

Minutes of the  
**CITY OF CANNON BEACH**  
**BUDGET COMMITTEE**

Monday May 10, 2010  
Council Chambers

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

Excused: None.

Staff: City Manager Rich Mays, Finance and IT Director Renée Sinclair, Public Works Director Mark See, Building Official Mark Brien and Administrative Specialist Alisha Smith

CALL TO ORDER

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

Motion: Stevens moved to approve the agenda; Florer seconded the motion.

Vote: Higgins, Stevens, Schwab Harris, Giasson, Steidel, Clyde, Littell, Florer, Morgan and Cadwallader voted AYE; the vote was 10/0 in favor and the motion passes unanimously.

**(1) Approval of the Minutes of the Budget Committee Meeting of May 5, 2010.**

Motion: Cadwallader moved to approve the Budget Committee minutes of May 5, 2010 as presented; Stevens seconded the motion.

Vote: Higgins, Stevens, Schwab Harris, Giasson, Steidel, Clyde, Littell, Florer, Morgan and Cadwallader voted AYE; the vote was 10/0 in favor and the motion passes unanimously.

DISCUSSION ITEMS

**(2) Other Funds**

City Manager Rich Mays reviewed the Tourism and Arts Fund.

Building Official Mark Brien reviewed the Building Official Fund.

Mays reviewed the RV Park Enterprise Fund. Mays noted that Escape Lodging is contracted to manage the RV Park. In response to a question from Schwab Harris, Sinclair reviewed that auditors perform a 'desk review' of the Escape Lodging's books. In response to a question from Morgan, Sinclair noted that of the 1.2 million revenue the City of Cannon Beach nets \$100,000. Sinclair led a discussion on allocation of funds.

Mays reviewed the Recycling Enterprise Fund. Mays noted that funds for the relocation of the Wastewater Plant will be transferred from the Recycling Enterprise Fund. Mays led a discussion regarding the Commingled Recycle Program. In regards to a question from Schwab Harris, See replied that Materials & Services are more accurately tracked and broken down into separate items.

Mays reviewed the Water Enterprise Fund. Morgan led a discussion regarding re-evaluating water and sewer rates. Sinclair noted that the City now has software to survey and evaluate the City's rates and will be re-evaluating mid year. In response to a question by Florer, See noted that the GPS Solution, page 46, line item 9, is part of the City's GIS service and will incorporate the City's underground infrastructure into the GIS Mapping.

Mays reviewed the Wastewater Enterprise Fund. In response to a question from Clyde, Sinclair noted that a \$100,000 cash carryover is estimated. Sinclair led a discussion regarding Personal Services. In response to a question from Morgan, See noted that fees may be allocated for an engineering study to review possible energy

saving updates for the Sewer Treatment Plant. In response to a question from Morgan, Sinclair noted that the City has retired the 2003 GO Bond.

Mays reviewed the Storm Drain Enterprise Fund. Sinclair noted that Storm-Water Testing will be moving to Materials and Services. In response to a question from Giasson, Sinclair noted that page 53, line item 8 will be changed from 'PW-16 Little Pompey' to 'Downtown Storm-Water Testing'.

Mays reviewed the Debt Service Fund. In response to Committee discussion Sinclair noted that the North Entrance Payment to the State of Oregon is budgeted for 10 years. In response to Committee discussion Sinclair noted that the bond payment for the acquisition of the 800 acres will be reflected in the next fiscal year. Sinclair led a discussion regarding bond issues.

Mays discussed the Roads Fund and its resources with the Committee.

Mays reviewed the RV Park R & R Fund. In response to a question from Morgan, See noted that the City will be refurbishing some of the RV Park sites.

Mays reviewed the Roads R & R Fund. In response to Committee discussion, Mays noted that monies have been transferred from the General Fund to Maintenance Reserve for the Ecola Bridge.

Mays reviewed the Recycling R& R Fund. In response to a question from Schwab Harris, Sinclair noted that last year \$164,015 was transferred from the Recycling Fund into the Recycling R & R Fund and this year \$140, 970 will be transferred from the Recycling R & R Fund into the Recycling Fund to support capital projects.

Mays reviewed the Water R & R Fund, the Wastewater R & R Fund and the Storm Drain R & R Fund.

Mays reviewed the General Government R & R Fund. Sinclair noted that the City would like to combine the General Reserve with the Transient Lodging Reserve.

Mays reviewed the Administrative Services Fund. In response to Committee discussion, Sinclair noted that the City attorney is considered an irregular employee and not paid through payroll. In response to a question from Clyde, Mays noted that the fees for the Oregon Government Ethics Commission Workshop are located on page 77, line item 3. Also, in response to a question from Clyde regarding new line item 16, page 80, Mays noted that the City would like to hire someone to help maintain the City's website. Mays noted that the Public Works Administrative budget is a new item this year.

#### PUBLIC COMMENT ON PROPOSED BUDGET

There was none.

#### INFORMATIONAL ITEMS

##### **(5) Good of the Order**

There was none.

Meeting was adjourned at 7:42 p.m.

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Alisha Smith, Administrative Specialist

ATTEST:

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Sharon Clyde, Chair