

CITY OF GEARHART
Budget Committee Meeting
Tuesday, April 18, 2023
6:00 pm On-site and Virtual/Telephonic

A budget committee meeting of the Gearhart Budget Committee was held Tuesday, April 18, 2023. Budget Committee members, City staff, and the public were able to attend on-site, virtually, or by dialing in on a telephone.

Present were Mayor Kerry Smith, Councilor Reita Fackerell, Councilor Dana Gould, Councilor Preston Devereaux, City Administrator Chad Sweet, Budget Member Eric Halperin, Budget Member Sharon Kloepfer, Budget Member Curt Penrod, Executive Assistant Krysti Ficker, and City Treasurer/Budget Officer Justine Hill. Budget Member Charles Iverson and Dianne Widdop were absent. A quorum of the Budget Committee was present.

Mayor Smith called the budget meeting of the Budget Committee to order at 6:00 pm.

There were no conflicts of interest declared by any member of the Budget Committee.

There was a call for nominations to elect a chair for the Budget Committee.

- ON MOTION by Budget Member Kloepfer, 2nd by Budget Member Gould to approve Budget Member Halperin as the Budget Committee Chair, MOTION was approved 6 yeas (Devereaux, Fackerell, Gould, Kloepfer, Penrod, Smith) - 1 nays (Halperin).

There was a call for nominations to elect a secretary (recorder) for the Budget Committee.

- ON MOTION by Budget Member Gould, 2nd by Budget Member Smith to approve Budget Member Kloepfer as the Budget Committee Secretary (Recorder), MOTION was approved 7 yeas (Devereaux, Fackerell, Gould, Halperin, Kloepfer, Penrod, Smith) - 0 nays.

Budget Chair Halperin invited Budget Officer Hill to present the budget information. Budget Officer Hill explained the budget message would be read aloud. She encouraged Budget Members to flag information as she presented so they could follow-up.

The budget message was read and the Budget Members received the proposed budget. Budget message highlights included personnel costs, the creation of a new Building (Structural, Plumbing, Mechanical) Fund,

financial instability in the Water (Operating) Fund, elimination of the Water Improvement Construction Fund, reserve funds, American Rescue Plan projects, and the elimination of the Capital Project Fund.

Budget Officer Hill transitioned into discussion using the Budget Narrative supplemental document provided to the Budget Members. The introduction covered the definition of a budget, types of funds in the budget document, and budget format. To eliminate redundancy, Budget Officer Hill went over payroll assumptions that impact personnel costs. Items covered were cost of living, workers' compensation rates, retirement increases, insurance benefit costs, unemployment rates, and workers' assessment benefit.

Budget Officer Hill explained that only important or significant changes were presented during the budget meeting. She went over items in each of the following: Page 1 and 2 Resources General Fund 10; Page 3 and 4 Administrative Department 10-10; Page 5 Building Department 10-11; Pages 6 and 7 Police Department 10-12; Pages 8 and 9 Fire Department 10-13; Page 10 Non-Departmental 10-14; Page 11 Municipal Court 10-15; Page 12 Planning Department 10-17; Page 13 Parks Department 10-18; Pages 14 and 15 General Funds Summary All Departments; Page 16 Debt Services Fund 20; Page 17 Debt Service Payment Schedule; Page 18 Water Improvement Construction Fund 25; Pages 19, 20 and 21 Water (Operating) Fund 30; Pages 22 and 23 Building (Structural, Plumbing, Mechanical) Fund 40; Pages 24 and 25 State Revenue Sharing Fund 45; Pages 26 and 27 State Street Fund 60; Page 28 Water Reserve Fund 71; Page 29 Police Car Reserve Fund 72; Page 30 Fire Apparatus and Equipment Reserve Fund 74; Page 31 Hazardous Mitigation Fund 75; Page 32 Public Works Major Equipment Reserve Fund 78; Page 33 Building Reserve Fund 79; Page 34 Gearhart Road District Fund 50; Page 35 Supplemental Salary Information; and Supplemental Information.

There was discussion, which included: renters versus property owners, impacts of increased population, water operating rates, system development fees, training allocations for the new police officer, allocations for legal services, a request for a summary of all Funds in the budget on one page, and access to a current year's revenues and expenditures report. Budget Officer Hill went over the next steps. The next scheduled meeting is Thursday, May 4. The meeting will include public comment and a public hearing on allocation of the State Revenue Sharing Funds to grant applicants.

Budget Chair Halperin requested adjournment.

- ON MOTION by Budget Member Smith, 2nd by Budget Member Gould to adjourn the Budget Committee meeting, MOTION was approved 7 yeas (Devereaux, Fackerell, Gould, Halperin, Kloefer, Penrod, Smith) - 0 nays.