

North Powder Budget Hearing Meeting
Minutes
June 24, 2026
City Hall (340 E Street)
6PM

Call to Order/Pledge of Allegiance: Alan Brown, Don McClure, Dave Hoene, Midge Clause, Lindsey Thompson, Josh Guthrie, Becky Sturm, City Recorder. Don Clark absent.

Budget Committee: Mike Wisdom, Mike Schoening, Debby Schoeningh, Mary Jones, Alana West, Joyce Lawyer and Jason Bingham, Accountant.

Amend/Accept Agenda: Accepted unanimously.

New Business: Jason explained the budget to the council. Mary Jones, with the budget committee, asked to have the employee raises explained and to know how the Council chose to raise the salaries before they saw or adopted the budget. Will they have an impact on the capital reserve or the general capital reserve fund? Jason stated that if you go over payroll, if they do an 18% increase, we could be pulling money from contingency to cover. If that's the case, I don't know how much contingency to cover. We can look to see what the bottom line is. If the city adopts the adopted budget, there is a possibility that they will go over that, that's fine. They will get a budget violation, or we must pull from contingency. None of those will through you in jail, but it does give you a mark on your audit saying that you went over your budget. The city council can adopt the budget, and the committee tells them the parameters to work in. If you go outside those parameters, you have a budget violation. Remember, it is the totals. They can still approve the budget but we're going to spend more than we'll bring in if it is what you do.

Mayor: Just to clarify, there were some strong factors that came into play with this whole thing. Employee retention. What are you getting for the skill set and the time and the effort that the employee is putting into it? Joyce stated that the city is bringing in less money this year because of all the empty houses and the house that just burned. The conversation was re-directed to stay on topic.

Jason explained that looking at the budget payroll analysis on page 6 and it tells us that's what we propose as the number of hours and the rates that the employees would work off their top right. We budgeted 30 hours for a second employee. He's only going to work at 20. There is 10 hours there that can be applied to his raise and still put money back in the bank. We budget 20 hours for Ordinance and extra recorder, which could double for whatever you want, and 20 there plus 6 hours for public works extra. That's all we planned. If we want to do less hours and more rate, that works.

Dave Hoene offered to volunteer for 20 hours for Ordinance Officer. Meeting was re-directed again.

Jason stated that the budget is pretty tight right now; the answer is to raise water rates.

There was discussion regarding the pros and cons of water rate going up \$3.00. It was redirected to stay on topic.

Jason stated that to make sure we understand, \$3.00 increase is not on the table. You can do it if you choose to.

You can go a month later, six months later, nine months later. It gives you the flexibility to do it if they decide to do it. In trying to understand what our questions are. If you want the budget committee to come back or make adjustments, the committee doesn't do anything. You've already approved the budget; it's already been approved. It hasn't been adopted yet, now you need to adopt it. You don't have to approve this budget; you can make changes to it. That is why we're having this meeting. If you say we want to increase payroll, then we need to figure it out. The savings have gone from \$400,000 to \$800,000 in 4 years. It is growing. We can reduce the amount and apply it to payroll expenses.

Jason will make the adjustments and get them to Becky tomorrow. Next meeting will be June 29, 2026 at 6pm

Council Comments:

Meeting adjourned: 7:15 pm