

City of Creswell  
Budget Committee Meeting  
June 5, 2013

Budget Committee Members Present:

Adam Pelatt	Tim Bonn
A.J. O'Connell	Jonathan Woodland
Jane Vincent	Sue Sturgess
Dave Stram	Lacey Risdal
Jacob Daniels	Holly Campbell
Brent Gifford	Keith Morgan
Nora Reynolds	

Budget Committee Members Absent

Bob Millam

Staff Present:

Jamon Kent	City Administrator
Roberta Tharp	City Recorder
Layli Nichols	Finance Director
Cliff Bellew	Public Works Lead
Shelley Humble	Airport Manager
Denise Walters	Planner
Steve Dobrinich	RARE Intern

Press: 1 Martha McReynolds, Jr.  
Creswell Chronicle

Audience: 2 - Mike Fleck  
John O'Connell

Budget Committee Chair Brent Gifford called the Budget Committee meeting to order at 7:03 pm and the Pledge of Allegiance was given. Mr. Gifford excused Bob Millam from this evenings meeting.

**Review Proposed Changes as discussed at the May 21, 2013 Budget Committee Meeting**

Mr. Gifford asked Mr. Kent to walk the committee through the proposed changes from the May 21<sup>st</sup> meeting. Mr. Kent referred to the memorandum included in their packets that outlines the proposed changes as well as lists budget items that were tabled for discussion until this meeting. As a result of the council goal setting session, Mr. Kent said he has made some changes to the budget he presented at the last meeting.

Additional changes:

- The total of Capital Outlay in the Cultural and Recreation Fund should read \$136,450 instead of \$131,450, the proposed budget failed to get the \$5,000 in Parks Equipment added into the equation
- Added \$6,000 to the Cultural and Recreation Fund under Community Center Maintenance
- Building Department Fund has a rounding error. Total Materials and Services should read \$50,755 and the total expenditures should read \$66,637, which would reduce the ending fund balance by \$1.00.

**Review Proposed FY 2013-14 Budget**

**Discussion of tabled items:**

**Proposed increase to donations for youth activities and Community Sharing.** Mr. Gifford asked for a staff report on contact made with the youth group to see if they could use the additional funds. Mr. Kent said Ms. Nichols has contacted each group (Family Relief Nursery, Community Food for Creswell, Community Sharing Program, South Lane Wheels, and the Senior Meals Program) and provided their written requests for budgeted donation in the fiscal year 2013-14. Mr. Kent pointed out the proposed amount of donations in this budget including Summer Fun is \$17,965 up from \$14,300 with the addition of Senior Meals this year.

Councilor O'Connell passed out his budget revisions, and asked the committee to consider adding an additional \$20,000 in donations to be spread out evenly amongst ten charitable organizations. A discussion ensued regarding whether the revisions were in addition to increases the committee had agreed upon or the original proposed appropriations. A.J. O'Connell said he took the numbers from the original proposed budget and added \$2,000 to every organization as well as included a few new organizations.

Mayor Stram passed out his proposed budget adjustments. Mayor Stram reported he visited with a representative of each group to determine their needs. A discussion ensued and A.J. O'Connell recommended the formation of an ad hoc to oversee the expenditure of the funds. He is very much in favor of increasing the donation amounts to the non-profits based upon the needs communicated by the organizations. His only concern is how much is the right amount of taxpayers' dollars we give to the non-profits. Mayor Stram's proposal also includes a computer for the Social

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Services office in the Community Center. Ms. Nichols reported the city is in possession of some work stations that could be refurbished and let them borrow one of those.

Further discussion ensued on the three proposals for donations to various groups and the formation of an ad hoc committee.

Jacob Daniels moved Adam Pelatt seconded the committee accept the proposed budget adjustments for Fiscal Year 2013-14 regarding non-profits submitted by Mayor Stram with the addition of a \$5,000 community charities line item. A.J. O'Connell asked Mr. Daniels to amend his motion and increase the community charities line item to \$10,000. Discussion ensued regarding the recommendation of a new computer for social services office at the community center.

Ms. Nichols asked Mr. Daniels if it was his intention to budget what was requested by the organizations and he replied he was under the impression Mayor Stram's proposal coincided with the requests.

Jacob Daniels moved Adam Pelatt seconded to amend his motion so the expenditures to the non-profits are reflective of the organizations requests and to set aside \$7,000 for the Community Charities fund.

Ms. Nichols reviewed the numbers:

- Summer Recreation - \$7,000 of which \$3,000 goes to Movies in the Park and \$4,000 per the request of Willamalane for the Summer Fun Program
- Family Relief Nursery - \$2,000 per request
- Community Food for Creswell - \$3,500 per request
- Community Sharing - \$2,600 per request
- South Lane Wheels - \$1,800 per request
- Senior Meals - \$2,000 per request
- Community Charities - \$7,000

A discussion ensued regarding the establishment of an ad hoc committee to oversee the process and handling of the Community Charities fund.

Jacob Daniels further amended his motion Adam Pelatt seconded the budget committee recommend to the Council to have the Mayor charge the Finance Committee with devising an application process for the Community Charities funds. Voted on and the motion with the two amendments carries unanimously.

**Proposed transfer for future purchase of land for a Skate Plaza**

A discussion ensued regarding an additional city park and the difference between the skate plaza and a skate park. Mr. Kent responded to Mr. Gifford's question that the City has land for a park but is not sure it is where you would want to place a skate park. The council would have to go through a process to determine what requirements would need to be met for that type of park. Ms. Walters chimed in and said the skate park would fall under the Community Park Designation category which is not in the Phase 1 list of things to do in the Parks and Open Space Master Plan.

Mr. Morgan asked about liability insurance and Ms. Nichols responded that City County Insurance Services has a schedule for skate parks.

Mayor Stram suggested using the Cobalt Building for an indoor skate park. A discussion ensued regarding researching this idea and Ms. Walters gave an update on the Phase 1 list of the Parks Master Plan which does not include a skate park. Mayor Stram asked if the Parks Master Plan needed updating and Ms. Walters explained the plan was created in 2005, which isn't that long ago and suggested the possibility of doing an amendment. Mayor Stram asked about funding for the amendment and who would be the best resource to complete this task. Ms. Walters said there would need to be funding and she would like to work jointly with the PAB (Parks Advisory Board) as this would be generated from the vision of the community. Mr. Kent recommended the PAB look at what we currently have in terms of a park/skate park, and create a criteria matrix, look to see how that fits with the master plan and bring a recommendation to the council.

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Discussion ensued regarding the Skate Park bank account and how that works. Ms. Walters explained it would be very hard to determine how much funding would be needed to set aside to amend the Master plan without a scope of work. Her best guess would be somewhere around \$5,000 to \$15,000.

When asked if SDC (System Development Charges) money could be used for planning, Ms. Walters said she has checked with the City Attorney who advised her that those funds can be spent on what is outlined in the CIP (Capital Improvement Project) and was used to determine how those funds are generated, If you didn't include the project when developing the rates, you can't spend money on it. There is some planning and design projects included in the list but the skate park is not one of them.

Mr. Daniels spoke to the fact he doesn't feel comfortable appropriating money to a line item during a budget committee meeting where there hasn't been any planning for this project. We should use the next fiscal year to determine the monetary need to implement changes to the Master Plan. Mr. Pelatt said if we keep kicking this down the road, the children will have to wait longer, he feels it appropriate to put a small amount towards the PAB with the instruction to find out what feasibility of a skate park/plaza and what it is that would be the best servant to the children.

Mr. Pelatt moved Jacob Daniels second to allocate \$15,000 to the Parks Advisory Board to establish a long term goal of providing an immediate need for the community youths. Mr. Gifford asked for discussion and Mr. Kent stated he feels \$15,000 is a high estimate for what you are asking to be done. Mr. Pelatt amended his motion and Jacob Daniels seconded the amendment to allocate \$5,000 instead of \$15,000 to the Parks Advisory Board to establish a long term goal and look at a more immediate opportunity for young people in the community; whether it be a skate park or something else. Mr. Kent reminded the budget committee there have already been two surveys completed that the PAB could use. Mr. Gifford summarized the motion to the committee as reforming the PAB, have them gather information to which they can make a recommendation to the Council and they would have \$5,000 to spend on research. Jacob Daniels moved Adam Pelatt seconded to call this motion to question. Voted on and the motion to end discussion carries with all committee members voting in favor with the exception of Mayor Stram who voted in opposition. There being no further discussion, the amended motion was voted on and it carries unanimously.

### **Cobalt Building**

Proposed decrease to Cobalt Lane Building and Equipment

Proposed increase to Cobalt Lane Planning and Feasibility

Chairman Brent Gifford reviewed the committee's discussion from the May 21, meeting: In the proposed budget, Mr. Kent requested the committee set aside \$100,000 for further improvements to the Cobalt Building. A.J. O'Connell countered the request with setting aside the \$100,000 and allocating \$10,000 towards continued planning and feasibility for the building. There is still \$35,000 in this fiscal year's budget allocated to update the building. Mr. Gifford said the two questions up for discussion are:

- Do we continue research on the Cobalt Building
- Or Do we fund the Cobalt Building

A discussion ensued regarding encumbrances; Mr. Kent said we have bids for electricity and restrooms that will be coming forth for approval by Council at the June 10<sup>th</sup> meeting. Steve Dobrinich reported the electrical update bid is for \$24,000 and the restroom remodel is \$37,500, these changes would make the building useable.

Further discussion ensued on the lack of donations and financial partners, while those supporting the proposed budget amount of \$100,000 discussed placing the funds in contingency and move forward with the appointment and charge for a Parks Advisory Board to look into what could be done in the immediate future as previously discussed.  
1:44

Mayor Stram reiterated he is in support of placing the \$100,000 in a contingency fund which would only be able to be spent should the Council choose to use the monies, do the updates to get the doors open and use the building as much as possible and take another look at it in April of next year to see if we want to keep or sell the building.

Dave Stram moved Lacey Risdal seconded that the Budget Committee appropriate \$50,000 into a contingency fund that could be used for further improvements to the Cobalt Building during the 2013-14 fiscal budget year. Mr.

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Gifford asked for discussion. Ms. Campbell asked how the \$50,000 would be used and Mayor Stram replied it would be at the Council's discretion to further enhance the Cobalt Building along the lines of the ad hoc committee's priorities (electricity, HVAC, bathrooms and the teen center). Discussion ensued regarding completion of this work in phases or on rooms as needed.

Jacob Daniels said it would be his preference to allocate \$20,000 to youth services as he would like to determine the level of interest in activities before spending a lot of money on the building.

Adam Pelatt responded he feels the correct question should be "How can the Cobalt Building best serve the youth of our community". He is in favor of upgrading the electrical system and restrooms in order to utilize it or sell it.

Mr. Bellew said the bids received for the electrical and restroom remodel work are more guesstimates. He is finding it hard to receive complete/firm bids without an engineered plan so we know what we want done.

Ms. Walters in response to Mr. Morgan stated that should the building be sold, the funds would need to go back into parks for that general vicinity of town.

Discussion ensued regarding the Willamalane survey taken a couple of years ago and how skate parks are still of interest to today's youth. Another consideration to think about should the council decide to use the Community Center instead of upgrading the Cobalt building are the other users of that facility. Many groups use the Community Center for receptions; book sales and various gatherings and it this would remove their option for a venue.

Steve Dobrinich responded to Mayor Stram's question on staffing a teen center vs a community event by saying if you have non staffed events, there wouldn't be operating costs. One of the challenges with the building is it has been forgotten about; you plant the seed, create the program in the space and get folks in there on a limited bases to begin with and grow it from there. The Library, School District and Willamalane have all expressed interest in using the space for programming.

Mr. Gifford reiterated the motion: to set aside \$50,000 in contingency so that the newly reformed Parks and Recreation Committee can make a recommendation for Council approval of usage for further improvements to the Cobalt Building during the 2013-14 fiscal year.

Voted on and the motion carries 7-6 with Committee members Gifford, Campbell, Bonn, Morgan, Risdal, Sturgess and Mayor Stram voting in favor and members Reynolds, Vincent, O'Connell, Daniels, Pelatt and Woodland voting in opposition.

**Receive Public Comment on the proposed budget**

John O'Connell, Creswell resident addressed the committee to commend them for their service to the community and the process used.

**Formal recommendation to the governing body, to either adopt the budget as presented or as amended**

Holly Campbell moved Jane Vincent seconded to approve the budget as amended to include the following changes and recommend it to the Council for formal adoption: (The changes will be the totals that will appear in the budget not the amount of the change unless otherwise noted)

- 2% CPI for Personal Services- (The budgeted amount will increase by \$8,919)
- \$1,000 for the Skate Plaza
- \$7950 for Community Center electricity
- \$5,000 to the Parks committee to complete whatever the council determines is necessary
- \$7,000 for Summer Recreation
- \$2,000 for Family Relief Nursery
- \$3,500 to Community Food for Creswell
- \$2,600 to Community Sharing
- \$1,800 to South Lane Wheels
- \$2,000 to Senior Meals

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- \$7,000 for a new account for Community Charities

The offsetting entries to those changes would be made to the ending fund balances of the funds they effect. The only thing that effects more than the general fund is the CPI for personal services. Also including the changes made by the budget officer:

- \$42,000 for Wetlands Inventory
- \$5,000 for an Emergency Preparedness Plan
- \$60,000 for a Transportation Systems Plan
- \$70,000 for a Stormwater Master Plan
- \$6,000 towards Equipment and Maintenance at the Community Center
- \$5,000 correction of the Capital Outlay total
- \$1.00 rounding error in the Building Department Fund for Materials and Services bringing that total to \$50,755
- \$50,000 in contingency for the Cobalt Building

Mr. Gifford asked for discussion and A.J. O'Connell said he cannot vote for this budget because of his principles. Jacob Daniels also stated he does not support this budget. Mr. Gifford pointed out we are proposing to put \$50,000 in contingency for the Cobalt Building. Jane Vincent asked about state law and if the Council has to approve a budget by June 30<sup>th</sup>. Ms. Nichols stated the legal ramification of not adopting a budget means the city does not have the legal authority to do business. Mr. Kent stated once the budget is recommended to the Council, the Council can only change it by 10%.

Voted on and the motion carries with Committee members Mayor Stram, Lacey Risdal, Holly Campbell, Sue Sturgess, Keith Morgan, Brent Gifford, Adam Pelatt and Tim Bonn voting in favor and Nora Reynolds, Jane Vincent, AJ O'Connell, Jonathon Woodland and Jacob Daniels voting in opposition.

**Formal approval of the ad valorem tax rate of 2.6705 per \$1,000 of assessed value, to be certified by the tax assessor**

Jacob Daniels moved Adam Pelatt seconded the approval of the ad valorem tax rate of 2.6705 percent per thousand of assessed value to be certified by the tax assessor as presented. Voted on and the motion carries unanimously.

**Adjournment**

Budget Committee Chair Brent Gifford asked if there was any other business, there being none, Mr. Gifford adjourned the meeting at 9:47 pm.

  
Roberta J Tharp, City Recorder

  
Budget Committee Chair