

**CITY OF JOHN DAY  
BUDGET COMMITTEE MEETING  
JOHN DAY FIRE HALL  
6:00 PM**

April 19, 2022

**BUDGET COMMITTEE MEMBERS PRESENT**

Dave Holland, Committee Chairman  
Shannon Adair, Committee Secretary (virtual)  
Katrina Randleas  
Sarah Brown  
Sherrie Rininger  
Beth Spell  
Chris Labhart  
Heather Rookstool  
Ron Lundbom  
Elliot Sky

**BUDGET COMMITTEE MEMBERS ABSENT**

Gregg Haberly

**STAFF PRESENT**

Nick Green, City Manager  
Tia Kastner, Secretary  
Anna Bass, Solutions CPA's (City Recorder)  
Don Gabbard, Fire Chief  
Monte Legg, Public Works Director  
Casey Myers, Foreman

Chantal DesJardin, Office Manager  
Corum Ketchum, Community Dev. Director

Aaron Lieuallen, Senior Project Manager  
(virtual)

**GUESTS PRESENT**

Caller 1 (virtual)  
Roberta Fox (virtual)  
Ann (virtual)  
Michael Anderson (virtual)  
AM (virtual)

Justin Davis, Blue Mountain Eagle

**Agenda Item No. 1 – OPEN AND NOTE ATTENDANCE**

Mayor Lundbom opened the meeting at 6:00 PM noting everyone was present with Councilor Shannon Adair attending virtually and Councilor Haberly being excused.

**Agenda Item No. 2 – APPEARANCE OF INTERESTED CITIZENS**

Mayor Lundbom asked if anyone was in attendance regarding an item not on the agenda.  
*None appeared.*

**Agenda Item No. 3 – ELECTION OF A COMMITTEE CHAIR**

Mayor Lundbom called for nominations of a committee chair.

**Councilor Adair nominated Dave Holland for Committee Chairman. Committee Member Rininger seconded the nomination and the motion passed unanimously.**

**Agenda Item No. 4 – ELECTION OF COMMITTEE SECRETARY**

Chairman Holland opened the floor for nominations for the Committee Secretary.

**Chairman Holland nominated Committee Member Adair for Committee Secretary. Committee Member Sky seconded the nomination and the motion passed unanimously.**

**Agenda Item No. 4 – BUDGET MESSAGE**

City Manager Green reviewed the various components of his budget message. Several questions were asked by Mrs. Rininger with regard to the City's transfer of General Fund revenue to the Street Fund as well as clarifying questions about the outstanding debt obligations and grant funds and how those were appropriated. There was general discussion around the use of these funds and the capital outlay, which Green clarified.

Chairman Holland asked for additional comments. *None appeared.*

**Agenda Item No. 5 – REVIEW OF BUDGET**

Chairman Holland proceeded to lead the review of the proposed budget page by page.

**General Fund**

**Administration Department**

*Page 1:* Committee Member Rininger inquired about the increase in personnel cost. Anna Bass explained those costs included a cost of living adjustment and programmed wage increases and are estimated high.

Committee Member Rininger inquired about the increase in Other Professional Services (63825). Green explained those were for firms that support City projects and Bass added that her costs as the contract City Recorder are also included in those numbers.

*Page 2:* Committee Member Rookstool inquired about the Marijuana Tax (44505) and Green explained we anticipated revenues beginning this quarter.

**Police Department**

*Page 3:* Committee Member Rininger inquired about the code enforcement. Green explained enforcement of city ordinances will continue with current staff as those are administrative in nature.

*Page 4:* Committee Member Rininger inquired about a contribution to the Sheriff's Department. Green explained the City's intent is to transfer General Fund revenues to the Street Fund to offset the cost of building and maintain city streets, which are needed for new residential housing and have been in deferred maintenance for many years due to transfers from Public Works to the General Fund – Police Department.

**Fire Department**

Page 5: Committee Member Labhart inquired about gas prices. Green explained they are seeing rising costs and these are reflected in the budget.

Page 6: Committee Member Rininger inquired about the Rural Fire District (44720) worksheet. Mrs. Bass discussed the formula and offered to send it to her for review.

#### Main Street Revitalization

*No comments*

#### Water Fund

##### Administration Department

Page 8: Committee Member Labhart inquired about PERS IAP expense (61253).

##### Water Department

Page 10: Committee Member Labhart inquired about Operating Contingency (67100). Green explained the contingency set aside and that the loan balances are scheduled to be paid in full for the WaFd loan this year.

#### Sewer Fund

##### Administration Department

*No comments*

##### Sewer Department

Page 13: Committee Member Rininger inquired about Debt Refinance (68650). Green explained how the WaFd loan was originally approved and that the sewer portion of consolidated debt would also be repaid this year, similar to the Water Fund portion.

##### Agribusiness Department

*No comments*

#### Project Construction

Page 15: HB5006 CHANGE-Increase to \$1,355,928 in proposed revenue-do not expect to receive 1.5 mil in current FY. This would also reduce the amount of expected revenue in USDA Rural Dev Debt to \$3,726,190.

#### Joint Sewer Facility Fund

##### Administration Department

*No comments*

##### Sewer Department

Page 17: Committee Member Spell inquired about the decrease in Salary (61050). Bass explained this is actually just a change in distribution, which reduced personnel costs in this fund.

*Page 18:* Committee Member Labhart inquired about the Chlorine (64250). Legg and Lundbom discussed the City's contract to receive chlorine and that we are among only a few cities with guaranteed supply contracts.

*Page 19:* Green and Bass noted another change in the proposed budget to reflect the increase in Canyon City Fees (44460) to \$121,236. Bass explained that changes the necessary transfer from the sewer fund (44840) and would be reallocated prior to the public hearing on the budget.

**Street Fund**

**Administration Department**

*No comments*

**Street Department**

*Page 20:* Budget Committee Member Sky inquired about line item 64560 and asked whether these funds could address goat heads on the 7<sup>th</sup> Street trails. Green noted those trails are not on our property and the funds couldn't be used to maintain another agency's infrastructure unless it were under an agreement. Budget Committee Member Rininger also noted there are weeds in the street and Legg responded we have a contract to spray the trails and streets.

Rininger expressed her concerns that the General Fund transfer to Streets would not leave room for the City to pay the County for law enforcement services. Green noted there was no contract or agreement between the agencies for those services, but if an agreement is reached, funds could be transferred back. However, he also noted that once the funds are expended on our street projects they will have to wait until next year because there won't be any funding left to transfer.

**IT Fund**

**IT Department**

*No comments*

**Debt Service Fund**

*No comments*

**Community Development Fund**

**Administration Department**

*Page 25:* City Manager Green noted this fund included a community development director position. If the grant is not awarded they would not hire to fill that role.

Councilor Rookstool inquired if they needed to vote on the transient room tax. City Manager Green answered that was already done by ordinance.

Committee Member Brown asked if the transient room tax would apply to Airbnb type rentals. City Manager Green confirmed that it would.

**Agribusiness Department**

*No comments*

### **Motor Pool Fund**

#### **Police**

*Page 28:* Mayor Lundbom inquired about the surplus vehicles at the sewer plant and if they had plans to get rid of them. Chief Durr confirmed that he had a few vehicles to get rid of and they would be auctioned or sold.

#### **Fire**

*Page 29:* Chairman Holland inquired about line item 64710, generator maintenance. City Manager Green answered he wasn't certain if it was allocated for more than one generator. Holland emphasized the need to begin saving money for the replacement of the John Day fire engine by setting aside general fund dollars.

### **Motor Pool**

*Page 30:* Councilor Rookstool inquired about fleet maintenance. City Manager Green stated that the city had done a fleet overhaul and should be good. He also shared that they are looking at procuring a sewer lining machine in this proposed budget. They could then take the machine to other cities and line their pipes which would allow for cost recovery. They estimated the machine could be paid in full within five years.

### **Water Replacement Reserve Fund**

*No comments*

### **Sewer Collection Replacement Fund**

*No comments*

### **9-1-1 Fund**

*No comments*

### **Unpaid Comp Fund**

*No comments*

### **Urban Renewal Agency**

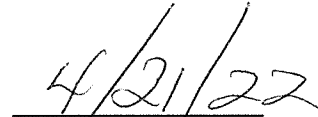
*Page 38:* City Manager Green stated the URA became a blended component unit of the City of John Day last year. The City is managing the URA budget within the City budget, but will need to approve it separately as well.

**Committee Member Rininger moved to approve the property tax rate of \$2.9915 per \$1,000 assessed value and fire hall bond amount for \$50,000 FY23. Committee Member Spell seconded and the motion passed unanimously.**

**Committee Member Spell moved to approve the budget as amended by the committee. Committee Member Randleas seconded. The motion passed with 9 votes in favor, one vote against. Mrs. Rininger, who voted Nay, stated she is not comfortable that the funds transferred to the Street Fund will be available for law enforcement.**

Councilor Labhart moved to close the John Day Budget Committee meeting at 7:21 pm. The motion was seconded Mayor Lundbom and passed unanimously.

  
Committee Secretary Shannon Adair

  
Date