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**CITY OF CANBY BUDGET  
COMMITTEE MEETING  
May 25, 2023**

**Committee Members Present:** Brian Hodson, Shawn Varwig, Christopher Bangs, Elizabeth Chapin, Traci Hensley, Michelle Hensley, Jason Padden, James Davis, Jack Pendleton, Scott Sasse, Lisa Potter, and Eric Arndt.

**Committee Members Absent:** Herman Maldonado

**Staff Present:** Eileen Stein, Interim City Administrator; Joe Lindsay, Assistant City Administrator/City Attorney; Eric Kytola, Finance Director; Jamie Stickel, Economic Development Director/Communications Specialist; Eric Laitinen, Canby Swim Center Director; Todd Wood, Transit & Fleet Director; Don Hardy, Planning Director; Jorge Tro, Police Chief; Jerry Nelzen, Public Works Director; Spencer Polack, Public Works Lead; and Jeff Snyder, Public Works Manager.

**CALL TO ORDER:** Chair Sasse called the meeting to order at 7:17 p.m., followed by roll call.

**OLD BUSINESS:**

- A. Approve minutes from May 19, 2022 Budget Committee Meeting
- B. Approve minutes from the May 26, 2022 Budget Committee Meeting

**\*\*Councilor Hensley moved to approve the May 19 and May 26, 2022, Budget Committee minutes. Motion was seconded by Councilor Padden and passed unanimously.**

**NEW BUSINESS:**

- A. Review FY23-24 Proposed Budget

Eileen Stein, Interim City Administrator, referenced the Parking Lot memo that staff prepared which could be reviewed at the end of the meeting.

1. General Fund
  - a. Not Allocated – Eric Kytola, Finance Director, discussed the non-allocated resources including the American Rescue Plan grant ending in 2023 which was approximately \$2 million. The Library would need a transfer from the General Fund.

Committee Member Pendleton asked who paid the sewer franchise fee. Mr. Kytola would get back to him on that.
2. Library Fund – Danny Smith, Library Director, said this was a hold the line budget to maintain current service levels. He highlighted goals for next year and statistics of library use. He then discussed revenues and expenditures. There would be a standardized overdue fine next year and no increases to personnel. Some of the fees to the County would go up for computer infrastructure.

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Councilor Hensley noted there was an increase in personnel in the proposed budget. This would be added to the Parking Lot items.

Councilor Padden asked about the projected increase in donations. Mr. Smith said that was what the Friends group had committed.

Committee Member Pendleton asked about adding Sunday hours. Mr. Smith said they planned to do a community assessment to identify the needs and wants of the community. He did not have enough staff currently to add Sunday service.

There was discussion regarding the transfer from the General Fund, adding an operating contingency for unexpected events, and how the County tax rate was not sustainable.

3. Transit Fund – Todd Wood, Transit and Fleet Director, said the payroll taxes that funded the transit system would not be increasing. He discussed the addition of the Canby Loop, Saturday service, change to the grant funding, capital projects, increase in Prof/Tech Services for the Transit Master Plan update and logo update, and increase in contract services.

There was discussion regarding the new building, membership dues and fees for software, and how the Transit Plan had to be updated every five years.

4. Swim Center Fund – Eric Laitinen, Swim Center Director, said the budget was status quo from last year. The number of FTE was increasing due to filling vacancies. He discussed the need to renovate the building in the future and how they had to replace the main water line due to a leak and made changes to the schedule this year.

There was discussion regarding swim lessons for all second graders.

5. Street Fund – Jerry Nelzen, Public Works Director, discussed street projects that had been done this year and upcoming projects for next year. They were requesting one new position, a project manager.

There was discussion regarding street maintenance, in lieu fees, funding from electric cars, need to increase the Street Maintenance Fee, and how with the growth of the City the Fee should have increased more. Staff would look into the amount of the Fee due to growth.

6. Transient Room Fund – Mr. Kytola said this budget was status quo with no significant changes.

There was discussion regarding collecting revenues from Airbnb's and the hotel.

7. Systems Development Charge (SDC) Fund – Mr. Kytola said there were no significant changes to this fund. He discussed the estimate that would be used for projects in 2024.

There was concern about drawing down the reserves and uses of SDCs.

8. Fleet Services Fund – Mr. Wood said this budget had no significant changes from last year.

There was discussion regarding janitorial services increasing.

**COMMITTEE DISCUSSION/PARKING LOT LIST:** None

The Committee would continue their discussion of the budget at the June 1, 2023, meeting.

**ADJOURN:** The meeting was recessed at 8:35 p.m.