

The meeting was called to order by Mayor Ed Glenn at 6:35 p.m. Roll call was taken:

Council and Budget Committee members:

Ed Glenn, Pam Docken, Randy Yates, LuAnn Huffman, LaVern Gertlar, Ray Michael, Blaine Ganvoa, Mick Tolar, Paul Beagle, Christie Perry(6:40p.m.), Jim Hollandsworth (6:45 p.m.), Dr. Robert Boss (6:50 p.m.)

Absent: Steve Doherty and Tom Meyers

Staff: Rex Mather-City Manager, Lila Killingbeck-Recorder, Tom Kligel, Brett Cook, Dave Winters, and John Zeiler,

Audience: None

Mayor Glenn thanked everyone for attending, and opened the floor for nominations for chairman for the 2007-08 Budget Committee. The nominees were: Jim Hollandsworth, Mick Tolar, and Ray Michaels.

Christie Perry arrived (6:40 p.m.)

Roll call vote was taken: <u>Hollandsworth</u>	<u>Tolar</u>	<u>Michael</u>
Docken	Beagle	Yates
Hollandsworth-not in attendance	Gertlar	Huffman
Dr. Boss-not in attendance	Michael	Perry
(at the time of the vote)		Glenn
		Ganvoa
		Tolar

Mr. Michael was elected Chairman.

The ground rules were established: There would be a 2 hours time limit the meeting with a 5 minute break at the 1 hour mark.

City Manager Mather introduced 2 new members of the budget committee: LaVern Gertlar and Blaine Ganvoa. City Manager Mather gave the budget message. He explained some of the main issues that had gone into the preparation of the Budget. City of Boardman assessed value is \$245m which has been reduced by \$7m from last year primarily due to depreciation of PGE-Coyote Springs power plant facility. There also will be an estimated \$80,000 reduction of taxes collectable because of tax levy compression. There has been an estimated 15% Health insurance increase and a 4% property/liability insurance increase.

Jim Hollandsworth arrived (6:45 p.m.)

The General Obligation Bonds will require \$425,000 payments this next year, which calculated to \$1.72 per \$1,000 assessed value for tax collection. This is \$.16 less that was levied last year.

City Manager Mather explained the small increases in the Police Department budget.

Dr. Boss arrived (6:50 p.m.)

There was an increase in the personnel cost for the new detective position, which was filled in March this current year. There was also a cost increase for additional vehicles that have been purchased through the Ford Lease program. City Manager Mather pointed out that there had also been a significant increase of calls for service from last year. There was a discussion regarding the costs for Police department, and that the cost of operations had been able to be controlled so that there would be a \$30,050 increase in the 2007-08 Budget. Dr. Boss pointed out that there had been an increase from \$81.00 per hour to \$100.00 per hour which he thought was a significant change to the budget. There was a discussion which clarified the current staffing levels, which is a Chief, Lieutenant, Detective Sergeant, 5 patrolmen, and an office manager.

There was a detail worksheet passed out with information regarding the transfer line items explaining the transfers in and out. There was a discussion regarding the transfers into the General Fund from the Enterprise Funds for Office Rent. This is a new item that has been discussed in the past but was implemented for the 1<sup>st</sup> time this year. A square footage allocation was used for the total facility cost.

There was a discussion regarding revenue for Water Fund. There was a discussion regarding the Industrial, commercial, and residential water rates. At this time the Water fund budget is bases on existing fees. Anderson Perry, Inc. has been working on a rate study for both water and sewer. The completion of this study should be completed in the next month. The last study was completed about 5 years ago.

Chairman Michael called for a 5 minute recess. (7:50 p.m.)

Meeting reconvened.

Change in the Sewer Fund was the Intergovernmental Agreement with the Port of Morrow for the East Beach Industrial area for sanitary sewer services. The IGA is in place but there has not been a date established for start dates, so the revenue was not included.

There was a discussion regarding the income that would be received from Morrow County should the 5-year Road Tax Levy pass which is on the May ballot. City Manager Mather explained that according to ORS the cities of Morrow County would receive their share of this Road Levy just the same as the existing road taxes. Boardman would receive about \$230,000 per year addition revenue. There were funds budgeted to purchase new Jet/Vac truck with a 3 fund split for Public Works equipment.

Building Fund budget is anticipated to remain high because of increased industrial building projects in Morrow County. There is an inter-fund loan budgeted out of the Building fund to purchase the Jet/Vac Truck for the Public Works. This loan would need to be paid back with interest during the next budget year.

Finance Director Kligel discussed the change in financing capital project out of Reserve Funds instead of developing a separate fund for each project. This has been discussed with the Auditor and determined to be the best method.

Dr. Boss asked about the property tax compression in Boardman. Mayor Glenn explained that compression is the equalization of the amount of taxes requested and the amount that can be collected. There is also a component of Real Market Value and Assessed Value that comes into play when calculating this amount. Most of the property in the City isn't in compression at this time.

Mr. Mick Tolar moved to approve the City of Boardman budget as presented and to approve the taxes for the 2007-08 fiscal year at the rate of \$4.2114 per \$1000 of assessed value for the operation purposes and in the amount of \$425,000 for payments of Bonds principal and interest. Dr. Robert Boss seconded the motion. Roll Call vote was taken:

Gertlar-yes	Michael-yes	Huffman-yes
Hollandsworth-yes	Docken-yes	Beagle-yes
Dr. Boss-yes	Ganvoa-yes	Perry-no
Yates-yes	Tolar-yes	Glenn-yes

Motion carried 11-1.

Chairman Michael thanked City Manager Mather and Finance Director Kligel for a well organized and informative budget document.

**Council Meeting was adjourned at 8:45 p.m. .**

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Ray Michael-Chairman

Lila Killingbeck, Recorder