is concerned

1 about what the public perception of purchasing new vehicles during this time would be. Member Sears  
2 feels this will create a road block for staff to be able to make these purchases and that the motion is  
3 unnecessary, because the purchases will go before City Council either way. Member Newton said she  
4 trusts City Council and staff to do the right thing, but feels it is the Budget Committee's responsibility to  
5 find items that do not have to be spent this year. The motion passed 7-3 (Yes: Chairman Palmer and  
6 Members Freilinger, Neideigh, Benedict, Chase, Newton and Yeates; No: Members Sears, Plummer, and  
7 Carter).

8  
9 Member Benedict asked about the transfers out in the Extended Leave Fund. He asked how money from  
10 this fund can be used for the Civic Building. Director Zaragoza explained this transfer was her  
11 recommendation. She began this fund as a risk management tool, which would allow the City to cover  
12 any costs associated with needing to bring in coverage if an employee was out for an extended amount of  
13 time. She said the \$100,000 transfer would still leave enough money in the fund for its intended purpose.  
14 Member Benedict asked if the money could be transferred for a different use. Director Zaragoza  
15 explained how the various departments help pay into this fund and how the money can be used. Member  
16 Benedict made a motion to move \$100,000 from the line item 620-100-95225 in the Extended Leave  
17 Fund to Safe Routes to Schools and not transfer the money to the Civic Building. Member Newton  
18 seconded the motion. Discussion ensued on the legality of the proposed transfer. Director Zaragoza  
19 explained a portion of the fund could potentially be used for Safe Routes to School, the reason why she  
20 was recommending the transfer to the Civic Center Building design was because the building will be  
21 utilized by every department. Member Benedict amended his motion to leave the money in the Extended  
22 Leave Fund. Member Newton was agreeable to the change. Chairman Palmer said the Civic Building  
23 project needs to continue and he sees the need for each fund to help pay for it and this would be less  
24 money the City would have to borrow in the future. Member Benedict withdrew his motion and Member  
25 Newton withdrew her second.

26  
27 Member Freilinger made a motion to correct the Capital Projects table on page 10 to read 330 Gravity  
28 Thickener Rebuild to cost \$175,000. Member Newton seconded the motion. There was no discussion and  
29 the motion passed unanimously (10-0).

30  
31 Chairman Palmer made a motion to correct a motion that was made at the April 23 Budget Committee  
32 meeting. The motion was intended to transfer \$25,000 into line item 010-012-62574 (Community  
33 Programs) instead of the transfer was made to line item 010-012-62573 (Community Support). Member  
34 Freilinger seconded the motion. There was no discussion and the motion passed unanimously (10-0).

35  
36 Member Freilinger made a motion to approve the Budget of the City of Silverton for Fiscal Year 2020-  
37 2021 in the amount of \$64,006,341 and levy taxes at the permanent rate of \$3.6678 per \$1,000 of  
38 assessed valuation, and levy \$275,000 for the Pool Operating Levy. Member Sears seconded the motion.  
39 Member Benedict said he will be voting to approve the budget, but felt the citizens deserved better. There  
40 were several items that could have been saved. Having the money doesn't mean you have to spend the  
41 money. Next year he would like to see more money for Safe Routes to School and sidewalks in general.  
42 There was no further discussion and the motion passed unanimously (10-0).

#### 43 44 **VII. Adjournment**

45  
46 Member Benedict made a motion to adjourn the meeting and Chairman Palmer adjourned the meeting at  
47 8:43 p.m.

48  
49 Respectfully submitted,

50  
51  
52 /s/Angela Speier  
53 Assistant to the City Manager/City Clerk