

125 S.W. "E" Street, Madras, OR 97741

April 14, 2016

5:30 pm

**First Meeting of the City of Madras
2016-2017 Budget Committee**

Agenda

- I Call to Order
- II Election of Officers
 - A. Chairman
 - B. Vice-Chairman (Optional)
 - C. Secretary
- III Community Request for Funding (provided electronically on April 29th)
- IV Budget Message and Presentation
- V Public Hearing – State Revenue Sharing [ORS 221.770(b)]
 - Steps:
 - 1. *Open public hearing*
 - 2. *Clarification to proposed use of funds*
 - 3. *Any public comments*
 - 4. *Close public hearing*
 - 5. *Deliberate*
 - 6. *Ask for motion to accept State Revenue Funds*
- VI Review of Budget by Fund
- VII Consider Approval of Budget
- VIII Consider Levy of Tax Amount or Rate
- IX Additional Discussion
- X Adjourn

First Meeting-The City of Madras
Budget Committee Meeting Minutes
April 14, 2016

OFFICIAL MINUTES

BUDGET COMMITTEE, CITY OF MADRAS

APRIL 14, 2016

I. CALL TO ORDER

The Budget Committee was called to order by Mayor Royce Embanks at 5:33 PM for deliberation of the budget for fiscal year 2016-2017 on April 14th, 2016 in the Madras City Hall Council Chambers located at 125 S.W. "E" Street.

BUDGET COMMITTEE MEMBERS IN ATTENDANCE WERE:

Doeshia Jacobs, Dan Chamness, Maura Schwartz, Mayor Royce Embanks, Councilors Tom Brown, Gary Walker, Bill Montgomery and Bartt Brick.

CITY STAFF MEMBERS IN ATTENDANCE WERE:

City Administrator Gus Burril, Finance Director Brandie McNamee, Police Chief Tanner Stanfill, Community Development Director Nick Snead and Accounting Technician Megan Hansen.

VISTORS IN ATTENDANCE WERE:

Bill Wienert, Floyd Leach, Carly Shadron, Linda Graham, Lex Parsons, Charitie Gamble, Davis Barringer, Mike Ahern, Kathy Dunam, Jeanna Darnell, Ben Hocker, Katherine Buck, Darrell Sumner, Kyle Yeager, Jamie Hurd, Melinda Boyle, Joe McHaney, Dale Heckathorn, Richard Lohman, Tena Jackson, Lauren Olander, Becky Roberts, Jannice Smith, Jennifer Holcomb, Shari Durgen and Joe Krenowicz.

II. ELECTION OF OFFICERS

Chairman:

COUNCILOR TOM BROWN NOMINATED MAYOR ROYCE EMBANKS FOR BUDGET COMMITTEE CHAIRMAN. THE NOMINATION WAS SECONDED BY COUNCILOR BARTT BRICK AND PASSED UNANIMOUSLY, 0/8.

Vice-Chairman (Optional)

Councilors decided to not select a Vice-Chairman for the Budget Committee.

Secretary

COUNCILOR TOM BROWN NOMINATED COUNCILOR BILL MONTGOMERY FOR BUDGET COMMITTEE SECRETARY. THE NOMINATION WAS SECONDED BY COUNCILOR BARTT BRICK AND PASSED UNANIMOUSLY, 0/8.

III. COMMUNITY REQUESTS FOR FUNDING

Mayor Royce Embanks gave the opportunity for the following organizations to give a presentation to request funding from the City of Madras. He asked that they limit their presentation to 3 minutes and to state their name and address when they are seated.

1. Madras Sparklers: Mike Ahern presented his request for \$500 for the Madras Sparklers.

Mike Ahern stated that Madras Sparklers started in 1981, and we have a great celebration. His total budget is \$12,000. We blow up \$11,000 of fireworks which is much more than our neighboring towns. It is a great day to celebrate America's independence and to show a patriotic fever that we all enjoy. It is a fun time where the Chamber also runs the day event at the park. I raise the money for the fireworks. I would appreciate the help, we need it very much. I was down last year and I do not want to cut back what we do. That is about it, I want to save time for someone else.

Maura Schwartz asked how much they have risen so far.

Mike Ahern \$1000.

2. Jefferson County Little League: Jennifer from Jefferson County Little League, address is PO Box 804, Madras OR 97741. Jennifer presented her request for \$200 to renew the Cities banner that is a 4x8 that hangs in the Little League fields.

Jennifer Jefferson County Little League this year is serving 235 children in our community with 19 teams. The funding that we are asking for goes to cover our costs for improving the game, and improving the equipment to make it safe for the kids. We are trying to improve the fields and the playing experience for the kids. All the money goes to that and I want to thank the City for all their help with our grants that we are applying for as well. Jennifer asked if there were any questions.

Maura Schwartz does other teams outside of our community play or is it Jefferson County.

Jennifer said we interlock the older group's minors and majors, juniors interlock with all of district 5, which encompass Warm Springs, Bend, Prineville, Sisters, LaPine, Christmas Valley and Hood River (we do not interlock with them). We interlock with everyone in Central Oregon.

Maura Schwartz do the other teams come here?

Jennifer yes, they come here and we go there. They do not stay the night. They are day games. However, on Saturdays our boys and girls play double hitters. It brings people here for the whole day.

Councilor Tom Brown we do have tournaments that are held here that are several days.

Jennifer that is not Little League, it was the Girls State, but 5 years ago we had districts. We are hoping to get the district tournament again here but we need to get the fields in shape and up-to grade.

3. Lutheran Church of the Good Shepard: Pastor Kathrein Brick from the Good Shepard and St. Mark's Church, located at 395 SE C Street, Madras OR 97741. We are seeking a grant for \$500 to help us water our garden.

Kathrein Brick well-nourished citizens and especially citizens that are food insecure are better able to learn and work and live fuller lives as well as spend discretionary money in local businesses. Our garden team is implementing plans to improve distribution of our produce. We have distributed to the Food Bank, the United Methodist Church, Community in the Park, and some other places as well. We also have been working on expanding our growing season, right now we are expanding our greenhouse in order to do that. Local merchants have benefited because we purchase material here in town for various projects. We also use materials that are donated. This site has also provided a place for COCC students to complete required projects which means we support post high school education and training. This site has given youngsters a place to experience gardening first hand-walks, talks and tastes with little fieldtrips. They find where our food comes from and are taught that our food does not come out of plastic containers. All of these faucets strengthen the community in several ways. Thank you for your consideration of this grant.

Mayor Royce Embanks stated that once you make your presentation you do not need to stay and that the council is not going to make their decision tonight, but you are welcome to stay if you want to.

4. Madras Kiwanis: Mike Ahern stated he would be the presenter and that Jason had to be out of town.

Mike Ahern I have been part of this program for 3 years so I do know a lot about it. The Kiwanis, Lions and MAC Youth Basketball is a great program, at least 120 kids are involved, girls and boys. It has been much improved, I see Joe McHaney is in the audience and he deserves a lot of credit. We were less polished before he came along. We are asking for \$250 for T-Shirts and Refs. We do not want to

charge the kids too much, but we do charge them. We need this donation to keep the program moving smooth. It is a great winter program; these kids have a lot of fun. We need to keep it going so the White Buffaloes and Culver Bulldogs will stay strong.

Maura Schwartz are the T-shirts printed locally?

Mike Ahern said I think we always have stuck with Identity Zone.

5. Madras High School JROTC: Staff Sargent Kyle Yeager, retired. Madras High School JROTC, 390 SE 10th Street.

Staff Sargent Kyle Yeager on behalf of Lieutenant Kernel Renfro and I, we are requesting funds for our program. We do many types of fundraising throughout the year and over the summer to include raffle sales and can drives. We also have solicitation to different community organizations and have individual's contributions that are from Madras High School JROTC. Currently because of cutbacks we are now into new uniforms. We are no longer using army greens. We are using army blues. The military no longer has funding for cadet meals or for dry cleaning. Therefore we have students that do not have uniforms because many of our students are on reduced lunches. We have a lot of students that do not have the funding to go and pay for uniform dry cleaning themselves. There is a small group that can actually perform and that is the color guard and our small travel teams. They actually pay for dry cleaning themselves. The funding we are requesting will put all of our cadets in uniforms; also our cadet travel; we have a number of trips we take every year because of cut backs we haven't been able to take these trips. Last year I took 4 over to Hawaii, Kernel Renfro took 5 to Normandy, this year he is only taking 2. For the amount of travel for education and drill trips, funding is necessary. We will cut back as necessary when we go to Hawaii, if it means we only take 2 instead of 4 due to lack of funding, then we will. It will also depend on how well the cadets go out and solicit and fundraise. If they do not have the money, they do not go.

6. Madras Relay for Life Madras, OR American Cancer Society: Lauren Olander, American Cancer Society, 2350 Oakmount Way, Eugene and Shari Durgan, 2071 SE Madras Road, Madras, Event Co-Chair with Kathy Duman.

Shari Durgan we are here to request your annual sponsorship this year like you have in the past few years for the Relay for Life.

Lauren Olander to give you some numbers from historical data from last year. Relay for Life last year in Jefferson County raised over \$52,000. The amount of programs that the American Cancer Society is able to run in Jefferson and Deschutes County can impact every single person. To give you a few examples

due to the money raised in Jefferson County: 526 nights of free lodging were provided for cancer patients, Road to Recover was available for 5260 rides to cancer treatments, 2104 calls were received from our free 1-800 24 hours 7 days a week. Whether someone in Jefferson County has been diagnosed or not that work that we do is available to everyone as well as advocacy work we do with the legislature to make sure Oregon is no smoking and you are not breathing second hand smoke. Those women have mammograms available to them that are paid for by their insurance company and they are required to be paid for as preventive care. Those are a few items that we do. Every single one of you that are in this room does not have someone sitting next to you smoking or in a restaurant smoking. Now if there is a child in the car that is under the age of 18, it is illegal to smoke in the vehicle. Everything American Cancer Society does affect you. We all appreciate you and our request to sponsor the event.

Shari Durgan asked if there were any questions. No questions.

7. Madras Runners: Jamie Hurd, Madras Runner President.

Jamie Hurd we are a non-profit organization that organizes a lot of group runs in the community. The big one is the frozen rumble half. Each year this run brings in 100 or more runners from all of our neighboring states and local communities. All the money raised from this event goes to our Jack Wicks Memorial Scholarship to our high school students and our Youth Running Grant. Our Youth Running Grant goes to groups like Metolious Elementary Running club, Madras Primaries run-a-thon where they raise over \$4000 for their school, the High School Track team and the Cross Country team in Culver. So today we are asking for help to get our signs for races. In the past we have used the Cities signs that say "construction ahead" which doesn't really relate to our event. We are trying to get some that can be used for other community events. The Chamber has agreed to store them for us. We will use them for the MAC Dash, parades and our annual race. Things like Cycle Oregon will be able to use them as well. We are trying to take off the pressure of using the Cities signs as well. We are also asking for some professional looking finish sign flags to make our races look more professional to runners and attract people to our event.

8. Kids Club: Joe McHaney the Executive Director of Kids Club, 227 SE 9th Street.

Joe McHaney I am here to request funds again for Kids Club. For those that are unaware, we are an after school program serving 467 kids after school. Daily average is 240-260 per day. In the summer time we service 175 kids, on average 120 per day. The need is large for Kids Club and our goal is to help these kids after school. We provide arts and crafts, physical fitness, tutoring and homework assistance as well as many other activities. We also provide a warm meal during the regular school times and twice during the summer. I believe that the impact is

huge for our community. We provide a very low price for such great childcare. Right now we have had some challenges. It has been hard to get grants, and some of them are going away. We have had to raise rates a bit, but we are trying to keep them low. Your contribution helps keep those rates low to the community members. Thank you for the contributions in the past, and thank you for your consideration going forward. Any questions for me at this time?

Doesha Jacobs what are the hours? I know you are there in the morning and late at night.

Joe McHaney we open an hour before school to help the folks that need to get to work. Then we are open from 2:30-6 everyday; then 7:30-6 for the 31 days that the school is closed during the school year. Then another 55 days during the summer we are open from 7:30-6.

9. Jefferson County Rotary Davis Beringer and Melinda Boyle, 2525 NE McFarlen Lane, Madras OR.

Davis Beringer the event that we put on is with the Jefferson County Rotary Club, and the event we put on is the called the Gift of Literacy. We have about 360 1st graders. The children come up to the PAC. We have day lined up where a student gets to choose 1 book, a book bag and some other items. During that time we serve a lunch, and we have an author coming in to present to the children. Then we break up into smaller groups to do reading events. We promote the love in reading to young children and inspire long term success and develop relationships with community leaders and students.

Melinda Boyle so literacy is a community wide effort, and this is one of the most fun events in our community. Having 360 1st graders get off of school busses that walk up through a line of community people cheering is very special. Clifford the big red dog and Pete the cat are two of our visitors. Once they are off the bus, they sit in the auditorium and on each seat there is a book bag filled with goodies for them. Then the author comes and tells about one of his stories. He also lets the children write a book. He then takes the books back with him and then distributes them to the kids. After that community members read to the kids in small groups. Then they go out and get to play with fire trucks and go through police cars. After that we BBQ them a lunch, and then they go out to the football field where the MAC provides physical activities for them. They actually get to run on the High School Track. It really is a community wide event to promote literacy. Any questions?

Maura Swartz can you tell us if you partner with any other groups that promote literacy in our community?

Melinda Boyle yes we have a lot of community partners. The main sponsor is the Jefferson County Rotary Club, but the other members are the Library, the Health Department, Key Club, the Museum of Warm Springs and Oregon State University. Part of the program is also promoting college, for the event we each wear our favorite colleges T-shirts. Oregon State and COCC present to have kids look forward to college.

10. Jefferson County Historical Society my name is Becky Roberts, PO Box 647, Madras, OR.

Becky Roberts I want to thank you for last year for help to start our website. It is up and running now. This year we are asking for a new computer since it is a decade old. It has become difficult to communicate. We would like to invest in some new software and a new computer. We are hopeful that the Westside Community Center will become a reality. In the interim we have tried to get the community involved. I know Jerry has used his computer numerous times, but it has failed numerous times so he has asked that we buy a new one for the society. The board members are all volunteer, and they are committed to continue the work to preserve the records of the community. This would be a nice improvement. Any questions?

11. Mountain Star Family Relief Nursery Jena Darnel, 2125 NE Dagat Lane, Bend. Our center here is 122 NE 10th Street, Madras, OR.

Jena Darnel a little bit about Mountain Star we are a child abuse and prevention program that serves the Tri-County area. We serve the most vulnerable and youngest community members in Madras. This year alone we have served 130 children. We have 3 programs- a safety net program in a therapeutic classroom with a local DHS where we serve over 300 children in the Tri-County area each year. Tonight I am here asking for funds to improve the center. We need to add a fence to the front to increase the amount of children we can have outside, and we also need to add a bathroom. This would let us have another classroom which would increase the number of children we can serve. The parents are not allowed to toilet their own children so the staff has to go all the way down the stairs to go the bathroom if they have around 3 children, a family coach and parents. It is very disruptive to the visit. If there was a bathroom upstairs, it wouldn't have such a disruption. In addition it would be so nice to have another classroom. We have 26 kids that come into class each week and if we could increase the number we serve, it would be great. If we have the bathroom upstairs, it would allow us to do that. Any questions?

Maura Swartz is the price quotes from local contractors?

Jena Darnel yes, I want to spend my money local.

Councilor Bartt Brick how many clients do you serve and are you seeing increase overtime?

Jena Darnel yes, there has been an increase. The families that we serve have over 18 risk factors which include unemployment, drug and alcohol abuse, domestic violence. The need for housing, especially in Bend, we have seen a lot of families move to Crook and Jefferson County because there is no housing. This has shown an influx for Madras. A lot more families are asking for services. There is a need here. Our waiting list is 35 families.

Dan Chamness what happened to the major funding source? Is that money still coming through?

Janet Darnel Madras gives over \$100,000. Alone last year we raised \$32,000. We do a lot of fundraising- Freeze Your Fanny. Anymore questions?

12. Community Food Network Bill Wienert, Director of the Community Food Network

Bill Wienert we are a program of the Faith Based Network, and we ask to respectively withdraw our grant application. We have had a good year. In 2015 we have moved over 400 pallets of food from mostly Corbet, Oregon. We also get water from Earth2O. We have a relationship with Deer Ridge which lets us store non-perishable foods there. We presently split the food 14 ways to the reservation to the high bridge. We have migrant workers in Culver, two pickers in Warm Springs, several churches in Warm Springs, the LINC office, Jefferson County Food Bank, door to door and curbside. We never know what we are bringing down here. This Saturday we are getting 4 tons of potatoes and will pass them around. We recently got 3 pallets of mislabeled water from Earth2O. We try to be ready when opportunity arises. The only expense is our fuel cost. It has been a fun and crazy ride.

13. Heart of Oregon Core Carly and Linda from Heart of Oregon Core

Carly Shadron Heart of Oregon Core is a non-profit serving all of Central Oregon. We are here to inspire and empower positive change in the lives of young adults through jobs, education and stewardship. We work with a population of 16-24 year olds that suffer from barriers of success such as dropping out of high school, homelessness or involved in court. We run 5 job programs in Central Oregon, and we operate a thrift store in downtown Madras.

Linda Graham we teach at the thrift store here in Madras, young adults from 16-21 with development disabilities. We are partnership with Madras High School,

Culver High School, and the Transition Center in the Youth Transition Program through both high schools. We teach them how to work in retail and customer service. We teach them how to operate the cash register, cash, work ethics and work endurance so they can build up into working a full time job. Currently we have worked with 17 students, 4 of those students have went on to become paying job citizens. One is Abby's Pizza, Organic Delights Farm, McDonalds and one serving their Country at the US Air Force. We do partnership with the homeless advocates to help needy families as well. We helped currently 84 families with donation of clothing and household items that they may need. We are asking for money to replace our washer and dryer. At the store we clean everything at the store before it is handed out to customers, and our washer and dryer is currently from the 1970's. It is on its last legs.

Carly Shadron we believe in a clean quality store brings people into the downtown Madras area. Not only is it good for our business but also for the surrounding businesses. On top of that the youth that learn job and life skills ultimately become productive contributing members to society. We like to think of that of the double bottom line. Any questions for us? Thank you for your consideration.

14. Madras Sister City Ben Hocker, representing Madras Sister City.

Ben Hocker I am here representing Sister City. Floyd Curtain who has been in this program for years is unable to be here. I am currently a teacher at Madras High School for the last 16 years, and I have had the privilege with my family and my son of hosting students from our Sister City in Japan. I will read what Floyd has here:

“Madras Sister City has existed since 1993, and during the last 23 years we have hosted 5 different delegations from our Sister City. Our most notable act is we have had a delegation of 10 including the Mayor attend our Cities Centennial Celebration in July of 2010. In October 2014 the Mayor of Tomi City and some of their council members visited us once again for the purpose to meet with their High School principal and extending their gratitude for hosting Tomi City students each year. Since we began hosting these students in March 2005, we hosted a total of 47 students and 15 chaperones from Japan. These students have spent a week with their host family and have attended class at Madras High School. Some of these students have returned to the United States for further education. We are hoping to send students and chaperones from Madras High School finally this summer. We attempted to do this the summer of 2015, but we were unable to raise enough funds and ran out of time. There is quite a bit of time used to get these kids to Japan. The cost of this trip is around \$3,500 per student, and we ask that the City help reduce the burden to the traveler's expense. Naturally the student will pay the bulk of their travel expense, but it will be show of great confidence and faith if the City of Madras would participate. During this

10 day excursion our students would expect to spend anywhere from 3-4 days in Tomi City and attend classes with Host family students and spend the rest of the time site seeing around Tokyo. Of course there will be travel time, to get to and from Japan is not a one day trip. With that said we are really excited. We have about 3-4 students who are interested that want to go but expenses are very difficult situation. We are excited that we will have the opportunity to send our students.” Any questions?

15. Central Oregon Government Council City Administrator Gus Burrell, City of Madras, 125 SW E Street, Madras, OR.

City Administrator Gus Burrell we partner with COIC to do the transit match. It is a two year agreement that we have entered into. We are asking for a portion of the funds to come through this fund. We have set aside approximately \$7500 out of the transportation operations fund but that fund has a lot of competing uses for streets needs that we have in there and that we are asking for a portion, \$2100 to be used as match. This gets leveraged to a federal grant for transit services to our community at a ratio of approximately 9:1. So this is consistent to how we approached to last year, and we are just asking for a second year match.

16. Veterans of Foreign Wars Floyd Leach, Post Commander for Post 12141.

Floyd Leach we are in the second year of existence. We are asking for \$1000 to help with our scholarship fund as a relief fund for veterans in need. We go all the way to Crooked River Ranch to Warm Springs. Any veteran that needs any housing needs or any kind of relief, and if they are put out of their home or anything, we help to assist them to get them housing. We work with the Jefferson County Service Officer which is Tom Wise. Anyone that needs help we try our best to help them out. We also give scholarships out for the Patriot Pin and the Voice of Democracy which is a middle and high school scholarship fund. We encourage every Middle and High School student to put in a voice for democracy on what patriotism is or what freedom means to them. The patriot pin is the same thing. Also this helps with our Veterans Day program up at the Erickson’s Museum which we have had for the last 2 years. We have a great relationship with them, and we would like to carry it on.

Councilor Bartt Brick do you provide assistance for Veteran’s to contact VA for medical?

Floyd Leach if a Veteran needs a ride to the VA, we have people volunteer to drive to Portland or Bend. We drive wherever they need to go. We do go to their homes if they are very sick. We want to give them their last time memorable and honorable.

Len Parsons I am the quarter marshal for the local post. I might add that in addition to the patriot pen stuff, last November we were close to \$1000 in scholarships to award to the middle and high school students. Routinely we are giving rides for patients up to Bend and home if they do not have transportation. All of these rides come out of our pockets, in kind.

17. Faith Based Network: LINC Charitie Gamble, Secretary of the Faith Based Network, PO Box 416, Madras OR and Darryl Sumner, Pastor of New Life Christen Fellowship, also president of the Faith Based Network

Charitie Gamble the Jefferson County Faith Based Network is a group of community members that strive to help the community with complete principals as their focus. We are comprised of business owners, managers, employees, volunteers, educators, pastors and retirees. We meet on a monthly basis at St. Charles Madras and under our umbrella are the following programs. Our LINC resource center is ran by volunteers and offer a variety of services including and providing information regarding or getting assistance community classes and direct assistance such as clothing, food and housing assistance. We would like to send our volunteer director Louise McCourtney and the directors of our programs to trainings to better equip them to train and mentor them as they serve our community. Our community event in the park is held yearly on the first weekend of August. We provide over 30 different venues to community for free. Services such as a dental van, hearing and vision, medical, haircuts, and auto repair just to name a few. What all these services offered to the community for free and many of them are donated, we still occur some expenses especially in the medical care services. The community food network that you heard about earlier from Bill is a ministry where we received shipments of food from around Oregon especially over in Corbet at no cost to us except the fuel that they use. We load the food and then distribute to other services and organizations in Jefferson County. At this time we have a need of a refrigeration unit so we can safely store fresh food and other perishable items so we can distribute through our community. The Jobs for Life Program is an educational program that is recognized in all 50 states and 6 different countries. It benefits all of Jefferson County citizens, from the employed, the employer the underemployed and our high school citizens. Our goal is to champion jobs and the meaning in work in our community. For the community to realize the potential and accomplished goals and to have them prosper even more. With the jobs for life training we will start to see a higher caliber of employed being trained up in our community and that will stimulate economic growth in our area. Our request for the year is in the amount of \$6,960. Which breaks down to \$2000 to help assist in the medical services area of our community event in the Park, \$2000 would go to a refrigerator, \$2000.00 to training and mentorship to our directors, last \$960 will go to 32 classes for our Jobs of Life Program. Thank you for your time and past donations.

Maura Swartz I have two questions. What does LINC stand for?

Charitie Gamble LINC stands for Loving in the Name of Christ.

Maura Swartz are you partnering with any other local groups who are doing healthy food classes?

Charitie Gamble yes we actually are, we team up with St. Charles. They are a huge blessing to us and we are partnering to other different businesses in town to help provide meals. We are looking for other grants to help provide Jobs for Life class. We do not charge for meals at all. On the third page is actually a picture of our different programs. The Jobs for Life, everyone gets a free meal that night and it starts that mentorship and relationship part so people can trust us so we can help them get the road blocks.

Mayor Royce Embanks last year we funded a shower truck for LINC and that never got completed. I do not think the funds were spent but there was no follow through. It concerns me that when we funded this that we did not get a follow up. The reason that we give were not adequate to cover it. What are the things we have done in this is in this program is if you do not use the funds you do not get to roll them over.

Charitie Gamble we did come into complications with the shower truck. We have been extending more vouchers because Busy Bee has a shower that you can purchase down there. So we have been extending more financial needs to the showers but unfortunately the shower truck does take training and a vehicle to bring it down. Right now we haven't had anyone to volunteer to go take the training because it is in Bend to bring it down. We have been trying, but it is that connections that the organization had not worked out as well as we were hoping for.

Darryl Sumner one of the things we do talk about in our board meeting is that the funds are still in our account that were given from the City. We realize that we are asking for more money for other projects. Would the City want that money back, because the monies were not realized for that project? We want to give the money back if necessary.

Mayor Royce Embanks well I will have to check with our Finance Director on how we would do that. Certainly if you are not going to use it; we definitely want it back or make that a portion of what you are asking for now. The thing that I am concerned is prior to planning make sure you have the ability to use the money during that current year. Someone should have known that you needed a CDL license to drive it and arrange that. I am not pointing at you guys because you

were not the ones that asked for it. Send that message back to LINC. If they are going to do anything like that, they need to do some better planning.

Councilor Bartt Brick how many clients serve? How many people attended the event in the park last summer?

Darryl Sumner we estimated about 4000. Sometimes people come back a second time. They come from all sides. We do not have a gate so we do not have a way to count. The first year we had 1500. We are estimating 4000 this year for the one day in August for the event in the park. The LINC is random. It comes and goes for attendance as far as people needing assistance, also phone support. People call where they can get help. It is a resourcing help. It might be a phone call that is sent to our church or another church.

18. Airshow of the Cascades Joe Krenowicz, Executive Chamber Director for the Chamber of Commerce as well as the logistics manager of the Airshow of the Cascades, Bruce Hoydt, in charge of traffic coming into the Airshow.

Bruce Hoydt all of the directors of the Airshow have a group of assignments. Mine is the traffic coming into the Airshow. If you noticed last year there was a large improvement from prior years. It made it a lot more exciting event for the entire Airshow and customers.

Joe Krenowicz we are here to request a \$4000 grant for the Airshow. It is very important to us to get that financial support; it is a great economic tool for our area. The Airshow is a major component and a signature event for Jefferson County. We did have some challenges last year; we have had 16 years of Airshow, 2 per year. If you take the odds you had 32 Airshows, we had to cancel one last year. We are doing pretty well, with that cancellation we did take quite a hit. In the last 3 or 4 years we have been able to put a kitty aside so we are still pretty healthy.

19. Chamber of Commerce Joe Krenowicz, Executive Chamber of Commerce Director. Kathy Dunam, President of Chamber of Commerce Jefferson County.

Joe Krenowicz I have a separate request. One of the things we do for advertising or promotion of our tourism and economic development in Madras is we keep on talking to ourselves in regards to what we can do and what we can accomplish. My request is for a \$1000 to build a showcase of our community through a video. Through Central Oregon Advertising, Zolo is the same organization that does "My Windows," KBZN, Channels, and videos for the channel 4 in Bend. It reaches 3,800 hotel rooms in the area of Bend as well as to Black Butte, Sunriver and Brasada. The intent is to get exposure out to other places than Jefferson County. We have had a test drive with our Crooked River Ranch Golf Course,

Indian Head Casino, Mountain View and other videos. The Chamber has sponsored a portion of it. The other folks also paid for their portion. We came up with a minute and 30 second video that was presented over 6 months on Channel 4 on Bend Broadband. Everyone felt it was a good thing, and it was effective to the businesses. My ask would be \$1000 from the City with an additional \$1000 from the County. The Chamber is going to put in \$2000. We hope to get a 6-7 minute video that shows what goes on in Jefferson County and Madras. My intent is to have a really nice video that represented our state park, our MAC, the Mountain View from the East bench, Juniper Hills Ball Field and the disc golf area. If it is done right we might get the water park in Culver included in the video as well. We will own the video. We will not be tied to just an advertising medium. We can take it to the three events I go to: Central Oregon visitors Association, Oregon Live in Portland. We see many visitors, and we can give them that thumb drive to make sure we are part of the Central Oregon Victors Associations presentation. Just Monday I found out that this Channel, Zolo 4 will be being flown over Crestview Cables Channel 4 as well starting May 1st. We will be able to reach many people, any hotel that has Channel 4 as their main tourism information channel. If you would like to see what the production looks like go to zolomedia.com. Look at the Erickson Air collection that is the best one of the 2 that we did here.

Doeshia Jacobs is this just going to be for just Channel 4? When they go onto hotels is it just the commercial channel? Or is it going to go on Channel 8 or Channel 2, 5?

Joe Krenowicz no it will be on Channel 4 on Bend Broadband as well as starting May 1st it will be available with Crestview Cable. The next flight is July-October. Hopefully, if this all falls together, we can get that done before July 1st. We will be exposed. The largest benefit is I can take it wherever I go. There is big opportunity up at Pendleton this coming weekend. The Travel Oregon Expo with the governor's office. We could take that with our TV and showcase what we have here in Jefferson County and Madras.

Doeshia Jacobs did you say the Chamber is putting in \$4000?

Joe Krenowicz the Chamber is going to put in \$2000 out of our budget, and then my request is \$1000 from the City and \$1000 from the County.

Doeshia Jacobs oh I put \$4,000, sorry.

20. Jefferson County Fairgrounds Finance Director Brandie McNamee, City of Madras Finance Director.

Finance Director Brandie McNamee so this one I put in your packet. This is the only multi-year commitment that we have for this coming year funding. It is the bathrooms at the Fairgrounds. If you recall this getting approved last year.

Mayor Royce Embanks we have already done that right?

Finance Director Brandie McNamee yes, but it is a 5 year commitment. I just put it in there because it would throw off your total sheet. That is why I already put the \$5000.00 in there for a commitment for it.

21. Chamber of Commerce Joe Krenowicz, Executive Director of the Chamber of Commerce.

Joe Krenowicz the Chamber of Commerce as you know is a key component of the community in regards to economic development, business growth and exposure, tracking businesses and building business retention. We would like to request a \$6,400 portion of TRT money. That is \$6000 more money then what we received a year ago. We are a team of two people, and we are challenged to do things effectively and efficiently with the amount of time that is available. The Chamber is requesting \$6000 from the City and using some of their budget to fill a part time position. We are real short in capacity to make sure we have good appropriate collateral handouts to our guests. Our website and social media is not where it should be in regard to current information especially information that changes and updates. There is a reason why they come back more than once every 5 years. With what we do at the Chamber, it is real hard to measure, shorter from the TRT. We have a fairly good impact. The growth of the TRT has been almost at 50% increase. If you okay this request, we account for about 20% of what you receive in TRT. I believe it is a good impact and a good bang for your dollar to look at it and honor the request for the \$64,000. We have a great kiosk and website management for those River Canyon efforts. Central Oregon visitors association has been on the side line prior to this time, 4 years ago. They have stepped up and helped us with requesting from their board for \$11,000 to put towards our River Canyon Country Project for assistance and managing the social media, website and kiosk management. The kiosk management has been hanging out for a while. It would also be nice to hire them for 11 months and put them through the rare program. It is a mentor program at Oregon State University where you get a template on how to manage our tourism and River Canyon Trails as well as our shared counties of Crook and Jefferson County which includes Crooked River Ranch and a little bit of the Southern portion of Wasco County. We will be putting about \$3,800 from Chamber money into that effort. Maupin is doing the same thing as well as Crook County. People are starting to recognize that we are working hard to grow and the Central Oregon Visitor Association has really stepped up even to the point of travel. They have given us help to get on their website. We are pretty well established.

I have the budget out to you, if you look at the budget that has a yellow edge that is my proposed budget, it hasn't been ratified yet. We do that in May. The one without the yellow edge is our current budget as of March 31, 2016. If you would like to look and review it, I would like to answer any questions. Like I said we are a large portion of the TRT and its recipients, and I want to make sure you feel comfortable that your money is being used effectively.

Mayor Royce Embanks any questions? If there are no questions, thank you.

Joe Krenowicz also to ratify the Madras Runners, they did come and talk to me and there is no problem with storing the signs and flags. We store and manage a lot of other community equipment on behalf of the other areas. Yes, we can store whatever they are purchasing.

Mayor Royce Embanks is there anyone out there that I missed that is not on this list? This portion of the budget is completed, we will come back with our recommendations for funding. When is our next budget meeting?

Finance Director Brandie McNamee on April 21st at 6:30 p.m. the first agenda item is the community requests discussion and that is when we go back through and based on the spreadsheet we allocate who is going to get what.

Mayor Royce Embanks ok, come on back then and see how it shakes out. Thank you.

TOOK A 10 MINUTE BREAK at 6:40 p.m.

Started at 6:53 p.m.

IV. Budget Message and Presentation

Mayor Royce Embanks asked to start the budget message and presentation from either Gus or Brandie.

City Administrator Gus Burrell Brandie and her team helped me quite a bit. This year is going to be one of our most well-presented budgets. Thank you Jeff for the pictures in the budget as well. Now that we have gone through all of the community grant applications, we did budget for the Chamber of Commerce's request that you still can say yes or no to. We will open up the community grant requests with these requests next week. The Budget Committee is comprised of 7 City Councilors and up to 7 members at large. We thank you all for being available to support the Council in this decision. We do follow the Oregon Budget Law with our budget. Once everyone is set then the budget will be approved in

June. It doesn't get changed much historically from here to the approval. After the budget has been approved the only way the budget can change is by budget resolutions in front of the council. If it is above a certain threshold, then a supplemental budget and hearing is put in place. We set contingency aside for anything that might come up; if not it rolls over from year to year in the fund balance. We have scheduled 3 budget committee meetings; historically we get through the budget in 2 meetings. The budget consists of these funds: police department-public safety service, public works department-sewer service, water, streets, parks, trails, industrial parks, golf course, industrial park and an Airport, community development-planning, developing, urban renewal, code enforcement, pre-consultant services, central services-administrative and financial services for all City functions. This is the City's goals and mission; this has come from 2 years ago when council made their mission statement. Our goals are what we are shooting for from our plan of providing a vibrant responsive community where you can thrive and grow. There is a fund dynamic sheet that has been handed out to you that gives you a snapshot of our funds. The Airport fund can fluctuate a lot because of the capital improvements as well as grant funds that have come through. If you look at debt service and central services fund, there are not large swings. If you look at our ending position, we have set more funds aside that we intend to carry over for reserves. Overall we are in similar standing from years past. We now have started a savings program. Our funding sources and what they are made of are

- 1) property taxes that include the motel tax and state allocations 11%
- 2) franchise fees 4%,
- 3) revenues from other agencies 3%
- 4) revenue from SDC's is not a full percent
- 5) water and sewer fees is a large portion
- 6) leases from the Airport along with their fuel sales
- 7) business licenses
- 8) charges for services and interfund transfers

Property taxes have increased over the years. In past years we had to do some layoffs and cut backs in staffing because of our economic standing. We are in much healthier times than we were 4 years ago. What we were advised to do is increase water by 4.5%. The Council did have a work session with the consultant FCS Group who advised the City on rate changes. We also discussed the price of water from DVWD and using some of our well water. FCS is advising over time that we do need to start more aggressively adjusting our rates to replace our pipes, increase the size of some pipes and add more fire hydrants. In the sewer rate, we have been advised to adjust it 3.5%. Our expenses by category get termed by the individual funds: materials and services, capital outlay (5,000 and more of improvement), transfers between funds then reserves for other future expenditures. Then we also have 18% held up by personnel.

- DEBT: The current debt for the City is \$18.8 million and that breaks down to:

- 1) 57% to the sewer fund that is across 7 different capital improvements for 2 decades (mid 90's-2010). We have built excess capacity so we can grow. We are running about 500,000 gallons a day, and we can handle 1 million gallons per day. We can accommodate a lot of growth but, we do not want to run at 100%.
 - 2) the Police Station and City Hall building
 - 3) 11% for the MRC. The City on behalf of the Urban Renewal District borrowed debt. The City was able to get a much lower interest rate, so the City is a financial partner with the Urban Renewal District. The MRC has borrowed \$2.6 million; they can borrow \$14 million over time. Strategically the City can always help them because the City has the longer credit history. The City's backup to debt repayment is property taxes if MRC's revenue ever went down. The borrowers see this as security and that way we can get the best rates. We have been advised to not continue to go into more debt and to pay it off, but at the same time it is a tool to get development going. The MRC has got the movie theatre here. It has been involved with the North Y landscaping, landscaping and lighting off of fairgrounds road, and helped with Six Shooters. This can affect our credit rating as well.
- DEBT REFUNDING: when we refunded our \$2 million in debt last year, the City had its credit rating re-evaluated. We haven't been looked at for 3 years. Our credit rating did go from BAA1 up to an A+, so we moved up 3 notches. Each notch going up is better interest rates to us. We have had fund growth, available cash on hand, higher bond rating and strong budgetary notices from our audit. We want to build where we are at as the economy gets better. The competing needs is our financial advisor wants reduce debt.
 - WORK FORCE HISTORY: we were at a total of 35 employees in 2010. We went through the major layoffs in July 2013. We have slowly added back some after restructuring to 32, but are still down 12.5% from pre-recession period.

Doeshia Jacobs how many staff members are you down?

City Administrator Gus Burrell we are down 3 people. We are proposing to add one back this year to Community Development. We have been down 5 from Fiscal Year 2011. We tried to get some help a couple days a week. Due to work load and providing good customer service without burning that person out, I highly advise to add one person back in. This will insure that Nick is available for new development. The Planning Commission and Urban Renewal District will need Nick's availability this year, but we still need to stay on code enforcement and customer availability.

- TRANSPORTATION FUND: we still have a need to raise \$600,000 annually to stop deteriorating and hold the pavement condition. The citizen advisory

committee recommends that we raise at least \$750,000 annually so we can pave some of the gravel streets and improve the condition of the existing paved streets.

Dan Chamness asked what our back log was.

City Administrator Gus Burrell our back log is about \$5.6 million and if we paved all of our gravel roads it would be about \$13 million. I think we are open to all options of the road development. We need to get them back to paved roads. Our repairs are more and more expensive each year. We will lean on the State. In 1993 they passed about 10% of our need. They have only helped once since 2009 to now. The federal government hasn't done anything with our fuel tax since 1993.

Councilor Bartt Brick without that \$750,000 per year to fund the roads and the streets will they continue to deteriorate?

City Administrator Gus Burrell yes, the recommendation is to raise the rates for transportation and utility rates which would earn from \$300,000 to far above that per month. If we did the gas tax, the franchise fee would be lower, people will not vote for it, we are out of options except for the local. We really do not want to only measures go out for increase in utility rates because we are raising them all ready. We might be in the education phase, we should know next spring where we are.

- MAJOR CONSTRUCTION PROJECTS:
 - 1) Daimler Road Project: we have a 20 year lease with the City of Madras which can extend to 50. We are agreed to go for some state grants, they have a cost share portion and then we are doing the grading for the road into the facility. This is starting in this fiscal year but finishing up next year.
 - 2) Bard Lane Phase 2: we are about to finish the improvements from Bard Lane from 97 to Adams. We have some ODOT funding involved.
 - 3) Daimler Madras Proving Grounds: \$18 million valued.
 - 4) St. Charles: just started, they are about \$15 million.
 - 5) Warm Springs Truck Stop and Casino: \$6.5 million.

- PLANNING INITIATIVES
 - 1) Transportation System Plan Update with a technical advisory committee, this will run all of this year until next spring. This looks at all of the updating of our transportation system plan. This is some of the most expensive permits we do with the City. It is very important to keep this plan updated as it guides new development. ODOT is funding most and we paid our cost share in FY 2015-16 so you shouldn't see many costs for it.
 - 2) Economic Development-Urban Growth Boundary Expansion: Annexation of the Airport, we would like to annex the majority of the property. We have done research on how much industrial ground we need through an EOA

Analysis which stated we had plenty. The irony is that we didn't have enough inside the UGB for Daimler Phase 1. This defaults us to a large lot program. There are many state rules that governs how you move your UGB boundary. Nick is working with Central Oregon Intergovernmental Council on how we systemically bring it in. We can bring in our runways as public facilities and then we will govern them and operate them. It is the developer properties that we still have to work out. There is some disconnect between the state land systems and the needs on the ground. When Daimler wanted to build we didn't have that much need of land for them, they needed 87 acres. This is a much regulated system; they are trying to protect farm land. Our goal for the sustainability of the City is to have developments we serve to be in the City limits.

- 3) Noise Regulatory Protections for Airport: We hoped to start processing this spring, but it will go into this next year. This is a communication tool for businesses that want to come to our Airport. There are businesses like Erickson's Sky Crane that just left Medford and moved to Prineville because Medford didn't like their noise level. We are making sure we are not zoning residential lands around our Airports. This noise protection also is added to new homes that are built; a small notice is added to the file.

Any questions on the budget message?

Doeshia Jacobs what is Daimler?

City Administrator Gus Burrell they manufacture trucks and school buses.

Doeshia Jacobs are they going to come in and work on the roads or?

City Administrator Gus Burrell showed Daimler's implementation video that showed where Daimler's expansion will be and what it will look like.

Maura Swartz are we going through each one of these funds per group so we can ask questions?

City Administrator Gus Burrell yes but I have requested that we look at all other funds besides Public Works because Jeff was not able to attend this meeting.

V Public Hearing – State Revenue Sharing [ORS 221.770(b)]

Finance Director Brandie McNamee these are the funds we receive in to transportation ops fund. Royce as the chair you can open the public hearing on item 5.

1. Open public hearing:

Mayor Royce Embanks asked if we started with the general fund.

2. *Clarification to proposed use of funds:*

Finance Director Brandie McNamee we have to clarify the use of the funds. The use of funds is for the transportation funds, it is in the transportation ops fund. Each year with our annual audit, they actually audit these specific funds to insure that we are adhering to how they are being spent to ORS 221. Once we get to the transportation ops fund, it will be labeled out line by line. These funds are from the liquor tax and gas tax so each time someone purchases one of these items, we get a kickback. They are obligated to be spent in a certain manner.

Dan Chamness what kind of tax is this?

City Administrator Gus Burrell we do receive liquor and cigarette taxes in the general fund. The council some years ago started a practice to put some of the taxes in the transportation ops fund but most of the tax goes into the general fund.

Finance Director Brandie McNamee any state revenue sharing that we get from the state goes into these funds. They are budgeted the same as years pass, we are not making any changes.

City Administrator Gus Burrell the state gas tax is \$355,000 this year.

Finance Director Brandie McNamee showed the graph from the state on what our gas, cigarette and highway will go up to. Next year it shows that our liquor tax will go down per capita but then cigarette is going down and highway is going slightly up. We are budgeting the same in total.

City Administrator Gus Burrell answered Maura's question with state gas tax and liquor sales.

3. *Any public comments*

Mayor Royce Embanks any public comments?

4. *Close public hearing*

5. *Deliberate*

Councilor Bartt Brick just to clarify, the monies from the State in thousands are they estimated from the State rather than you having to generate it internally? Do they work backwards? Do they divide it per capita?

Finance Director Brandie McNamee it is an estimate; they only provide the graph. League of Oregon Cities releases the table not the State. Then we take an assumption from what we collected from years past.

Councilor Bartt Brick so we are just using an estimate then?

Finance Director Brandie McNamee we collected \$361,000 in the higher years. Our estimates are very conservative.

City Administrator Gus Burrell sometimes we will pull it back 5%; we do not want to estimate revenues conservatively so we don't spend what we don't collect.

Councilor Bartt Brick is there a tax on electric cars?

Councilor Bill Montgomery they have been thinking about it for years.

6. *Ask for motion to accept State Revenue Funds*

A MOTION WAS MADE BY COUNCILOR BILL MONTGOMERY AND SECONDED BY COUNCILOR BARTT BRICK THAT COUNCIL ACCEPT STATE REVENUE FUNDS FOR FY 2016-17. THE MOTION PASSED UNANIMOUSLY 8/0.

VI Review of Budget by Fund
Police Department

City Administrator Gus Burrell the major portion of it is PD. We are funding the police department as well as sending over 5% to parks and leaving 95% to fund the police department. We also collect transit occupancy tax (room tax), that has a transfer over to both parks and the economic development fund. The cities property taxes are \$4.1262 per \$1000. You as the budget committee would assess that. Half of the franchise fees that are on power, gas and garbage go into the general fund to help the police department. The other half of those funds are sent to the transportation ops fund to help with street maintenance and improvements. Other revenue sources are from the contract we have with the District Attorney's investigator position and the 509J School District officer.

Chief Police Chief Tanner Stanfill the police department is comprised of 3 divisions: patrol, investigation and support services. Currently we are at 11 full time employees and we are asking to maintain that, we do not plan to do an increase this next year. Currently myself the Chief of Police, our officer manager who is part of support services, 1 Sergeant that will be promoted within, 1 Detective, 1 School Resource officer at 509J, 5 Patrol Officers and 1 District Attorney investigator. The district attorney position is funded by a grant that is

expiring on September 30, 2017. This is an excellent position to have, and we are very fortunate. Detective Steve Webb's primary function is to investigate sex crimes, child abuse and domestic violence. We can use Steve at times, but he is mostly dedicated to the DA's office. We have a great relationship with both the DA's office as well as the 509J School District. We have really gotten the school district involved such as the active shooter training. Teachers are there to teach and educate, but they do have responsibility for safety of the children. Fire drills are done 2 times a year. We now do an active shooter drill and lockdown procedures along with the regular scheduled drills. If something bad happens and you haven't practiced, it can lead to very bad things. We have 6 reserve officers who volunteer their time. They come out and we train them, and then they help us with special investigations, patrol functions and backup to other patrol officers. There are many times when there is only 1 patrol officer on shift. The funds that we are requesting are very conservative increase. Our increases are from payroll for our patrol officers, Sergeants and Detectives from our agreement with the Madras Police Employees Association. We are proposing the increase, but this does take into account the transition between patrol officer to Sergeant and wage increases for the year. Most of what we are requesting is very similar to last year. This year I overestimated my demands for patrol. I demand that my patrol officers are not just patrol officers but patrol detectives. I need them to do good work on the front end so the detective can do their job. When we do not get the evidence right away on the case, it can take a long period of time to repair a case. If the patrol officers present a sloppy case to one of the 3 judges, they are going to remember that. It is not acceptable to not do a good job. I want them to do excellent work on the front end. I also stress good customer service with the public. They have to sell their citations. They need to sell themselves, their cases and do thorough work. Currently I do all the case review for corrections. When we promote an officer to a Sergeant, they will be doing this. We keep things very conservative. There are always a lot of wants and wishes, but we keep it to what someone needs rather than wants. We have asked for a new patrol car. This will help maintain our fleet. This will keep our cars running and looking nice. Moving on to numbers, in 2011 calls for service were at 9,200, in 2015 they were at 11,800. The calls for service encompass traffic stops and self-initiated activities. The numbers have gone up but that is normal. I expect from our officers that they are doing self-initiated activities. This is considered crime prevention. If we did not do this, it would not reduce crime. We would just be dealing with what is in front of us. Since we do this self-initiation activity, we have reduced the crime numbers. I expect the calls to increase. Last year we took over 1,657 cases. We are doing well to work with the DA's office.

Maura Swartz under materials and services and I looked at previous years actuals, under hospital medical there is thousands budgeted but not much is used each year. Why is only a 10th used?

Police Chief Tanner Stanfill if we take someone to the jail with high alcohol content, we have to take them to the emergency room if the jail thinks they can't handle them. Since they are in our custody we get billed from the hospital. One way we have reduced costs to the hospital is if our patrol guys are going to go find a transient, then find them in the morning before they get intoxicated. We try to control the costs but we never know what is going to happen. The funds are not a use it or lose it. There is an incentive to conserve on cost.

Maura Swartz there was a couple other funds that have differences in budgeted and actuals compared to half of the year, one was professional services, another contract/computer and telephone which jumped quite a bit.

Police Chief Tanner Stanfill the professional services is when we might need to bring in a forensic expert in. Also we are trying to go paperless and those funds go to pay for that. Contract Services/IT and Telephone budget line item is for our replacement of computers from our numerous work stations. We work with Covenant and they are great we have been very fluid.

Maura Swartz I was just wondering why there was a 40% increase from years before.

City Administrator Gus Burrell said there were a couple items that increased in the budget. One is we need to replace the server which happens every 6 years, we are also adding cell phones to PD.

Police Chief Tanner Stanfill we are providing patrol with cell phones this is due to the risk of the personal cell phones being subpoenaed.

Dan Chamness I have a question on legal charges, it is regarding all budgets. The other thing that is unusual for me is to see the way the City uses internal services. A lot of these expenses go through an internal service fund.

Police Chief Tanner Stanfill all of our administration is over at City Hall. We also have an expense coming out of legal fees for Central Oregon Drug Enforcement.

City Administrator Gus Burrell I do not want to give any confusion to staff about our internal services funds.

Councilor Bartt Brick asked as you are preparing this budget what are the top things that you would like to do or purchase that didn't make the cut?

Police Chief Tanner Stanfill in the future I would like to have an officer participate in the Central Oregon Drug Enforcement Team. We work with them,

but I would like to have an additional FTE. This would be so beneficial because of how many drugs go through our community and how it affects our community.

Councilor Bartt Brick do you factor any expenses in for the legalization of marijuana?

Police Chief Tanner Stanfill said no we have not, but we haven't seen a need to justify that. We do not know what the impact is going to be because it hasn't been here long enough.

Non-Departmental General Fund Expenditures

City Administrator Gus Burril we just have a couple comments we want to make.

Finance Director Brandie McNamee one item we noticed after we published is the park funds in the general fund did not match what was going into parks. We just changed it, but we had to let you know what we did. The other transfer was to TED, which we matched as well. This is a transfer out so the ending cash balance went down.

City Administrator Gus Burril the non-departmental is from the community projects line item. We are a pass through agency. We get the funds and then we send them over to Central Oregon Intergovernmental Agency with a grant match, and then provide the service. The \$85,000 is pass-through federal dollars. There is also TRT money that is transferred out.

Councilor Tom Brown is there a beginning fund balance?

City Administrator Gus Burril the beginning fund balance is \$734,000 estimated. We adopted a year ago \$720,000, we gained net position. We tend to focus lower, because we are conservative in our expenses and taxes. I did put a note to keep an eye on it.

Finance Director Brandie McNamee if we start with \$734,000, we should end with \$542,000.

City Administrator Gus Burril my point being we should be under that. If we spend everything and receive everything this is where we should end. We would like to see some carry over.

Tourism and Economic Development

City Administrator Gus Burril this fund we have been building a balance for many years. We want to spend some of it for the solar eclipse planning efforts.

We may not spend all of the funds, in light of us still forming the plan, but we are not sure what we are going to spend. We are not obligated to spend it. We would just carry it over. The other item is the park development grant. Jefferson County is going to rehabilitate Juniper Park. They need to raise \$100,000 in park match. The park is inside the City limits. The City Councilors were okay with matching \$15,000 over a 2 year span. Chamber of Commerce also comes out of this fund. The economic development for our City (EDCO) also comes out of this fund. This position puts us in a great position for any development for the City. The cost share covers the office up at the Airport for that position. It is about \$85,000 a year to fund the EDCO position which the County, Metolius, Culver and private donations all help fund as a County wide contracted position.

Doeshia Jacobs what is the difference between the un-programmed and programmed?

City Administrator Gus Burril what often happens is mid-year we have requests for funding for good programs. This leaves the council ability to support a group.

Doeshia Jacobs could we deduct some of the monies towards the solar eclipse event and un-programmed?

City Administrator Gus Burril said the solar eclipse is a large event, and I would hate if we could not respond to that.

Doeshia Jacobs I have also been concerned with the budget here, and I feel like we keep putting more money out and not getting any money back in.

Mayor Royce Embanks we haven't made any decisions about the community grant requests. We might not even fund some of the people that presented tonight.

Doeshia Jacobs we just keep putting out more money. We do not have enough money coming in to generate our budget.

City Administrator Gus Burril as I prepare the budget each year, I try to approach it with mindfulness of sustainability.

Maura Swartz with personal experience with the Chamber, I would vote to give them an increase in funding. They do tremendous amount of work.

Mayor Royce Embanks I would echo with what Maura said.

Doeshia Jacobs they put out a lot. The Chamber is the heart beat of Madras, everyone goes to the Chamber.

Councilor Tom Brown I vote yes.

City Administrator Gus Burril just a general rule for conflicts of interest. If you are tied to a board or have a household member or business associated to one of these funds, you want to declare that as a conflict of interest.

Maura Swartz the money set aside of the solar eclipse; is this a contingency fund? It is not to fund a for profit business?

City Administrator Gus Burril there may be avenues that need to be resources for every part of Madras; the City is seeking community organization (for profit or not) to help facilitate the Solar Eclipse Event.

Debt Service Fund

Finance Director Brandie McNamee debt service fund was originally set up for General Obligation bonds. The General Obligation bonds were paid off in FY 2013-14, but we continue to get taxes that were based on foreclosed houses. We could see funds 5-10 years. We can either return the funds or transfer the funds to a partnering fund. The other debt that this fund tracks is the Full Faith and Credit Obligation for the 2012B bond issuance which was the Madras Redevelopment Commission. That payment this year is \$180,000. We do not know what taxes are going to come in, we automatically transfer it back to the WW Ops Fund. The revenue is from the MRC. We are initially the pass through for the bond issuance and debt repayment.

Dan Chamness why do we do the transfer?

Finance Director Brandie McNamee the Urban Renewal is handled like a component unit in our audit. We make the payments for the MRC. The main job for this fund is a pass through for the MRC.

Maura Swartz why is there a difference between interest and principal?

Finance Director Brandie McNamee in years past the City use to budget dollar for dollar on what the amortization schedule said but an interest payment varies. This helps aid the amount of resolutions we need to make.

Debt Reserve Fund

Finance Director Brandie McNamee in our audit last year they saw that we were not setting aside our debt conveyance. It has to be set aside in a separate fund. The bulk of it is the Series 2013 refunding. The USDA loan has special requirements as well as the Series 2013. If you look at our wastewater fund, half of next year's payment is \$250,000. We get this money from an interfund transfer from building fund and wastewater fund. We can get a transfer back because we paid the T-hanger loan. The Airport ops will get it back.

Airport Operations

City Administrator Gus Burril Airport fuel comes out of this fund. The revenue is split between Berg Air and the City. We run two runways. We own the north and south WWII hangers, the General Aviation Building, the Daimler building, a set of T-Hangers, a hanger on Demers Road and then a MAC Air Hanger. The main grants going forward are the Immediate Opportunity Fund, Infrastructure Finance Authority and Daimler. They are all part of the Daimler road work. We will start collecting rent mid-year. We own a lot of land up at the Airport, almost 2200 acres. A lot of the land is vacant, but many are leases, around 30-40. The City also owns what Aero-Air is in now.

Councilor Bartt Brick on the expense side there is \$410,000 in gas, on the revenue side there is \$420,000 in gas. Is someone making money off of the gas we pump?

City Administrator Gus Burril some of the big users will negotiate between .20 to .50 a gallon. Then we will split that with the person filling the gas the FBO. There isn't much margin. We have to compete to some extent so they do not go over to Prineville.

Councilor Bartt Brick so it is more of a service than a money maker?

City Administrator Gus Burril we split the profits with the Operator.

Councilor Bartt Brick who is our Operator?

City Administrator Gus Burril Berg Air is our Operator.

Councilor Tom Brown you might find on the income side of that it is tanks of gas.

Finance Director Brandie McNamee in the aviation expense side, we put any expenses on that side, which includes credit card fees. This is total cost.

Doeshia Jacobs is the Airshow paying to be up there?

City Administrator Gus Burril that has been an amount that we have helped them with for many years. It is an expense but also support for the Airshow. From the rentals and fuel we get a cut. They are a non-profit and trying to put on a show for the community. They are staying and eating in Madras.

Doeshia Jacobs there is a jump to the fixed based operator, what is that from?

City Administrator Gus Burril Rob Berg is our Operator, we have a 5 year contract, a relationship that goes back to 2006. We did meet a month ago and we spoke about his contract. In comparison Prineville, Bend and other surrounding Airports provide compensation that is quite a bit higher. We want to get his compensation more comparable. He is managing more leases and tenants then he was 10 years ago with no inflation. My recommendation is to work with this entity. They have tried to ramp up their services to the City.

Councilor Tom Brown there is a lot going on at the Airport especially for the museum. Fisherman come here and fish. There is \$3 million worth of planning sitting at the Airport. You are taking care of them 7 days a week.

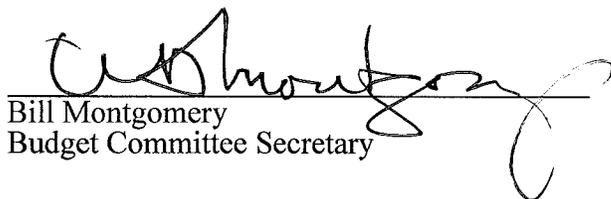
Mayor Royce Embanks they do a lot of things for their tenants. When you give good service they come back. It is word of mouth, good service and corroboration.

City Administrator Gus Burril from 2010, we were at about \$200,000 in annual Airport revenues, and now we are almost at 3 times of that. We are growing. Activity is up, and he is managing more.

Mayor Royce Embanks called the meeting to a stop at 8:38 PM.



Mayor Royce Embanks
Budget Committee Chairman



Bill Montgomery
Budget Committee Secretary

Gus W. Burrell

Gus Burrell
Budget Officer, City Administrator

**CITY OF MADRAS
VISITOR'S ATTENDANCE SHEET**

**FIRST CITY BUDGET COMMITTEE MEETING & PUBLIC
HEARING ON STATE REVENUE SHARING**

April 14, 2016

5:30 p.m.

VISITOR'S/MEMBER'S NAME	REPRESENTING/ADDRESS
Bill Wienert	Community Food Network
1. Floyd W. Leach	Veterans of Foreign Wars
2. Carly Shadron + Linda Graham	Heart of Oregon Corps
3. Greg LEX PARSONS	VFW
4. Charitie Gamble	J.C. Faith Based Network
5. Janis Barringer	Jefferson County Rotary Club
6. Mike Ahem	Spaulders + Simmons
7. Kathy Dunaw	Relay for Life - Chamber
8. Jeanna Dornell	Mt Star Relief Nursing
9. Ben Harker	Madras Sister City Inc
10. Katherine Bruck	Lutheran Church of the Good Shepherd + St Mark's Episcopal Church - Madras
11. Darrell Sumner	J.C. Faith Based Network
12. Kyle E. Yeager	Madras HS JROTC
13. Jamie Hurd	MADRAS Runner
14. Melinda Bayle	Jefferson County Rotary
15. Joe McTaney	JC kids club
16. Dale Hedcuthon	Lutheran Church
17. Richard Lohman	Lutheran Church / VFW
Tena Jackson	Mt. Star Relief Nursing
Lauren Olander	American Cancer Society
Becky Roberts	JCHS
Janice Smith	Su Book

Joe Bunsing
Jeffer Holcomb

Am Show & Chamber
Jefferson County Little League