



CITY OF LA PINE BUDGET COMMITTEE MEETING MINUTES

Tuesday, May 2, 2017

5:30 pm Regular Budget Committee Meeting

La Pine City Hall

16345 Sixth Street, La Pine, Oregon 97739

Regular Meeting – 5:30 pm

1. Call to Order

Meeting called to order at 5:30 p.m.

2. Establish Quorum

Present: Stu Martinez, Connie Briese, Frank Schultz, Kathy Agan, Kitty Shields, John Cameron, Karen Ward, Don Greiner, and Dennis Scott. Brian Earls will be late by prior arrangement.

3. Pledge of Allegiance

Led by Don Greiner

4. Election of Chairperson

Kathy Agan made a motion to elect Kitty Shields as Chairperson. No objections.

5. Community Sponsorship Presentations

High Lakes Car Club is requesting \$2,000 to raise money for the Senior Center project and for the car show in general. Connie asked how many people attend the show. Jesse said that 100 cars were in the show and she thinks between 500 and 600 people attend. The event will take place on June 24th this year and will be the 19th annual show.

The **Veterans Parade and Chili Feed** is requesting \$250.00. The event feeds 300 to 400 veterans for free. There are approximately 800 to 900 veterans in La Pine. Stu asked why they were asking for so little and recommended tracking their expenses and coming back for more next year. Don asked if there was a reason we couldn't increase their asking amount. The event costs about \$4200 altogether and they receive help from the Chamber and BBBS.

The **La Pine Rodeo Association** is asking for \$5,000.00 for the concert and \$2500 for the rodeo. They need to get a building permit and are asking for help with funding. The announcer's stand was built

without permits and the City County and Rodeo are trying to get that compliant. They went through a conditional use permit to get the rodeo grounds authorized to be compliant as far as land use. Frank had some clarification about whether the permit side was materials or for the actual permitting. Kathy had a clarification for the amount. Kathy said that she supports the rodeo and appreciates that they are constantly improving it. Karen said this brings in the most people and we need it. Melvin listed the people who were playing at the concert this year. Melvin said that they will get post donation accounting. Cory asked if the Frontier Days and Rodeo are co-advertising. He said that they are not being allowed to have any input and are being “steam rolled”, although they are willing to sit down and talk about co-advertising. Melvin thinks that co-advertising is important for the community. There was a discussion about helping with the permit if needed.

Ann Gawith spoke on behalf of **Rural Tourism**, the **Chamber of Commerce**, and **Frontier Days**. She stated that they are working on their budget. She requested \$62,000 for the Chamber’s quarterly budget to continue advertising and helping with the rural tourism studio. She said that Sunriver and La Pine have the bulk of benefitting from the rural tourism studio. There was discussion on specifics in the Chamber’s budget, i.e. salaries, what portion comes from what with regard to the Visitor Center, how the Chamber is marketing. Cory asked if the Chamber would be interested in a longer-term agreement. Ann asked how funding was being handled for the Rodeo and there was discussion about Frontier Days and the Rodeo advertising together. With regard to the Rural Tourism Studio, they are moving forward with their application and marketing the “Newberry Country Trail.” Ann stated that they can get a \$10,000 grant from Travel Oregon but would need an additional \$7,500 to get the rest of the grant. Connie asked where the other \$5,000 would come from. Ann said that eastern Oregon and some people in Sunriver are trying to leverage these funds. Frank asked who takes this over once it is successful. Ann said that Travel Oregon would add a page to their website for this. She said that they are also going to COVA for funding. Connie wanted clarification on who exactly was applying for the funding and Ann said that it was the Chamber because they are a 501C3. Stu asked if this money was put into the Chamber’s budget. Ann said that the money is running through the Chamber bank account to keep a tracking mechanism.

6. Budget Message and begin reviewing the 2017-2018 budget

Kitty asked if everyone had time to go through the budget message, which everyone had. Cory stated that we met all requirements in previous years, but this year the City challenged itself to be awarded the “Distinguished Budget Award.”

General Fund: Cory explained that this is where most revenues come from. He also explained that the beginning fund balance is the amount carried over from the previous year. Don asked about marijuana tax – if we go to sale of recreational marijuana, will that amount increase? Cory explained that the number is recreational tax. Cory explained we have no historical data to go on, so we used the same figure from last year. John asked if there is any danger in having a rollover balance that’s too large. Cory said he doesn’t think so, as long as we’re meeting the level of services we want to provide, and wants Brenda to weigh in. Brenda explained that it’s always good budgeting to have a cushion. The only issue could be outside parties wanting to spend a certain amount. **Personnel Services in the**

General Fund: Cory said that these amounts are fairly in line with previous services. This budget includes cost of living adjustment and room for increases. Don asked if there is a total figure for salaries. Cory said yes, and that the figure includes benefits, retirements, etc. Cory said that the figure is on page 22 and it is \$491,000.00. Mayor talked about doing some sort of spreadsheet outlining employee salaries. Ashley said she'd get spreadsheets for everyone if they wanted. They declined. Don said that he just would like to be able to answer citizens' questions about how much city employees make when asked. Ashley is going to get the employee services spreadsheets after all. Brenda said she doesn't believe publishing the figures is mandatory. Connie said it helps to see the big picture with specific salary amounts. [Ashley handed out spreadsheets.] Cory explained that these are numbers that are budgeted in and give a floor that includes everything. No additional comments.

Expenditures in General Fund: Cory stated that a lot of line items stayed the same because we're basing it on historical data. Audit went up a little because it's expected to go up. Contracted services went up to \$82,000 from \$70,000 last year. We are not going to have a consultant this year. Rick Allen is not going to be included in this budget. Don recommended using those fees to hiring someone to assist the City Manager. Cory explained that he would like some of these line items for contracted services to be somewhat flexible and that he'd like to have a little extra in this fund.

Legal Fees and Expense Line Item: Counsel approved a new contract with a law firm, which increases rate by 25%. Staff is conscience of monitoring those invoices. While he expects the rate to go up, he believes the hours we need them to go down somewhat due to not so many marijuana related questions.

City Hall Improvement Fund: Cory mentioned that the amounts could be used toward paving parking lot at City Hall and possibly putting in a bench. Cory does not recommend investing in re-paving until the Triangle Park Project has been completed. Kitty asked who is maintaining the park and Cory said that the City is. Cory also explained that we contract out the work to maintain it. Cory said that some of these funds may be used for a skidsteer. Connie asked about the Parks and Rec and Rodeo land fund. Ashley said that that was put there to start planning for the land that we were deeded from BLM.

Cemetery Fund: Cory said that the cemetery gets forgotten and that improvements need to be made. The City is planning to increase plot rates. Currently it is \$75 and that is very low. Kitty said that the rates were low because it was an all-volunteer organization.

Personnel Services Line item in the Community Development Fund: Cory talked about adding a Community Development Director/Code Enforcement/Assistant to City Manager because it would open up his schedule to do more things.

Economic Development Fund: Cory stated that this fund is still up in the air. About ½ of these funds are set aside in the reserve fund. Cory said that it is hard to see it now, but some day this land will run out and we will need significant funds to build out the next phase. Cory said that the high projection is for Mandala.

Tourism Fund: TRT funds are increasing/added contingency and capital. Most of capital is for the monument.

Street Fund: The grading budget is higher than last year. The City will possibly do some dust abatement in Cagle. There was a question about street lighting vs. street lights. There is money set aside for landscaping for the streetscape project in anticipation of not knowing how much it will cost. [Brian Earls arrived at 8:10 p.m.] Cory talked about leveraging street funds for streetscape. Contingency is 10%. There is reserve for streets in Cagle subdivision. There was discussion on City and County streets and taking over some of the County roads in the future.

Water and Sewer Reserve Fund: The City will be transferring money to the water fund to pay for the design part of the water/wastewater expansion and improvement project. The design is going to be approximately two

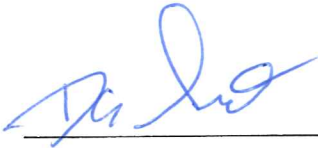
million. Cory said we will know the more information in about two months. The project will be approximately twenty million altogether. **Water Fund:** The beginning fund balance is decreasing, but mainly because we are transferring funds. Water rates increased and the two transfers make up the resources. Jake went over where those amounts came from in relation to SDC v. rates. The City will be purchasing a skidsteer and new public works truck. There was discussion about buying used or new – Connie wanted to know if they'd go out to bid. Cory said that we budgeted mitigation credits and that we try to get them every year. **Sewer Fund:** The beginning balance is going down because of transfers. Brian asked why we are decreasing and Cory stated that we transfer the excess. Materials and services are spread out amongst other categories. Equipment purchases for septage receiving station and construction expense are in capital outlay.

7. Public Comments and Questions

None

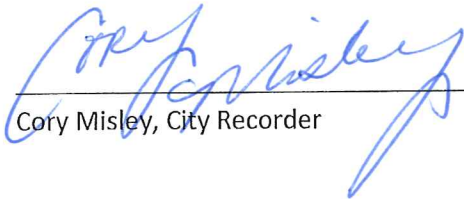
8. Adjourn

Connie Briese made a motion to adjourn. Brian Earls seconded. No objections. Meeting adjourned.



Mayor

Attest



Cory Misley, City Recorder