



BAKER CITY, OREGON BUDGET BOARD MEETING AGENDA

BUDGET MEETING
AUGUST 1, 2023 - 6:00 PM
CITY HALL COUNCIL CHAMBERS

ACTING MAYOR:

Nathan Hodgdon

COUNCILORS

Johnny Waggoner Sr.

Jason Spriet

Dean Guyer

Beverly Calder

Raymond Duman

Boston Colton

INTERIM CITY MANAGER

Jon France

Call to Order/Introduction

1. Call to Order	Randy Daugherty	Procedural
2. Roll Call	Rheann Weitz	Procedural
3. Budget Update/Review	Randy Daugherty , Jon France	Information
4. Adjourn	Randy Daugherty	Procedural

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Call to Order



BAKER CITY, OREGON STAFF REPORT

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Jason Spriet

Dean Guyer

Beverly Calder

Raymond Duman

Boston Colton

INTERIM CITY MANAGER

Jon France

Created by: Randy Daugherty

Date: August 1, 2023

Subject: Call to Order

Report

The Budget Board Chairman will call the meeting to order.

Attachments:

None



Roll Call



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INTERIM CITY MANAGER

Jon France

Created by: Rheann Weitz, City Recorder

Date: August 1, 2023

Subject: Roll Call

Report

The City Recorder will call the Roll Call of the Budget Board.

Councilors:

Ray Duman

Jason Spriet

Beverly Calder

Nathan Hodgdon

Boston Colton

Johnny Waggoner Sr.

Dean Guyer

Budget Board Members:

Randy Daugherty

Dan McQuisten

Robin Nudd

Amanda Daugherty

Derek Blankenship

Loran Joseph

Attachments:

None



Budget Update/Review



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Jon France

Created by: Randy Daugherty
Jon France, City Manager

Date: August 1, 2023

Subject: Budget Update/Review

Report

The Council has asked for an emergency Budget Board meeting to discuss the 23-24 budget and would like to discuss potential revenue options.

Attachments:

1. FY 24-25 Fiscal Issue and Solutions



FY 24-25 Fiscal Issue and Solutions

Presented by Jon France
Interim Baker City Manager



City Manager Observations

- Baker City is now a Medium Size City!
 - Think bigger
 - More requirements
 - Budgets need to move upward
- Revenue
 - Not enough coming in
 - Cuts will destroy services
 - On track for not staying solvent by the end FY23-24 w/o service reductions and a **\$ 1.74M** deficit for FY24-25 (Not counting Road Maintenance increase)
 - Lots of thoughts on potential ways to increase revenue
 - Time to move ahead with increased revenue generation



Fiscal Posture – General Fund

SHORTFALL: \$1.74M: Based on our projections for FY24-25

- Baseline \$903K – Status quo in Police/Fire
- Additional Fire funding – \$400K (Training Captain, One additional firefighter, Turnouts, Training/OT additions, New Union Contract (CY24)) ***Need to meet current ISO requirements***
- Police (Solidify 24/7 coverage) – 242K (2 officers, uniforms, training)
- Grant Person – \$97K
- Contingency fund Increase – \$100K

NOTE:

Can't keep robbing Street Repair to make up the gap (57.5%)
Fair/Poor/Very Poor shape.



Trouble in this Fiscal Year

- Preparing to move all contingency funds to cover known legal bills/police contract shortfalls
- Developing Plan B for Police Operations (less than 24/7 coverage)
- Other unanticipated expenses will come:
 - Take from within budgets (limited in that effect)
 - Take money from Fire Department (Destroys chance to minimize ISO rezoning)
 - Cut people paid by General Fund – Start of Baker City service amputation!
- If we are lucky, we will come in with \$0 at the end of this fiscal year in carryover.
- WE WILL BE INSOLVENT IN THE GENERAL FUND – JULY 1st 2024 without additional revenue!



Actions – Current Budget:

- No planned OT or paid out comp days in Administrative areas paid by general fund. Police and Fire are being addressed separately
- Revised planning to handle Fire Protection with new Fire Chief
- Relooking all personnel positions as they come open for restructure
- Relooking current budget items we pay for
- City Mgr/CPA/Finance to monitor revenue/expenses and adjust going forward
- Budget adjustments coming from within departments
- Coming up with new fees for things we have not been charging for

The “Basket” of Longer Term Revenue Options



- Public Safety Fee (Police/Fire Service Fee): - Decision is on the mix and cost to Baker City Residences and Business
- Gas Tax: Decision is if/when to execute and how much
- Business License: Don't have one today
- Short Term Rental Local Occupancy Fee: Don't have one today
- Local Hotel/Motel Tax: Decision is if/when to ballot and how much
- Baker City Golf Course Usage Fee: Don't have one today
- Franchise Fee Increase: Hasn't been relooked in many years
- Road Maintenance Fee: Don't have one today – direct impact to road improvement if implemented without tapping general fund
- Reconsider Marijuana Sales within the City – With appropriate taxation



Public Safety Fee – Low Income Option (20%)

SHORTFALL: \$1.514K

- Option for the Baker City Council to lessen the fee burden on lower-income citizens:
 - Baseline would be Social Security income only
 - If you want more robust requirement then add back one additional administrative position to administer the program.
- Option One: Net Revenue Projection – \$667K
- Option Two: Net Revenue Projection – \$880K
- Option Three: Net Revenue Projection - \$1.09M
- Option Four: Net Revenue Projection - \$970K



Public Safety Fee

GENERAL FUND SHORTFALL: 1.74M

- Option One: 15 Dollar Household and 20 Dollar Business Monthly Fee:
Revenue – \$804K
- Option Two: 20 Dollar Household and 25 Dollar Business Monthly Fee:
Revenue – \$1.06M
- Option Three: 25 Dollar Household and 30 Dollar Business Monthly Fee:
Revenue - \$1.32M
- Option Four: 20 Dollar Household and 50 Dollar Business Monthly Fee:
Revenue - \$1.21M



Gas Tax/Business Licenses/Short Term Rental

- 4 Options Gas Tax:
 - 3 cent tax – Revenue \$ 250-300K
 - 4 cent tax – Revenue \$ 350-400K
 - 5 cent tax – Revenue \$ 400-500K
 - 10 cent tax – Revenue \$925 – 1M
- Business Licenses:
 - \$300 per year X Commercial Customers (506) – \$152K
 - \$200 per year X Commercial Customers (506) - \$103K
- Short Term Occupancy Fee: \$150K – 260K
 - Need Ordinance
 - Decision on how much to charge per occupancy night (Using 144 sites x \$10 a night x 120-180 nights)

Local Hotel Surcharge/Golf Fee/Franchise Fee



- Local Occupancy Fee/Tax:
 - Flat Rate or Fixed per occupant (Current info occupancy 39% county wide)
 - Potential Range: \$75-200K
- Golf Course:
 - City Fee:
 - Tie to Yearly Membership
 - Visitor surcharge
 - Potential Range – \$30K – \$100K
- Franchise Fees: Total: \$738K – General Fund (used current budget figures)
 - 25% increase – \$185K
 - 50% increase - \$369K
 - 75% increase - \$553K
- Marijuana Sales Tax: \$250K (2 Shops)



Road Maintenance Fee

- Need to improve roads within Baker City:
- 3 paths to success with 2 options each path.
- All falls on the citizens of Baker City to improve the ability to fix roads not ODOT controlled.
- Priced in ADA upgrades required when roads are upgraded.
- No fixing gravel/dirt streets to asphalt in this projection



Road Maintenance Fee

- Path One: Fix Very Poor and 50% of Poor roads to Fair Condition:
 - 7yr Choice: \$933K
 - 10yr Choice: \$706K
- Path Two: Fix Very Poor and Poor roads to Fair Condition:
 - 7yr Choice: \$1.82M
 - 10yr Choice: \$1.38M
- Path Three: Fix Very Poor, Poor and 50% of Fair roads to Good Condition:
 - 7yr Choice: \$5.6M
 - 10yr Choice: \$4.17M



Adjourn



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INTERIM CITY MANAGER

Jon France

Created by: Randy Daugherty

Date: August 1, 2023

Subject: Adjourn

The Budget Board will vote to have the meeting adjourned.

Attachments:

None