DRAFT

North Powder Council Meeting
Budget Hearing Minutes
June 29, 2026
City Hall (340 E Street)
6PM

**Call to Order/Pledge of Allegiance:** Mayor Alan Brown called meeting to order at 6:00 pm. Pledge of allegiance was recited.

Roll Call: Don McClure, Don Clark, Becky Sturm, Midge Clause, Lindsey Thompson, Dave Hoene, and Alan Brown. Josh Guthrie was not in attendance.

Budget Committee Members: Mike Schoeningh, Debby Schoeningh, Joyce Lawyer, Alana West and Mary Jones.

Accountant: Jason Bingham

**Public Comment**:
**Joyce Lawyer**: If something happens and we can't come up with the money for payroll, can we not pay them? Do we have to give it to them, or can they change it and take a smaller amount? Because where we're using the overflow, it's going to be gone, and then we're going to be stuck if we have a problem?
**Jason**: We're not under obligation to pay those wages. There are emergencies that come up and overtime needs to happen. We have built that into the budget. We do have some cash carryover and contingency money to help pay for that. Jason went on to explain the changes he made: Public Works at $24/hour, Public Works extra at $20/hour, city recorder at $23/hour, we added an extra 4 hours per week given her workload. The budget can handle 4 hours per week. That's all the adjustments that were made to the budget. He explained that the total cost of these payroll adjustments are $17,000. That's $8,000 for pay rates and $9,000 for the year for 4 hours a week for the recorder given the workload. You are not required to pay all this, but this is built into the budget so that we've got flexibility to maintain the city where it's at. The $17,000 is being funded by unspent cash carryovers and unspent contingency. I went through and analyzed each one of the funds. Tightly cut some expenses and kept payroll within reason. Get volunteer help, and get a volunteer program going, then you can cut your costs, and you're not required to pay all this. There must be a budget through the current level of services that we're doing. Explained that the revenue, given a $3.00 increase, will exceed operating expenses by $6,800. It doesn't supply any real money into savings, but it does a little bit. Our revenues exceed operating expenses, so we can put $6,800 into savings in the water fund, with that $3.00 increase. If there is no $3.00 increase, operating expenses exceed our revenues. We put it in the budget, and the City Council can decide if they want to do that $3.00 increase. Sewer funds are operating well. The revenues exceed operating expenses by $30,000. Goal is to put $28,000 into savings for future capital expenses, major equipment repairs or equipment needs that come up. Reserve accounts, we're not dipping into those. We are getting into our savings accounts. This account has $92,000 and general street has $49,000. Our enterprise funds, which is water/sewer, have $776,000. We are maintaining right there however we are paying for our expenses through cash carryovers from other funds. My conclusion is that the city can afford. City needs to find ways to keep costs down and increase revenue to keep reserves in the future for capital needs. If not, the city will eventually have to transfer money from savings into operating, and that's not a good place to be. We are not in that position now. I still think this is a budget that can work for the city, and it gives them a chance to really open their eyes and see potential. I made the adjustments for payroll and that filtered down. We're transferring less into savings, but we are still transferring into savings. We are still in an okay place. We 're transferring $4,500.00 instead of $11,000.
**Mike Schoeningh** asked if he was aware that we did have a retroactive raise since last year? Part of this year's budget monies are going to the last budget cycle. Retroactive to April 15th. How much does it reduce the funds available for library wages in the 26-27 budget if it's approved?
**Alan**: What happened was we had a 5% increase for her for this coming budge year. Her 60-day review came before the end of last year's budget. We had to take her back to April 15. It amounts to about $123.00.
**Jason**: That's why we put 5% cushion in there to cover things like this. We still have money to capitalize outlay for the streets. Capital outlay has $92,345. That is what the city had available for capital needs, equipment, streets, anything big equipment wise or capital repairs. As you can see, $153,000 minus operating expense gives you $6,800 aside. Total savings will be $760,000. We are putting less money in the savings from these payroll documents. Not the end of the world. My conclusion is that you have a budget you can work with, but it's not a green light to spend

away. You have got to be conscious of your expenses and really look for ways to cut costs because we can't continue this kind of scale.
**Alan**: Read the resolution adopting the budget. Then read through the general totals.

**Budget adopted**: 5 yes, 0 no 1 absent, Josh Guthrie.

**Meeting adjourned:** 6:30 pm