City of Creswell
Council Work Session Minutes
March 23, 2015

Council Present:		Staff Present:	
Omar Bowles	Richard Heyman	Michelle Amberg	City Administrator
Adam Pelatt	Dave Stram	Roberta Tharp	City Recorder
Ted Romoser	Jane Vincent	Cliff Bellew	Public Works Director
Holly Campbell		Christy Wurster	Budget Director
		Shelley Humble	Airport Manager
		Maia Hardy	RARE Participant
		Maddie Phillips	Planning Tech.

Council Absent: 0

Press: 0

Audience: 9

The City Council work session was called to order by Mayor Dave Stram at 6:06 pm.

Mayor Stram passed out an update to the Council Committee charges issued in January and noted some additional items:

*Transportation and Public Works Committee – Provide a status report on the water rate methodology and the wastewater master plan.
*Finance Committee – Provide a status report on the budget development and a new charge will be issued in April regarding the selection of a new auditor.
*Administration Committee – Provide a status report on the hiring of a Judge Pro-Tem and on the organizational assessment
* Public Safety Committee – Provide a status report on the development of the public education process for the Policing Study
*Cultural Committee – Provide a status report on City Hall 2nd floor décor.
*Economic Development Committee – Provide a status report on the Airport Sustainability Plan

Committee Reports

Parks Advisory Board – Jessica Pelatt

Pocket Parks

Ms. Pelatt presented a proposal from the Parks Advisory Board for a Pocket Park to be located on the NW corner of the parking lot at the corner of 1st and C Street. The board recommends placing two picnic tables with pea gravel or mulch under the benches for employees, citizens and local business owners to enjoy. A small shelter is also recommended so the tables can be used all year. In addition a small bench along with a garbage receptacle and ash trays could be included.

Councilor Campbell asked if there was anything new with the Skate Park project; Ms. Pelatt explained they held a meeting in which there were very few community members in attendance. She continued noting that she will be stepping down as chair of the committee in the very near future and is looking at next steps.

Mayor Stram asked if there were any funds left from the Parking Lot project. Ms. Amberg replied that she would check. Mayor Stram asked if the City has a surplus of items their board is looking for and Ms. Amberg explained that there is currently new landscaping in that area that will have to be transplanted to a different area. She has spoken with Cliff Bellew, Public Works Director who feels that his crew may be able to manufacture the benches. The next step would be for Mr. Bellew to research the benches and tables and bring back a proposal for the Council.

Economic Development Committee – Richard Heyman, Chair

The committee met recently to discuss a plan with several possibilities for the airport. Their next meeting is scheduled for Monday. There have been a couple of business propositions that have come forward he would like to discuss with the committee.

Finance Committee - Ted Romoser, Chair

The committee has met twice this month. On March 9th they met with the Auditor to exchange information and ask questions. It was a good meeting in which the Auditors clarified the audit process and the Council's role in the audit. Mr. Romoser reported that it is his understanding that the audit process is between the State and the City. The Council does not have control of the auditor other than hiring purposes. The Council is not obligated to approve or accept the audit and it is nice to include a statement in the minutes that an audit has been completed and submitted to the state. The committee discussed the 2012 audit's noted deficiencies and the committee was assured that they have been corrected. The committee met again on March 13th to discuss a draft budget calendar and reviewed financial policies. The committee recommends moving toward a multi-year financial plan and will begin recruitment for a new auditor

Transportation and Public Works Committee – Holly Campbell, Chair

The committee is focusing on how to create a water methodology formula for the 2016 – 2017 fiscal year. They would like to work with Carl Brown, author of a book on how to create water rates that will work for the city as well as the community. The committee will continue to work on a public education plan. The committee also met with Adam Sussman, a water resource consultant to discuss potential water rights on federally impounded water and how it affects Creswell. The committee will be bringing back some of their discussions with Mr. Sussman at a later work session. The committee while looking at the methodology is also reviewing policies on water rates and the use of water funds.

Administration Committee – Adam Pelatt, Chair

The Administration Committee has reviewed the applications submitted for the position of Judge Pro-Tem and narrowed the pool down to two finalists. Councilor Pelatt handed the Council copies of resumes submitted by Clarke Rasche and John Kilcullen and briefly reviewed their history. Councilor Pelatt asked the Council to review the resumes and be ready to make a decision at the April Council meeting.

The Administration Committee has an ongoing conversation about an organization review.

Cultural Committee – Jane Vincent, Chair

The Cultural Committee has scheduled a meeting for March 26th. They have reviewed the Seaside's Facility Naming Policy and will be revising it to fit Creswell.

Councilor Campbell asked Mayor Stram if he would revise the committee's charge to change the wording décor to artwork for the City Hall. Due to security reasons, the committee would like to display art on the first floor and save the second floor displays for artwork received from the schools. The committee will be drawing up guidelines for their displays. Mayor Stram noted he will rework the charge.

Public Safety Committee – Omar Bowles, Chair

The Public Safety Committee is waiting for the completion of the Policing Study before they will begin scheduling meetings.

Michelle Amberg asked for an update on the Community Service Grants. Councilor Campbell explained that applications have been received from:

- Creswell First – approved for $2800 to pay attorney fees that will allow them to create a 501C3
- Creswell Food for kids – approved for a $2800 grant
- Looking Glass – was not responsive to grant criteria – the committee is working with them to resubmit their application
- Community Food for Creswell – approved for $2800 for a protein program

These will be placed in the Consent Calendar for Council approval at the April meeting.

Mayor Stram recessed the meeting at 6:38 pm.

At 6:50 Mayor Stram reconvened the meeting.

Mayor Stram excused Councilor Bowles and Vincent from the remainder of the meeting.

The audience decreased to six attendees and Budget Committee members Richard Zetterval, Seth Clark, Patrick Miller and Ron Bittler joined the Council for a training session presented by Budget Director Christy Wurster.

Presentations

Budget Training Workshop - Christy Wurster – Budget Director

Ms. Wurster passed out an outline on pre-meeting topics for budget committee discussions. She reviewed what can and cannot be discussed this evening.

Ms. Wurster presented a Budget Committee Orientation Training powerpoint.
Local Budget Law falls under ORS 294.305 to 294.565 and in order to legally expend monies and levy taxes, the City is required to follow those statutes.

- A Budget is a financial plan containing estimates of revenues and expenditures for a single fiscal year.
- The budget committee consists of the Governing Body and an equal number of appointed citizens who are qualified electors of the city.
- There are nine steps in the budget cycle:
    1. Appoint a budget officer – (Michelle Amberg has be appointed to serve)
    2. Prepare the proposed budget
    3. Public budget notice
    4. Budget committee meets – (Ms. Wurster announced meetings have been set for Tuesday, May 5th and May 19th)
    5. Committee approves the budget (A quorum is required)
    6. Budget summary and notice of budget hearing published
    7. Budget hearing held
    8. Budget adopted, appropriations made, tax levy declared and categorized (This is scheduled for a Special Meeting with a Public Hearing on June 22nd prior to the Work Session)
    9. Budget filed and levy certified

Budget and Fund Structure

The budget is prepared and organized by fund. Different kinds of governmental activities require the use of various types of funds. State statute outlines the basic fund types and how they may be used in the budget and accounting process.

General Fund includes General Administration, Public Safety, Cultural Recreation, Planning and Land Use. Ms. Wurster reviewed the revenues and expenditures outlined within last year's budget.

Enterprise Funds are established to account for the financing of self-supporting activities of governmental units which render services on a user charge basis to the general public.

Special Revenue Funds are funds used to account for revenues derived from specific taxes or other dedicated or restricted revenue sources. Ms. Wurster named some of Creswell's funds that fall into this category:

State Tax Street Fund	State Revenue Sharing fund	Bicycle Foot Path Fund
Building Department Fund	Parks Development Fund	Transportation Enhancement Fund

Reserve Funds – A type of fund established by Ordinance or Resolution to hold moneys to be accumulated and expended for the purposes specified in ORS 280.050 without submitting the question of establishing the reserve fund to a vote of the electors. Money in a reserve fund can only be used for the purpose for which the fund was established; for example a Water or Sewer Reserve Fund.

Bancroft Bond Redemption Fund – A Bancroft bond fund is a type of debt service required to record the debt payments for principal and interest on Bancroft Bonds under ORS 223.205 to 223.295. The Local Improvement District Fund falls under this category.

Capital Projects Funds are created to account for all resources and expenditures used for the building or acquisition of capital facilities that are nonrecurring major expenditure items by a governmental unit except those financed by special assessment and enterprise funds. The Capital Improvement Fund is this type of fund.

Classifying Expenditures

Ms. Wurster noted expenditures are organized within funds by either organizational unit or by program and activities. In Creswell's budget they are organized by department.

Budget Structure – Budget Detail Format

Ms. Wurster gave the committee an overview of how to read the budget detail. Each line item has a description, a column for two prior years of actual information (actual and audited numbers), a column for the budgeted amount for the current fiscal year and a column for the proposed amount for next year (FY 15-16). Once the committee approves the budget and is ready to make a recommendation to the Council for approval, an additional column, "Approved" is added. Once the governing body (City Council) adopts the budget, an "Adopted" column is added.

Ms. Wurster noted that she will be adding a column that will estimate the balance of each line item at the end of the fiscal year in order to provide the committee an idea of what was spent during this current year and help them project what should be budgeted for next year.

Fund Structure Revenues should be reflected by category, separating cash on hand, interest earnings, charges for service, taxes, fees, fines, licenses and permits, transfers and other revenue sources. Revenues should reflect an accurate estimate of what is anticipated during the coming fiscal year and are not appropriated.

Fund Structure Expenditures – In order to lawfully spend money, expenditures must be prepared according to budget law identified by ORS 294.388. The major classifications are – Personal Services, Materials and Services, Capital Outlay, Debt Service, Transfers, Operating Contingency and Unappropriated Ending Fund Balance.

Ms. Wurster explained that operating contingency funds are a set aside in case something unknown at budget preparation comes up. She also reminded everyone that revenues and expenditures must balance.

Fiscal Year 15/16 Budget Process

Tuesday, May 5th – Presentation of the Budget Message
Tuesday, May 19th – Public Hearing and Deliberations on the Budget
Tuesday, June 22nd – City Council Public Hearing and adoption of the budget.
July 15, 2015 – Staff will submit 2 copies of the resolution adopting the budget making appropriations and imposing and categorizing the tax to the County Assessor
September 30th – Staff will submit a copy of the published adopted budget document, including the publication and the tax certification forms to the County Clerk.

A discussion ensued regarding the tight timeline for approval and Ms. Wurster urged the committee members to ask any questions of staff they may have prior to meetings.

Adjournment
There being no further discussion Mayor Stram adjourned the work session at 8:32 pm.

Dave Stram, Mayor

Roberta J Tharp, City Recorder