

**CITY OF GRANTS PASS
BUDGET COMMITTEE MEETING MINUTES
May 17, 2022, at 6:00 PM
Council Chambers**

City Councilors

Brian DeLaGrange
Rob Pell
Valerie Lovelace
Rick Riker
Dwight Faszer - Absent
Curt Collins
Joel King - Absent
Vanessa Ogier

Budget Committee Members

Tom Brandes (Chair)
Tom Bradbeer (Vice Chair)
Gordon Langenbeck
Tripp Androy
Jason Javarone
Linda Barkey
Tammie Schmidt-Kirk
Josh Balloch

City/Staff:

Aaron Cubic – City Manager/Budget Officer
Augustus Ogu – City Attorney
Karen Frerk – City Recorder
JC Rowley- Finance Director
Ken Selland - IT Manager
Diana Mejia - HR Director
Adam Shults – Accountant
Brad Clark – Community Development Director
Jason Canady – Public Works Director
Warren Hensman – Police Chief
Kimberly Gasperson – Customer Service Supervisor
Mindy Ellerman – Accounting Supervisor

I. Budget Chair convene Committee

- Budget Chair, Tom Brandes opened the meeting and roll was taken.

II. Administration Department Budget presentation

- City Manager Arron Cubic delivered the FY’ 23 budget for the Administration Department. He discussed the Council Goals and Strategic Plan and went over the Department Organization.
- Finance Director JC Rowley presented the FY’23 recommended Finance budget. He discussed the department organization and Council goals, as well as the Finance services. He talked about the department efficiencies, future challenges, and PERS, stating that they have a reduction of one full time equivalence in the Finance Department due to the interactive voice response software.
- Accountant Adam Shults presented the Auxiliary Services portion of the Finance budget. This includes Lodging Tax Fund, Bancroft Bonds, General Obligation Bonds, Industrial & Downtown Loan Fund, Community Development Block Grant, and Environmental Waste Fees Fund.

III. Receive public comment and/or questions

- There was discussion on how long the bonds for the Water Treatment Plant upgrade will last and is there an advantage to paying now. Jason Canady stated that they are looking at multiple lower interest sources of money.

IV. Discuss any general questions or information requests from the Committee

- Josh Balloch declared a conflict of interest as he serves on the board of one of the recipients of the Community Development Block Grant. He had some concerns about the City saving money for the future. He is urging Council to make as many reductions as possible to get the ending fund balance as high as possible.
- Councilor Riker asked if it would be cost effective to contract out the two Parks Department full time equivalent positions. City Manager Cubic stated we would have to look at labor laws since these are technically full-time employee positions.

V. Vote for tentative Budget approval of programs discussed (if applicable)

MOTION/VOTE

Councilor DeLaGrange moved, and Councilor Lovelace seconded the motion to approve the recommended budget for the Administration Department. The vote resulted as follows: “AYES”: Councilors DeLaGrange, Pell, Lovelace, Riker, Collins, and Ogier, and Committee Chair Brandes, Vice Chair Bradbeer, Members Langenbeck, Androy, Balloch, Javarone, Schmidt-Kirk, and Barkey. “NAYS”: None. Abstain: None. Absent: Councilors Faszer and King. The motion passed.

- City Manager Cubic presented a budget recap of the recommended FY'23 Budget.
- Councilor Lovelace commented on the drop in level of services from the cuts made in the previous year. She likes the idea of bringing this back up but wants to make sure we are budgeted for a full staffing level. City Manager Cubic stated that adding General Fund full time equivalent positions isn't something he takes lightly. Council wanted to increase the level of service associated with Parks and safety in the community. He stated with underspending and the Council identifying funds to cuts representing about \$1.8 million, along with a good year of revenue created an opportunity to build a solid contingency ending fund balance for the general fund in the parameters of the 30% to 40%.

MOTION/VOTE

Councilor DeLaGrange moved, and Member Schmidt-Kirk seconded the motion that the Budget Committee of the City of Grants Pass approve the budget for the fiscal year ending June 30, 2023, as amended, in the amount of \$192,571,808, with the additional amendment of excluding the additional three FTE's as proposed. The vote resulted as follows: “AYES”: Councilors DeLaGrange, and Ogier, and Committee Members Langenbeck, Balloch, and Schmidt-Kirk. “NAYS”: Councilors Pell, Lovelace, Riker, Collins, and Committee Chair Brandes, Vice Chair Bradbeer, Members Androy, Javarone, and Barkey. Abstain: None. Absent: Councilors Faszer and King. The motion failed.

MOTION/VOTE

Councilor Lovelace moved, and Councilor Riker seconded the motion that the Budget Committee of the City of Grants Pass approve the budget for the fiscal year ending June 30, 2023, as amended, in the amount of \$192,571,808. The vote resulted as follows: “AYES”: Councilors Pell, Lovelace, Riker, Collins, and Committee Chair Brandes, Vice Chair Bradbeer, Members Androy, Javarone, and Barkey. “NAYS”: Councilors DeLaGrange, and Ogier, and Committee Members Langenbeck, Balloch, and Schmidt-Kirk. Abstain: None. Absent: Councilors Faszer and King. The motion passed.

VI. Vote for approval of Property Tax Rate and complete City Budget

MOTION/VOTE

Member Balloch moved, and Councilor Lovelace seconded the motion that the Budget Committee of the City of Grants Pass approve property taxes for the fiscal year ending June 30, 2023: at the rate of \$4.1335 per \$1,000 of assessed value for the permanent rate tax levy, and in the amount of \$1.79 for Public Safety

Operating Levy. The vote resulted as follows: “AYES”: Councilors DeLaGrange, Pell, Riker, Collins, King, and Ogier, and Committee Chair Brandes, Vice Chair Bradbeer, Members Langenbeck, Androy, Javarone, Schmidt-Kirk, and Barkey. “NAYS”: None. Abstain: None. Absent: Councilors Faszer and King.

The motion passed.

Adjourn the Budget Committee meeting and convene the Urban Renewal Agency Budget Committee meeting

MOTION/VOTE

Councilor Ogier moved, and Member Javarone seconded the motion to adjourn the Budget Committee meeting and convene the Urban Renewal Agency Budget Committee meeting. The vote resulted as follows: “AYES”: Councilors DeLaGrange, Pell, Riker, Collins, King, and Ogier, and Committee Chair Brandes, Vice Chair Bradbeer, Members Langenbeck, Androy, Javarone, Schmidt-Kirk, and Barkey. “NAYS”: None. Abstain: None. Absent: Councilors Faszer and King. The motion passed.

- I. Budget Officer convene Agency
 - a. Nominations for Budget Chair and Vice Chair
 - b. Election of Budget Chair and Vice Chair

MOTION/VOTE

Member Bradbeer moved, and Member Javarone seconded the motion to appoint Tom Brandes as Budget Chair. The vote resulted as follows: “AYES”: Councilors DeLaGrange, Pell, Lovelace, Riker, Collins, Ogier and Committee Members Brandes, Langenbeck, Bradbeer, Androy, Tammy Schmidt-Kirk, Javarone, Barkey and Balloch. “NAYS”: None. Abstain: None. Absent: Councilors Faszer and King. The motion passed.

MOTION/VOTE

Councilor Lovelace moved, and Councilor Riker seconded the motion to appoint Tom Bradbeer as Budget Vice Chair. The vote resulted as follows: “AYES”: Councilors DeLaGrange, Pell, Lovelace, Riker, Collins, Ogier and Committee Members Brandes, Langenbeck, Bradbeer, Androy, Tammy Schmidt-Kirk, Javarone, Barkey and Balloch. “NAYS”: None. Abstain: None. Absent: Councilors Faszer and King. The motion passed.

- II. Delivery of Budget Message and receive the Budget Document
 - City Manager Cubic delivered the recommended FY’23 Budget for the Urban Renewal Agency. He gave the budget message, budget summary, and review of capital projects. City Manager Cubic stated that the Urban Renewal Agency is a component unit of the City, but for budget purposes the Agency is independent of the City budget. He stated that the Agency’s function is to improve specific areas that are poorly developed or underdeveloped. This budget will provide Council with the most flexibility in how to use the Urban Renewal Agency resources.
- III. Receive public comment and/or questions
 - None.
- IV. Discuss any general questions or information requests from the Agency
 - Member Javarone stated that he may have a potential conflict of interest as he serves on the board of a non-profit that may benefit from these funds.

V. Vote for Budget approval

MOTION/VOTE

**Councilor DeLaGrange moved, and Member Javarone seconded the motion that the Budget Committee of the Grants Pass Urban Renewal Agency approve the property taxes for the 2022-2023 Fiscal Year tax increment for the maximum amount of revenue that may be raised by dividing the taxes for the Grants Pass Urban Renewal Plan Area under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457. The vote resulted as follows: “AYES”: Councilors DeLaGrange, Pell, Lovelace, Riker, Collins, Ogier and Committee Members Brandes, Langenbeck, Bradbeer, Androy, Tammy Schmidt-Kirk, Javarone, Barkey and Balloch. “NAYS”: None. Abstain: None. Absent: Councilors Faszler and King.
The motion passed.**

MOTION/VOTE

**Councilor Lovelace moved, and Member Barkey seconded the motion that the Budget Committee of the Grants Pass Urban Renewal Agency approve the budget for the fiscal year ending June 30, 2023, in the amount of \$3,670,000. The vote resulted as follows: “AYES”: Councilors DeLaGrange, Pell, Lovelace, Riker, Collins, Ogier and Committee Members Brandes, Langenbeck, Bradbeer, Androy, Tammy Schmidt-Kirk, Javarone, Barkey and Balloch. “NAYS”: None. Abstain: None. Absent: Councilors Faszler and King.
The motion passed.**

Meeting adjourned by Chair Brandes at 8:20 pm.

Minutes prepared by Dianne Phelan, City of Grants Pass Administration