



Budget Committee Meeting

May 18, 2020

ROLL CALL

ELECTION OF BUDGET COMMITTEE CHAIRPERSON

**APPROVAL OF MAY 15, 2019
BUDGET COMMITTEE MEETING
MINUTES**

PRESENTATION OF BUDGET MESSAGE BY CITY MANAGER

The hardships we endure are a gift we give to the world in order to make a difference. The work we do and the sacrifices we make are for the future of our community, our society, and our democracy.

~ Ryan Dowd

Work Force Support



- This budget largely maintains capacity at current levels of service.
- Classification and compensation study implementation options may need to be deferred until the mid-year review is completed.

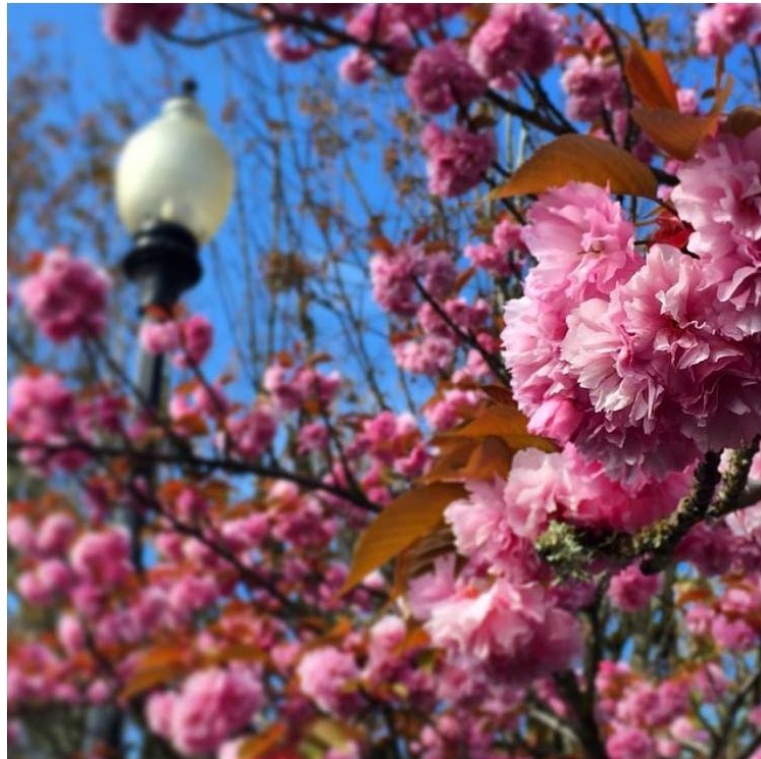
Rebuild Core Services



Administration:

- New Finance Director was hired.
- Municipal Court and Legal staffing was restructured (no increase in FTE).
- City Prosecutor services provided through a contract.
- Initiated the recruitment to hire an in-house City Attorney.

Stabilize General Fund Reserves



- This budget will have reserves comparable to the FY19-20 Adopted Budget, estimated between 11 to 13% of FY20-21 expenses.
- Mid-year strategies for balancing service demands and evaluating financial status are described later.

STRATEGIC PLANNING



Vision

A collaborative and caring city inspiring an exceptional quality of life.

Mission

The City of McMinnville delivers high-quality services in collaboration with partners for a prosperous, safe, and livable community.

Values

Stewardship - We are responsible caretakers of our shared public assets and resources. We do this to preserve the strong sense of community pride which is a McMinnville trademark.

Equity - We are a compassionate and welcoming community for all—different points of view will be respected. Because not all members of our community are equally able to access our services or participate in public process, we commit ourselves to lowering these barriers.

Values

Courage - We are future-oriented, proactively embracing and planning for change that is good for our community and consistent with our values.

Accountability - We believe healthy civil discourse is fostered through responsive service and clear, accurate, useful information.

Strategic Priorities

The following strategic priorities require special focus by the City in the next fifteen years. In order to move McMinnville toward its Vision, the City believes it will need to make disproportionate investments in time and financial resources in these areas.



CITY GOVERNMENT CAPACITY -

Strengthen the City's ability to prioritize and deliver municipal services with discipline and focus



CIVIC LEADERSHIP - Encourage a

variety of leadership development opportunities to foster a culture of civic pride and involvement




COMMUNITY SAFETY & RESILIENCY -

Proactively plan for and responsively maintain a safe and resilient community



ECONOMIC PROSPERITY - Provide economic opportunity for all residents through sustainable growth across a balanced array of traditional and innovative industry sectors



ENGAGEMENT & INCLUSION - Create a culture of acceptance and mutual respect that acknowledges differences and strives for equity



GROWTH & DEVELOPMENT

CHARACTER - Guide growth and development strategically, responsively, and responsibly to enhance our unique character



HOUSING OPPORTUNITIES (ACROSS THE INCOME

SPECTRUM) - Create diverse housing opportunities that support great neighborhoods

Strategic Priorities

- City Council identified nine priority objectives during Goal Setting in early 2019.
- Detailed status reports including next steps are included in the Budget Message.

General Fund Budget Gap Closing Actions

- PERS Employers Incentive Fund program not funded (\$1.3 million).
- One-time revenue distribution from the Insurance Services Fund (\$500,000).
- Most requested additions requiring ongoing cost commitments were deferred.
- Maintenance and Capital Investments from the City Facilities Assessment deferred (\$700,000).

General Fund Budget Gap Closing Actions

- FY19-20 revenue losses due to COVID-19 impacts eroded year-end projected carry over, impacting reserves.
- One-time investments in shelter, food services and business support programs made in late FY19-20 (~\$140,000).
- Fourth quarter revenue loss of due to Parks and Rec program closures reduced beginning fund balance for next year (\$450,000).

General Fund Budget Gap Closing Actions

- Support for Affordable Housing from Transient Lodging Taxes was eliminated in the proposed budget.
- Includes unspent funds in FY19-20 as well as the FY20-21 (~\$300,000).

Mid-Year Review

- Property tax and other revenues will be evaluated relative to initial revenue projections.
- List of expenditures to consider appears on page 32 of the FY20-21 Proposed Budget.
- The nature of current public health emergency, unknown impacts on revenue and potential for unknown outlays may affect priorities even if the City's financial condition permit adding costs to next year's activities.

Mid-Year Review

- Revenue losses and/or extraordinary costs exceeding anticipated levels may require budget reductions from the appropriated levels.
- Options to address near term budget shortfalls will be informed by the City's definition of core services and the true cost of those services.
- Areas for consideration will include: furloughs, job-share, vacancy management, contracts for service, service reductions.

*Let's do the next right
thing, together.*

~Glennon Doyle

QUESTIONS?

PUBLIC TESTIMONY ON PROPOSED 2020-2021 BUDGET

PUBLIC HEARING - ON POSSIBLE USES OF STATE REVENUE SHARING

**City of McMinnville
City's Possible Uses of State Revenue Sharing
2020 - 2021 Proposed Budget
UPDATED**

<u>Revenue - State Revenue Sharing</u>	<u>\$ 563,000</u>
<u>Expenditures - State Revenue Sharing</u>	
Administration	
• Civic Hall - dimming panel, security cameras, projector	24,570
• Downtown Public Art Program	12,000
Engineering	
• Hansen software upgrade	5,000
Planning	
• Natural Resources Study	30,000
• Hazard Mitigation Plan	25,000
Police	
• Replacement MDT's for patrol cars	36,000
• Patrol car leases/internal borrowing payments (FY18, FY19, FY20)	114,355
• Computer equipment	17,900
Fire	
• Fire Department Sustainability Consultant and Survey	32,000
• Replacement MDT's for Ambulances	7,000
• Repairs and Maintenance: building and vehicles	160,000
Parks & Recreation	
• Recreation buildings master plan - Phase III	50,000
• Senior Center sprinkler head replacements	23,000
Parks Maintenance	
• Hansen software upgrade	5,000
Library	
• Computer equipment	21,175
Total Proposed Expenditures	<u>\$ 563,000</u>

REVIEW AND DISCUSSION OF PROPOSED 2020-2021 BUDGET

**BUDGET COMMITTEE
RECOMMENDATION TO APPROVE THE
2020-2021 BUDGET AS PROPOSED OR
AMENDED AND TAX RATE**

**IF NEEDED; MOTION TO CANCEL
MEETING SCHEDULED FOR MAY 20,
2020.**