

Minutes of the
CITY OF CANNON BEACH
BUDGET COMMITTEE

Tuesday, April 27, 2010
Council Chambers

Present: Budget Committee Members Chair Sharon Clyde, Sally Stevens, Nancy Littell and Marty Schwab Harris; Council President Sam Steidel; Councilors Nancy Giasson, Melissa Cadwallader and Wendy Higgins

Excused: Committee Member Herb Florer; Mayor Mike Morgan

Staff: City Manager Rich Mays, Finance Director Renee Sinclair and Administrative Specialist Alisha Smith

CALL TO ORDER

Chair Clyde called the meeting to order at 5:15 p.m.

Motion: Giasson moved to approve the agenda; Steidel seconded the motion.

Vote: Higgins, Stevens, Schwab Harris, Giasson, Steidel, Clyde, Littell and Cadwallader voted AYE; the vote was 8/0 in favor and the motion passes unanimously.

(1) Approval of the Minutes of the Budget Committee Meeting of June 3, 2009.

Motion: Schwab Harris moved to approve the Budget Committee minutes as presented; Higgins seconded the motion.

Vote: Higgins, Stevens, Schwab Harris, Giasson, Steidel, Clyde, Littell and Cadwallader voted AYE; the vote was 8/0 in favor and the motion passes unanimously.

(2) Election of Chair and Vice Chair

Chair Clyde asked for nominations for Chair.

Motion: Stevens nominated Clyde for Chair. Littell seconded the nomination. There were no further nominations.

Vote: Higgins, Stevens, Schwab Harris, Giasson, Steidel, Clyde, Littell and Cadwallader voted AYE; the vote was 8/0 in favor and the motion passed.

Chair Clyde asked for nominations for Vice Chair.

Motion: Cadwallader nominated Florer. Littell seconded the nomination. There were no further nominations.

Vote: Higgins, Stevens, Schwab Harris, Giasson, Steidel, Clyde, Littell and Cadwallader voted AYE; the vote was 8/0 in favor and the motion passed.

(3) Budget Message/Overview

Mays reviewed the role of the Budget Committee as stated in ORS 294.401(1).

In response to a discussion, Giasson commented that the City Council determines budget priorities.

Mays reviewed funds and provided an overview for FY 2010-2011. He noted that five of the eight operating funds are Enterprise Funds. The RV Park, Recycling, Water, Wastewater, and Storm Funds are not tax supported.

In response to a question by Giasson, Sinclair reviewed that the Roads Fund is separate from the General Fund because it is partially supported by Highway taxes and revenue is shared by the State of Oregon.

In response to a question from Stevens, Sinclair reviewed that the Storm and Roads Funds are not expected to have a fund balance carryover. Mays added that funds are transferred from the General Fund to balance the Storm and Roads Funds.

Committee members discussed a proposed 3% rate increase on utility bills.

In response to a question by Clyde regarding the potential utility bill increase, Mays stated that the increase would be effective July 1, 2010. Sinclair stated that customers will be notified via their utility bill prior to increase.

Mays commented that this will be the first water rate increase in 7 years.

Sinclair reviewed the Utility Rate Analysis FY 2010-2011, noting that the utility rate increase would be approximately \$1.10 for monthly minimum residential utility bills.

Mays reviewed the General Fund proposed expenditures - Personal Services, Materials and Services, Capital Outlay and Transfers. He reviewed that there is an increase in Materials and Services to provide for more community grants and to provide more funds for restrooms, trash and litter services.

Mays lead a discussion on special requests. He noted that Mayor Morgan has asked that funds be established for the summer concerts in the park.

In response to a question from Littell, Sinclair confirmed that the Cannon Beach Arts Association may apply for funding from the potential Arts and Tourism Fund.

Mays reviewed the Budget Analysis Detail FY 2011.

Sinclair noted a correction under Capital Projects - Water Fund, CPS Solution should be GPS Solution.

(4) Future Meeting Schedule

Committee members scheduled the next meeting for Wednesday, May 5th at 5:15pm and subsequent meetings for Monday, May 10th and Wednesday, June 2nd at 5:15pm.

PUBLIC COMMENT ON PROPOSED BUDGET

There was none.

INFORMATIONAL ITEMS

(5) Good of the Order

There was none.

Meeting was adjourned at 6:55

ATTEST:

Alisha Smith, Administrative Specialist

Sharon Clyde, Chair