

CITY OF GEARHART
Budget Committee Meeting
Tuesday, April 16, 2024
6:00 pm On-site and Virtual/Telephonic

A budget committee meeting of the Gearhart Budget Committee was held Tuesday, April 16, 2024. 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 Preston Devereaux, Councilor Reita Fackerell, Councilor Dana Gould, Councilor Sharon Kloepfer, Budget Member Paulina Cockrum, Budget Member Jennifer Grey, Budget Member Eric Halperin, Budget Member Robert Lee, Budget Member Curt Penrod, City Administrator Chad Sweet, Executive Assistant Krysti Ficker, and City Treasurer/Budget Officer Justine Hill. A quorum of the Budget Committee was present.

Mayor Smith called the budget meeting of the Budget Committee to order at 6:02 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 Halperin, 2nd by Budget Member Gould to approve Budget Member Cockrum as the Budget Committee Chair, MOTION was approved 9 yeas (Devereaux, Fackerell, Gould, Kloepfer, Smith, Grey, Halperin, Lee, Penrod) - 0 nays - 1 abstain (Cockrum).

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 Fackerell to approve Budget Member Grey as the Budget Committee Secretary (Recorder), MOTION was approved 9 yeas (Devereaux, Fackerell, Gould, Kloepfer, Smith, Cockrum, Halperin, Lee, Penrod) - 0 nays - 1 abstain (Grey).
- Budget Member Grey requested clarification on the duties. Budget Chair Cockrum explained that verifying accuracy of minutes was the primary responsibility.

Budget Chair Cockrum invited Budget Officer Hill to present the Budget Message. Budget Officer Hill went over the documents given to the Budget Committee, which were the agenda, budget narrative, budget, and a State revenue sharing envelope. She noted that the State revenue sharing envelope contained grant applications, which would not be reviewed at the meeting; however, would require Budget Members to review before the next meeting.

Budget Officer Hill read aloud the budget message and the Budget Members received the proposed budget. Budget message highlights included: restricted growth on major revenue sources (property tax, transient room tax) with increasing personnel costs; salary schedule adjustments; overview of the actions in the Water (Operating) Fund; creation of new Bench Program Fund, reserve funds, American Rescue Plan projects, and the initiation of exploring the options of a public safety facility. Budget Officer Hill noted one minor grammatical correction on the Budget Message (*second paragraph of the second page - Car instead of Care*).

Budget Officer Hill transitioned into discussion using the budget narrative supplemental document provided to the Budget Members. She encouraged Budget Members to flag information or request clarification while she went through the budget. 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 a salary cost of living adjustment, workers' compensation rates, retirement (PERS), insurance benefit costs, unemployment rates, and workers' assessment benefit.

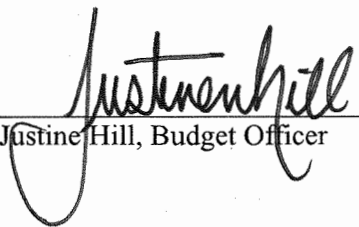
Budget Officer Hill explained that only important or significant changes were presented during the budget meeting. She read aloud the budget narrative document, which went over items on the following pages in the budget document: Page 1 and 2 Resources General Fund; Page 3 and 4 Administrative Department; Page 5 the elimination of the Building Department; Page 6 Police Department; Pages 7 and 8 Fire Department; Page 9 Non-Departmental; Page 10 Municipal Court; Page 11 Planning Department; Page 12 Parks Department; Pages 13 and 14 General Funds Summary All Departments; Page 15 Debt Services Fund; Page 16 Debt Service Payment Schedule; Page 17 Water Improvement Construction Fund; Pages 18, 19 and 20 Water (Operating) Fund (*water rate correction date, July 21, 2024*); Pages 21 and 22 Building (Structural, Plumbing, Mechanical) Fund; Page 23 Bench Program Fund; Pages 24 and 25 State Revenue Sharing Fund; Pages 26 and 27 State Street Fund; Page 28 Water Reserve Fund; Page 29 Police Car Reserve Fund; Page 30 Fire Apparatus and Equipment Reserve Fund; Page 31 Hazardous Mitigation Fund; Page 32 Public Works Major Equipment Reserve Fund; Page 33 Building Reserve Fund; Page 34 Gearhart Road District Fund; Page 35 Supplemental Salary Information; and Page 36 Supplemental Information.

There was discussion, which included: inquiry on impacts that increase property tax higher than the three percent growth rate (e.g., appraisals, new construction); inquiry on reference to Georgia Pacific and SIP (not in Gearhart's taxing district but impacts all of Clatsop County's assessed value); clarification on separation of accounts (Water Billing Program versus Technology Software/Hardware); clarification on water rate approval and if a late payment fee had been implemented (would need final Council's approval); and exploration of system development fees (not an action item at this time).

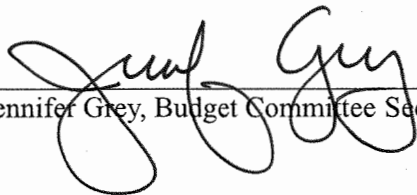
The next scheduled meeting is Tuesday, May 14, 2024, which was also noted as an agenda correction (*listed as Thursday*). The meeting will include public comment and a public hearing on allocation of the State Revenue Sharing Funds to grant applicants.

Budget Chair Cockrum requested adjournment.

- ON MOTION by Budget Member Gould, 2nd by Budget Member Fackerell to adjourn the Budget Committee meeting, MOTION was approved 10 yeas (Devereaux, Fackerell, Gould, Kloepfer, Smith, Cockrum, Grey, Halperin, Lee, Penrod) - 0 nays.



Justine Hill, Budget Officer



Jennifer Grey, Budget Committee Secretary (Recorder)