

MEETING MINUTES
CITY OF SISTERS BUDGET COMMITTEE
520 E. CASCADE AVENUE.
MAY 27, 2015

MEMBERS PRESENT:

Chris Frye Mayor
David Asson Councilor
Bill Hall Councilor

STAFF PRESENT:

Andrew Gorayeb City Manager
Lynne Fujita-Conrads Finance Officer
Paul Bertagna Public Works Director
Patrick Davenport Comm. Dev. Director
Kathy Nelson City Recorder

COMMITTEE MEMBERS:

Chuck Ryan Budget Chair
Vern Renner Committee Member
Kathryn Lindbloom Committee Member
Sue Boettner Committee Member

ABSENT:

Wendy Holzman Councilor
Nancy Connolly Councilor
Chris Vogelsand Committee Member

I. RECONVENE

Budget Chair Ryan called the meeting to order at 6:15 p.m.

II. PREVIOUS MEETING FOLLOW-UP

Budget Chair Ryan stated the Committee would begin by completing its review of the funds left from the previous budget meeting.

III. BUDGET PRESENTATIONS

A. Water Fund

- A 3% increase in revenue was budgeted due to growth.
- In partnership with the City, the Sisters Airport and Energyneering are receiving a grant through Infrastructure Finance Authority (IFA) tied to job creation for water and sewer line projects.
- The City experiences a water loss of approximately 14-15% due to water use for firefighting and water meters that are not tracking usage properly.
- The City implemented a water meter replacement program a few years ago.
- There was discussion on a handout from Councilor Asson on Capital Improvement Plan (CIP) projects and whether the City has adequately researched and made plans for future water system projects that have been postponed for a number of years. He questioned why a rate study had not yet been completed. **Director Bertagna** replied a lot of work has been completed and evaluation of the entire system was still ongoing. **Manager Gorayeb** stated one need that was known was a generator for Well #3. He stated when the CIP was fully revised, the City would look at the rate structure. He stated the issue of

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rate payer equity still needed to be addressed so low water users were not continuing to subsidize larger water users.

- An updated CIP, for Council review, will be completed prior to the end of the 2014/15 fiscal year.

B. *Water SDC Fund*

- Revenue is anticipated to remain flat.
- The Barclay Square waterline improvement project is scheduled to be completed.
- \$25,000 is budgeting as a pace holder each year in anticipation of the City upsizing a developers waterline projects.

Mayor Frye arrived at 6:50 p.m.

C. *Sewer Fund*

- A 3% increase in revenue was budgeted.
- Debt service payments are reduced due to the refinance of debt.

D. *Sewer SDC Fund*

- Debt service payments for the Lazy Z property are made from the Sewer SDC Fund

E. *Park SDC Fund*

- Revenue is anticipated to remain flat.
- The City is hoping to receive a grant to install restrooms at Clemens Park.

F. *Parking District Fund*

- Revenue is derived from a Business Licenses fees of \$.05 per square foot for businesses in the Parking District.
- It costs approximately \$20,000 per half block to install parking spaces.
- Reimbursement Districts are set up when the City installs parking and sidewalk improvements that benefit property owners. The amount owed declines at a set percentage each year till it reaches a 50% minimum. Payment is due when the property is developed or sold.

G. *City Hall Debt Service Fund*

- Revenue is received from all operating funds to help pay the annual debt service payment.
- Annual debt service payments have decreased by 60% due to a refinance of the debt.

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IV. DISCUSSIONS AND MOTIONS

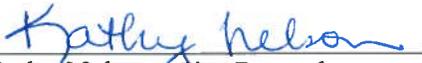
Mayor Frye moved that the Budget Committee of the City of Sisters approve taxes for the 2015/16 fiscal year at the rate of \$2.6417 per \$1,000 of assessed value for the permanent rate tax levy. Councilor Hall seconded the motion. The motion carried unanimously.

Mayor Frye moved that the Budget Committee of the City of Sisters approve the budget for fiscal year 2015/16 in the amount of \$11,588,610 and further, that it be forwarded to the City Council for consideration and adoption during a regular session currently scheduled on June 25, 2015. Councilor Hall seconded the motion. The motion carried unanimously.

V. ADJOURN

The Budget Committee Meeting was adjourned by Budget Chair Ryan at 7:30.

Respectfully submitted,


Kathy Nelson, City Recorder


Chris Frye, Mayor