



**Minutes of the Molalla Budget Committee Meeting
Molalla Adult Center
315 Kennel Ave., Molalla, OR 97038
Wednesday, January 24, 2018**

- 1. CALL TO ORDER OF THE MOLALLA BUDGET COMMITTEE MEETING;** the special meeting of January 24, 2018 was called to order by motion of Councilor Palumbo and Councilor Swigart seconds. Motion carries 7-0 all ayes at 6:40 pm.

COUNCIL ATTENDANCE:

Mayor Jimmy Thompson – Present
Councilor Elizabeth Klein – Present
Councilor Leota Childress – Present
Councilor DeLise Palumbo – Present
Councilor Glen Boreth – Present
Councilor Cindy Dragowsky – Present
Councilor Keith Swigart – Present
Chair Jorgensen – Present
Rory Cramer – Present
Stephanie Nice – Present
Jody Newland - Present

STAFF IN ATTENDANCE

Dan Huff, City Manager - Present
Gerald Fisher, Public Works Director - Present
Chaunee Seifried, Finance Director – Present
Rod Lucich, Police Chief - Absent
Kelly Richardson, City Recorder - Present
Diana Hadley, Library Director - Absent
Chad Jacobs, City Attorney - Absent

2. COMMUNICATIONS, PRESENTATIONS, and PUBLIC COMMENT

a) Appoint New Budget Chairman to Budget Committee,

MOTION by Councilor Childress: To appoint Mitch Jorgenson as Chair. Second by Councilor Swigart. Motion carries 11-0 all ayes.

b) Appoint New Vice Chair to Budget Committee,

MOTION by Councilor Klein to appoint Jody Newland as Vice Chair. Second by Councilor Dragowsky. Motion carries 11-0 all ayes.

c) Appoint New Secretary to Budget Committee,

MOTION by Councilor Childress to appoint Stephanie Nice as Budget Secretary. Second by Mayor Thompson. Motion carries 11-0 all ayes.

3. ADOPTION OF THE AGENDA

MOTION by Mayor Thompson: To approve the January 24, 2018 agenda of the Supplemental Budget as presented. Second by Councilor Boreth. Motion carries 11-0 all ayes.



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4. REPORTS AND ANNOUNCEMENTS,

a) City Manager, Dan Huff

- Thanks everyone for their attendance.
- Supplemental Budgets are commonplace.
- These changes are a direct result of utility rates changes and revenue share dollars both of which are revenue into the city.

b) Staff, Chaunce Seifried,

- Thanks Everyone for attendance
- Explains that because of the 10% change in the appropriation then there must be a *Supplemental Budget*.
- Police Department Restricted Fund, Storm Water Fund, Sewer SDC Fund and Transportation SDC Fund are all over the 10% threshold in a positive number.
- At the time of preparation of the 2017-2018 budget, the City did not have information to base estimates on State and Local Shared Revenue. We have now received funds for last year, part of the current year and estimates through the end of the fiscal year totaling \$166,000.00. The *Supplemental Budget* addresses this. It was distributed as follows \$50,000 for vehicle replacement. \$50,000 into Police Operations. \$46,000 into the Parks Department and \$20,000 into the City Council Projects Fund, which includes banners.
- The Sewer Rate increased by 6.48% which was \$241,000 and Storm Water rates were increased by 20.3% \$134,460.
- The project being funded is the Fenton Street project along with CDBG Grant dollars of \$132,000.
- Chair Jorgenson confirms this rate increase was completed in June 2017.
- Mayor Thompson explains that Council and Budget Committee decided rather than estimate a rate increase and dollars coming in they would wait until Council had an opportunity to review and adopt a resolution.
- No more questions of staff at this time.

5. PUBLIC HEARING,

MOTION by Chair Jorgenson; To open the Supplemental Budget Public Hearing at 6:49 PM. Second by Mayor Thompson. Motion carries 11-0 all ayes.



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Hearing no participation or comments from the audience the hearing is closed.

MOTION by Mayor Thompson: To close the Supplemental Budget Public Hearing at 6:50 PM.
Second by Councilor Boreth. Motion carries 11-0 all ayes.

- a) **Discussion and/or Action on the Supplemental Budget** and Appropriations of Funds for FY 2017/2018. At this time, members discussed the need for the Supplemental Budget and ask clarification questions of staff. Specifically the sewer fund line items of \$233,000. Public Works Director, Gerald Fisher explains that due to the rate increases and the dollars collected from that, City then transferred into the SDC funds in order to fund the Fenton Street project. It is also clarified that if we do not complete the process City would default on the \$132,000 grant.
- Mayor Thompson explained that by adopting the budget Council gives staff the authority to spend the dollars budgeted. Although it is a burden to reconvene the Budget Committee, it is more fiscally responsible without a rate increase in it because it had not happened yet.
 - Councilor Klein asks for the difference between what was actually budgeted for and what was received in Revenues Share dollars. Finance Director Seifried stated that what the City budgeted for was just a placeholder until there was sufficient information. The amounts that are currently in the supplemental is the revenue received for the prior year FY 16-17, this FY so far for July-December, 2017 as well as what is projected to be receive for January-June 2018.

MOTION by Member Newland: To recommend adoption of the Supplemental Budget. Second by Councilor Swigart. Motion carries 11-0 all ayes.

6. NEW BUSINESS

- a) NA

7. OLD BUSINESS

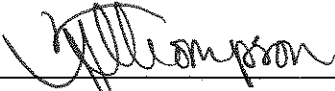
- a) NA



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8. ADJOURN

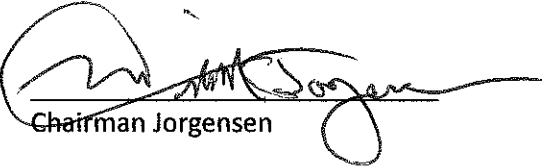
MOTION by Councilor Childress: To adjourn the Supplemental Budget meeting of January 24, 2018 6:59 pm.
Second by Chairman Jorgensen. Motion carries all ayes (11-0).



Mayor, Jimmy Thompson

5/2/18


Date



Chairman Jorgensen

5/2/18

Date

ATTEST: 

Kelly Richardson, CMC
City Recorder