
**OMAK CITY COUNCIL
BUDGET WORKSHOP MINUTES
November 1, 2022 – 6:00 PM**

CALL TO ORDER:

Mayor Gagné called the regular meeting of the Omak City Council Budget Workshop for the 2023 Budget to order at 6:00 PM, established a quorum and all joined in the flag salute.

COUNCIL AND ADMINISTRATIVE PERSONNEL:

Michael Foth	Tyler Wells, Building Official
Nattalie Cariker	Kevin Bowling, Fire Chief
Dave Womack	Dan Christensen, Chief of Police
Barry Freel	Wayne Beetchenow, Public Works Director
Steve Clark	Todd McDaniel, City Administrator
Michelle Gaines	Connie Thomas, City Clerk
Meyer Louie	

PUBLIC COMMENT

There were no public comments received.

BUDGET SUMMARY

Cost Allocations of the Office Staff and Public Works

City Administrator McDaniel explained to Council the budget format is the same as it was last year. He wanted to explain to Council how the wage and benefit cost allocations affect the 2023 budget. He explained the 2023 budget includes a wage increase of 6% for the non-represented staff, 2.5% for the officers & sergeants who are under contract and 10% for public works who are in a negotiation year. The budget includes staffing increases for one additional officer, a part-time Court Clerk (.4 FTE), a Public Works Administrative Assistant and retaining Rochelle Danielson, C.O.R.E. program with grant funding. Administrator McDaniel went onto explain the 2021 adopted Cost Allocation Plan describes how costs will be distributed within the budget. He shared spreadsheets detailing the percentage charged to funds. He informed council the wages & benefits for non-represented City Hall Office Staff and the Administrator are based on the total revenue and expenditure transaction activity. Public Works salary is based on actual work performed from June 30th of 2021 through July 31st, 2022, and the percentage of cost to each fund is generated by the PubWorks program.

Equipment Rental Funds

The PubWorks program has provided real advantages by tracking the equipment use in each department. He reminded Council that each year the process for equipment rental changes. The TUB Funds in 2022 didn't work because it was front loading costs based on estimates. For 2023, he and Public Works Director Beetchenow derived a better method. They set equipment rates in the PubWorks system using the FEMA (Federal Emergency Management Agency) Schedule of Equipment Rates. The PubWorks program will generate the costs needed to replace the equipment and how much each fund will contribute to Equipment Rental. This method is similar to the public works employee wage percentage. He will rely on Public Works to determine the actual needs of equipment rental. He will ask them to provide a list of the existing equipment, its worth, what they propose to purchase and or, surpluses for the budget year.

Central Services

City Department share City Hall facilities and resources. This fund is set up so, departments pay a percentage throughout the year into Central Services. Central Service expends payments for the maintenance and operation of City Hall including janitorial services and utilities.

REVIEW AND DISCUSSION 2023 BUDGET BY FUND

Review and Discussion of 2023 Mayor's Budget

City Administrator began the review of the expenditures in the Current Expense Fund. He informed Council the 2023 Budget includes a proposed eight percent increase on all utilities. This will increase the B&O revenues coming into Current Expense at an estimate of \$120,000. Administrator McDaniel displayed the Ending Fund Balance Calculator showing \$1,269,030 in the Current Expense estimated ending fund balance. He explained the total includes one-time monies and he has prepared a five-page budget amendment which will reduce that balance. The budget amendment includes a \$250,000 transfer to the street fund for the Engh Road

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TIB Match. Member Gaines asked if more of the property taxes could be directed to the street fund. Administrator McDaniel didn't know if there was a policy in place that designates how the taxes are distributed but, he will look into it. Administrator McDaniel was conservative when forecasting the 2023 revenue for sales tax and he estimated \$2.2 million. Member Freel asked about the process to increase the council wages. There was discussion and all understood that an increase would not be allowed for current councilmembers and, any approved salaries will take effect after an election.

C.O.R.E Program – Mental Health and Substance Abuse

This program was awarded another grant to offset the program costs through 2024. The grant funding amount is not yet set in the budget. Administrator McDaniel will get the revenue and expenditure amounts in prior to the next Budget Workshop.

Long Term Debt

The City's long-term debt in the Current Expense Fund has been paid off. New guidance from the Washington State Auditor's Office will require city lease payments to be reflected in this account. These accounts will be set into the 2023 budget document.

Police Department

Chief Christensen reviewed his 2023 budget justifications for Council. The uniform line is increased to comply with the Collective Bargaining Agreement. Small Tools & Equipment lines are increased to purchase vehicle radios, laptops, portable camera systems, bola wrap and other incidental equipment. There is a single full-time officer funded in the Mayor's Budget. The Police Department was awarded a grant from WACOPS which will help fund this position. There is a capital purchase for a front counter remodel. This amount is a rough estimate. The remodel investment will control access into the police department. This remodel will help comply with CJIS standards and accreditation standards and the overall security of the facility.

Care & Custody of Prisoners

Jail Booking fees have not been adjusted in the 2023 budget. Administrator McDaniel explained the Okanogan County Jail no longer has contracts with Douglas County. The costs to operate the jail are significant and, the City of Omak is a true partner. We can anticipate an increase in the jail fees.

Fire Department

Chief Bowling informed Council there was nothing of significance. He kept the budget requests lean to allow the new Fire Chief to make those requests. Member Womack asked about an increase in the stipend amount for the volunteers as, the cost of fuel has increased. An increase of \$10,000 was entered to allow for a \$5 increase for training and calls. There was discussion about a point system per call and resulting in an end of year bonus. Member Cariker asked if the 2023 budget could sustain another position. Administrator McDaniel replied that it would but, the position was left out of the budget to allow the new Fire Chief time to adjust and then determine if it's needed.

Inspections, Permits, Certificate & Licenses

Member Gaines asked why the equipment rental line has increased. Administrator McDaniel informed her that it was a result of the new equipment rental percentages. This expenditure includes fuel, maintenance, insurance, and replacement values.

Planning & Community Development

Administrator McDaniel explained that the expenditure amount for planning services still needs to be confirmed with Contract Planner, Kurt Danison. He reminded Council they approved his contract which included an increase in the hourly rate and mileage. The expenditure may increase as Mr. Danison will continue his work on the Shorelines through 2023 which is grant funded.

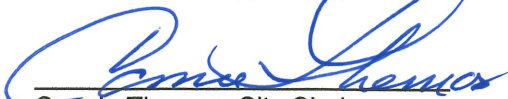
Park Facilities

Member Gaines asked if the expenditure for paving in the Eastside Park was in the 2023 budget. Administrator McDaniel confirmed that it is was not and he would enter in that information. She also asked if there was a plan to purchase playground equipment. Public Works Director Beetchenow confirmed there was not for 2023.

Member Womack moved, seconded by Member Gaines to adjourn the Budget Workshop. Administrator McDaniel confirmed with Council that prior to the second Budget Workshop, grant amounts will entered, increase in stipend for volunteer firefighters was input, BARS correction for wages and benefits, central service information for Council. He will also include the \$20,000 of revenue that is anticipated from the Department of Health.

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Member Freel asked about the increase in utility rates and if a comparison can be done with other cities. Council voted and unanimously approved the motion. The Budget Workshop adjourned at 9:01 PM.



Connie Thomas, City Clerk



Cindy Gagné, Mayor