



# CITY OF MANZANITA

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## SPECIAL CITY COUNCIL MEETING AND BUDGET HEARING

Zoom Video Conference  
<https://ci.manzanita.or.us>

## AGENDA Updated

June 15, 2022

06:00 PM Pacific Time

**Video Meeting:** Council will hold this meeting through video conference. The public may watch live on the [City's Website: ci.manzanita.or.us/broadcast](https://ci.manzanita.or.us/broadcast) or by joining the Zoom webinar:

<https://us02web.zoom.us/j/88252361005>

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**Please note that a passcode is not required to enter the webinar.**

**Note:** agenda item times are estimates and are subject to change

1. **CALL TO ORDER** (6:00 p.m.)
2. **PUBLIC HEARING – CONSIDERATION OF 2022/2023 BUDGET (INCLUDING PROPOSED USES OF STATE REVENUE SHARING FUNDS)** (6:01pm)
3. **NEW BUSINESS** (6:30)
  - A. Approval of Budget Committee Minutes
    - a. March 21, 2022 Budget Committee Pre Meeting
    - b. April 18, 2022 Budget Committee Pre Meeting
    - c. May 9, 2022 Budget Committee Meeting
    - d. May 10, 2022 Budget Committee Meeting
    - e. May 18, 2022 Budget Committee Meeting
  - B. Resolution adopting the budget, levying taxes, categorizing taxes, and making appropriations for the fiscal year commencing July 1, 2022, to June 30, 2023 – Resolution 22-09
  - C. Resolution electing to receive State revenue sharing funds for fiscal year 2022-2023 – Resolution 22-10

- D. Resolution extending workers' compensation coverage to volunteers for fiscal year 2022-2023 – Resolution 22-11
- E. Resolution transferring appropriations for fiscal year 2022-2023 – Resolution 22-12
- F. Resolution setting a General Fund Operating Reserve Policy – Resolution 22-13

**4. INFORMATION AND ADJOURN (6:45)**

CITY OF  
MANZANITA



COUNCIL PACKET

**CITY OF MANZANITA**  
**March 21, 2022**  
**BUDGET COMMITTEE PRE-MEETING**

**1. CALL MEETING TO ORDER:** The meeting was called to order by David Dillon at 1:00 P.M. March 21, 2022 via Zoom.

**2. ROLL:** Members present were: Mike Scott, Linda Kozlowski, Steve Nuttall, Hans Tonjes, Jerry Spegman, David Dillon, Jim Hickey, Jim Dopp, Chip Greening, and Kathryn Stock. Staff Present: Leila Aman, Erik Harth, Dan Weitzel, Scott Gebhart and Nina Aiello.

**3. REVIEW AND APPROVE FY 22/23 BUDGET CALENDAR:** City Manager Aman presented the budget calendar for fiscal year 2022/23. The Budget Committee and Council formed a consensus to approve the calendar as presented.

**4. FY 22/23 BUDGET PROCESS DEBRIEF / GUILDING PRINCIPALS FOR 2023:** City Manager Aman provided an overview of the budget process, highlighting some of the key changes this year. A salary study has been completed and will be presented to Council for approval prior to the May 9, 2022, Budget Committee meeting. Budget transfers will be determined using the indirect cost allocation method, and Aman is currently working with FCS to complete an updated study. The city has used this method in previous budgets, and the last study was completed in 2020.

The building department exceeded its budgeted revenue for fiscal year 21/22. Because these funds are restricted, building will be removed from the General Fund and become its own department. The beginning fund balance will be a transfer from the General Fund, and the Building department will use the indirect cost allocation method for determining transfers.

**5. GOALS AND SPENDING PRIORITIES:** Aman stated that the goal of this budget is to support the goals Council adopted in 2021, and to continue the philosophy of under estimating revenues and over estimating expenses. This fiscal year Aman plans to continue work on the Destination Management Plan, to complete a water rate study, and begin work on the City's comprehensive plan.

Aman stated that there is a need for the city to form a Revenue Diversification Committee to explore other forms of revenue for the City. It is recommended that the committee be chaired by a member of Council, with 1-2 members from the Budget Committee and 2 members from the community serving on the board. Councilor Spegman volunteered to be the chair, and Council formed a consensus for Aman to move forward with forming the committee.

**6. ADJOURMENT:** The meeting was adjourned at 2:23 pm

**MINUTES APPROVED THIS**  
**15<sup>th</sup> Day of June, 2022**

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Michael Scott, Mayor

Attest:

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Leila Aman, City Manager

**CITY OF MANZANITA**  
**April 18, 2022**  
**BUDGET COMMITTEE PRE-MEETING**

**1. CALL MEETING TO ORDER:** The meeting was called to order by David Dillon at 1:00 P.M. April 18, 2022 via Zoom.

**2. ROLL:** Members present were: Mike Scott, Linda Kozlowski, Steve Nuttall, Hans Tonjes, Jerry Spegman, David Dillon, Jim Dopp, Chip Greening, and Kathryn Stock. Jim Hickey was absent and excused. Staff Present: Leila Aman, Erik Harth, Dan Weitzel, Scott Gebhart and Nina Aiello.

**3. INDIRECT COST ALLOCATION PLAN – MARTIN CHAW, FCS:** FCS consultant Martin Chaw gave a presentation on the process and results of the indirect cost allocation study. Chaw stated that the purpose of this methodology is to quantify the benefits received by direct service departments from indirect services. It calculates the full cost of providing support services to the City's direct departments for internal budgeting and recovery purposes. Chaw gave an overview of the 5-step process used to determine indirect cost allocations, stating that goal of the study is to produce numbers that are reasonable, equitable, and defensible. Based on the findings from the study, it is recommended that the City make transfers into the General Fund from the Building Fund, Water Fund, and Water Construction Fund.

**4. FY 2022/23 DISCUSSION:** City Manager Aman gave an overview of staff organization and discussed the newly created positions of Development Services Manager, Assistant City Reorder, and Accounting Manager. The city has a total of 16.2 FTE positions, with a .6 remaining unfilled for FY 22/23. Aman gave an overview of the structure of the budget, highlighting key changes and providing a brief description of each of the 16 funds and 8 departments and discussing how each is funded.

Aman discussed high level changes to the budget, stating that the narratives and budgets will now be combined, there will be more summary information, and there will be projections for both revenue and expenditures. In addition, the use of Tourism Promotion funds will be used for the operations and maintenance of visitor facilities, the building department will become its own fund, and a Building Reserve Fund will be created.

Aman discussed the budget philosophy, stating that this budget will reflect a conservative budget by underestimating revenue, maintaining a strong savings account in the General Fund, a focus on cost recovery, and aligning resources with functions. Transfers will only be made for planned capital projects, and expenditures will reflect funding to achieve and implement Council goals.

**5. FY 2021/22 UPDATE:** Aman provided a high-level budget report for FY 21/22, reviewing both revenues and expenditures for each fund. Aman expects that we will need to make budget adjustments in the General Fund before the end of the fiscal year. Administration is expected to be over budget in materials and services due to unforeseen professional services that were required, as well as technology fees that were not budgeted for. The Court department is expected to be over budget in personnel services due to unexpected overtime for an hourly employee that was not budgeted for. The Court Clerk has been transitioned into a salaried position to prevent

overspending in FY 22/23. In addition, the Building department is expected to be over budget in materials and services due to a large increase in revenue which resulted in a larger than expected payment to the state for the required 12% remittance on assessment.

**6. ADJOURNMENT:** The meeting was adjourned at 2:31 pm

**MINUTES APPROVED THIS  
15<sup>th</sup> Day of June, 2022**

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Michael Scott, Mayor

Attest:

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Leila Aman, City Manager



**CITY OF MANZANITA  
MAY 09, 2022  
BUDGET COMMITTEE MEETING**

**CALL MEETING TO ORDER:**

The meeting was called to order by Dave Dillon at 4:00 pm via Zoom. Members present were Mike Scott, Linda Kozlowski, Hans Tonjes, Jerry Spegman, Steve Nuttall, David Dillon, Jim Hickey, Jim Dopp, and Chip Greening. Kathryn Stock was absent and excused. Staff present: City Manager Leila Aman, Assistant City Recorder Ashley Myers, Finance & Administrative Specialist Nina Aiello, Police Chief Erik Harth, Public Works Director Dan Weitzel, and Building Official Scott Gebhart.

**There were 3 members of the public present.**

**ELECTION OF CHAIR & VICE-CHAIR FOR 2022/2023. A motion was made by Hickey, seconded by Greening to nominate Dave Dillon for Chair of the Budget Committee. A motion was made by Greening, seconded by Hickey, to nominate Jim Dopp for Vice-Chair of the Budget Committee. Motion passed unanimously.**

**PRESENTATION OF BUDGET MESSAGE BY BUDGET OFFICER:** City Manager Aman stated that the General Fund is in solid shape after two years of record-breaking revenue. This budget proposes placing a portion of these excess revenues into a proposed General Fund Reserve, and the remaining unexpended funds in Reserve for Future for this fiscal year. Aman stated that the Water Operating Fund has been sustaining itself close to the margin for the last several years as materials and services have seen large increases in costs while water rates have remained the same. A water rate study will be completed this fiscal year to address this. The Water Construction Fund remains with 2.5 million in reserves after the Dorcas project.

Aman stated that previous budgets have allocated extra resources to infrastructure, funding the majority of Road, Parks, and Storm Drain projects from the General Fund. The proposed budget takes a different approach by instead allocating extra resources to reserves within the general fund, and only making transfers that are required for existing planned capital projects until other sources of revenue are identified. The proposed budget does not include an obligation to the General Fund for debt service, including financing for a new City Hall. However, it does include an option for a debt service payment out of the City Hall Expansion Fund, should Council determine there are sufficient resources.

A key recommendation from Aman is for the Budget Committee and Council to develop financial, reserve, and debt management policies to provide transparent guidelines for decision making. Aman also recommends that Council adopt a reserve policy for the General Fund by Resolution. Reserve policies for the Water Fund and Building Fund should also be established but can be part of a larger policy package. In addition, forgone revenue should be analyzed, and forgone revenue for a purpose also considered; with a recommendation that Council move forward with adopting the County Workforce Housing Abatement Program. Aman would also like to find additional ways for Council and the Budget Committee to engage with the community and move forward with policy and implementation.



## **OVERVIEW OF BUDGET-BY-BUDGET OFFICER AND DEPARTMENT HEADS:**

**GENERAL FUND** – City Manager Aman stated that General Fund revenues reflect a significant increase in carry over due to an underestimation of revenue from the previous fiscal year. The Building department far exceeded budgeted revenues in the previous fiscal year, and because these funds are restricted this budget reflects the Building department as its own fund. There are transfers in from the Building Fund, Water Operating Fund, and Water Construction Fund as recommended from the indirect cost allocation study. General Fund expenditures reflect a significant increase in professional services to account for the city planner, legal fees, information technology and support, and other programs related to city priorities. The Budget Committee and Council recommended an increase in professional services to support a seasonal part time Short Term-Rental enforcement / community relations position. Expenditures also include a transfer out to the Public Safety Equipment Reserve Fund, Storm Drain Facilities Fund, and Building Fund.

Police Chief Harth reviewed the proposed Public Safety budget and stated that there were no significant changes.

**ENTERPRISE FUNDS** - Public Works Director Weitzel reviewed the proposed Water Operating budget and stated that there were no significant changes to revenues. Weitzel stated that expenditures reflect an increase in on-call pay for Utility Workers, a large increase in billing and administration for a meter program implementation, and a transfer out to the Public Works Equipment Reserve Fund and the General Fund to support administrative overhead.

Weitzel stated that Water Construction Fund revenues reflect an increase in carry over, and 2.4 million of these funds are reserved for future system replacement. System Development revenue has also increased due to an increase in new home builds. Weitzel stated that expenditures reflect a significant increase in capital outlay to account for the Dorcas and 4<sup>th</sup> St improvement project, and a transfer out to the General Fund.

The meeting was adjourned at 6:01 PM. Special Funds and Capital Projects will be reviewed May 10, 2022 at 4:00 pm. The public hearing meeting is scheduled for May 18, 2022 at 6:00 pm.

**MINUTES APPROVED THIS  
15<sup>th</sup> Day of June 2022**

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Mike Scott, Mayor

**ATTEST:**

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Dave Dillon, Budget Committee Chair

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Leila Aman, City Manager/Recorder

**CITY OF MANZANITA  
MAY 10, 2022  
BUDGET COMMITTEE MEETING**

**CALL MEETING TO ORDER:**

The meeting was called to order by Dave Dillon at 4:00 pm via Zoom. Members present were Mike Scott, Linda Kozlowski, Hans Tonjes, Jerry Spegman, Steve Nuttall, David Dillon, Jim Hickey, Jim Dopp, Chip Greening, and Kathryn Stock. Staff present: City Manager Leila Aman, Finance & Administrative Specialist Nina Aiello, Police Chief Erik Harth, Public Works Director Dan Weitzel, and Building Official Scott Gebhart.

**There were 4 members of the public present.**

**OVERVIEW OF BUDGET-BY-BUDGET OFFICER AND DEPARTMENT HEADS:**

**SPECIAL FUND** – Building Official Gebhart stated that a new Building Fund was established for fiscal year 2022-2023 as its own fund with a transfer from the General Fund as the beginning fund balance. Gebhart stated that expenditures reflect a large increase in assessments on building permits and contract services to account for the increase in building activity, as well as an increased need for professional services. Expenditures also include a transfer out to the General Fund as recommended from the indirect cost allocation study, as well as a transfer to the newly created Building Reserve Fund.

City Manager Aman stated that the Road Fund had no significant changes to revenue. Expenditures reflect a drop in personnel services as a portion of salary allocations will be covered by the Tourism Promotion Fund, as well as a transfer out to Public Works Reserve Fund.

Tourism Promotion Fund revenues reflect a significant increase due to an underestimation in carry over from the previous fiscal year. Expenditures reflect the addition of personnel services for the services of maintenance and operations of visitor facilities. The Budget Committee and Council recommended a reduction in contract services to the lower of TCVAs proposal which does not include grant administration.

There were no significant changes to the Timber Management Fund, the Housing Rehabilitation Fund, or the Trust Fund. Aman hopes to remove the Trust Fund from the budget next fiscal year. The Puffin LID Fund received its last repayment this fiscal year and has been removed from the budget.

**CAPITAL PROJECTS** – Aman stated that there were no significant changes to the Storm Drain Facilities Fund. The Capital Outlay line item contains its share of the Dorcas and 4<sup>th</sup> St improvement project.

There were no significant changes to the Park Facilities Fund. The Capital Outlay line item does not contain any funds as staff recommends the Parks Master Plan be updated and a rate study completed before any resources are allocated.

City Hall Expansion fund revenue reflects a significant increase due to the anticipated sale of the old City Hall building. No transfers are included for this fiscal year. Expenditures reflect a significant increase to account for the anticipated costs required for the new City Hall project. Expenditures also include an option for a debt service payment for a new City Hall should the City identify sufficient resources to sustain an ongoing debt service payment.

Public Works Equipment Reserve Fund contains funds in the Capital Outlay line item for the replacement of the Ford Ranger. Public Safety Reserve Fund contains funds in the Capital Outlay line item for the replacement of a patrol vehicle. The Building Reserve Fund has been established with a transfer in from the Building Fund. The Capital Outlay line item contains funds for a new vehicle for the Building Fund.

The meeting was adjourned at 5:48 PM. The public hearing meeting is scheduled for May 18, 2022, at 6:00 pm.

**MINUTES APPROVED THIS  
15<sup>th</sup> Day of June 2022**

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Mike Scott, Mayor

**ATTEST:**

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Dave Dillon, Budget Committee Chair

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Leila Aman, City Manager/Recorder

**CITY OF MANZANITA**  
**May 18, 2022**  
**BUDGET COMMITTEE MEETING/PUBLIC HEARING**

**CALL MEETING TO ORDER:**

The meeting was called to order by Dave Dillon at 6:00 pm via Zoom. Members present were Mike Scott, Linda Kozlowski, Hans Tonjes, Jerry Spegman, Steve Nuttall, Dave Dillion, Jim Hickey, Jim Dopp, Chip Greening, and Kathryn Stock. Staff present: City Manager Leila Aman, Finance & Administrative Specialist Nina Aiello, Police Chief Erik Harth, Public Works Director Dan Weitzel, and Building Official Scott Gebhart.

**There were 11 members of the public in attendance.**

**PUBLIC HEARING AND COMMENTS – Proposed use of State Revenue Sharing for 2022-2023/Proposed 2022-2023 Budget for the City of Manzanita:**

Public Hearing was opened by Chair Dillon at 6:02 pm. No Public comment was made. Public Hearing was closed at 6:03 pm.

**SETTING OF PROPERTY TAX RATE FOR 2022/2023:**

**A motion was made by Nuttall, seconded by Greening, to set the property tax rate at \$0.4233 per \$1,000 of assessed valuation for the 2022/2023 year. Motion passed unanimously.**

**APPROVAL OF 2021/2022 BUDGET AND COMMENTS** – There was one comment from the public regarding use of the indirect cost allocation method proposed in the budget, one comment regarding the Water Rate Study planned for FY 22/23, and one comment regarding the new budget format.

City Manager Aman stated that there will be a budget committee workshop to review the budget process used for FY 22/23, and to approve a calendar setting quarterly Budget Committee work sessions. The purpose of the quarterly work sessions will be to evaluate year-to-date revenues/expenditures and discuss other issues related to the budget and revenue diversification.

**A motion was made by Dopp, seconded by Greening to approve the 2022/2023 budget as presented and to recommend its adoption by the City Council. Motion passed unanimously.**

**ADJOURNMENT:** The meeting was adjourned at 6:27 pm.

MINUTES APPROVED THIS  
15<sup>th</sup> Day of JUNE 2022

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Mike Scott, Mayor

Attest:

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Dave Dillon, Budget Committee Chair

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Leila Aman, City Manager/Recorder



## City of Manzanita

### COUNCIL RESOLUTION No. 22-09

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANZANITA, OREGON, ADOPTING THE BUDGET, LEVYING TAXES, CATEGORIZING TAXES AND MAKING APPROPRIATIONS FOR FISCAL YEAR COMMENCING JULY 1, 2022 TO JUNE 30, 2023**

**BE IT RESOLVED** that the City of Manzanita hereby adopts the annual budget as approved at the Budget Hearing on May 18, 2022, in the aggregate amount of \$7,310,681 and now on file at the office of the City Manager.

**BE IT RESOLVED** that the City Council of the City of Manzanita hereby imposes the taxes provided for in the adopted budget at the rate of \$0.4233 per \$1,000 of assessed value for operations; and that these taxes are hereby imposed and categorized for tax year 2022-2023 upon the assessed value of all taxable property within the City.

**BE IT RESOLVED** that the City Council of Manzanita hereby categorizes the taxes as follows:

	SUBJECT TO THE GENERAL GOVERNMENT LIMITATION	EXCLUDED FROM THE LIMITATION
General Fund	\$0.4233 / \$1000	-0-
Total Levy	\$0.4233 / \$1000	-0-

**BE IT RESOLVED** that the amounts for the fiscal year beginning July 1, 2022, and the purpose shown below are hereby appropriated as follows.

#### **GENERAL FUND:**

Administration Department	\$	972,564	
Police Department	\$	732,330	
Court Department	\$	46,153	
Park Department	\$	35,001	
Civic Improvement Reserve	\$	145,000	
Non-Department	\$	510,815	
Contingency	\$	122,000	
<b>TOTAL GENERAL FUND</b>	<b>\$</b>	<b>2,563,863</b>	<b>Tax Levy \$0.4233 / \$1000</b>

**WATER OPERATING FUND:**

Personnel Services	\$	489,474	
Materials & Services	\$	517,928	
Capital Outlay	\$	3,500	
Debt Service	\$	171,000	
Transfers Out	\$	185,246	
Contingency	\$	50,000	
TOTAL WATER OPERATING FUND	\$	1,417,148	No Tax Levy

**WATER CONSTRUCTION FUND:**

Materials & Services	\$	5,000	
Capital Outlay	\$	751,359	
Transfers Out	\$	44,265	
Contingency	\$	40,000	
TOTAL WATER CONSTRUCTION FUND:	\$	840,624	No Tax Levy

**BUILDING FUND:**

Personnel Services	\$	143,453	
Materials & Services	\$	99,100	
Capital Outlay	\$	15,000	
Transfer Out	\$	68,070	
TOTAL BUILDING FUND:	\$	325,623	No Tax Levy

**ROAD FUND:**

Personnel Services	\$	94,295	
Materials & Services	\$	63,200	
Capital Outlay	\$	614,611	
Transfer Out	\$	8,700	
Contingency	\$	40,000	
TOTAL ROAD FUND:	\$	820,806	No Tax Levy



**TOURISM PROMOTION AND FACILITIES FUND:**

Personnel Services	\$	65,303
Materials & Services	\$	92,000
Capital Outlay	\$	10,000
Debt Service	\$	50,900

TOTAL TOURISM PROMOTION AND FACILITIES FUND:	\$	218,203	No Tax Levy
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**TIMBER MANAGEMENT FUND:**

Materials & Services	\$	5,000
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TOTAL TIMBER MANAGEMENT FUND:	\$	5,000	No Tax Levy
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**HOUSING REHABILITATION LOAN FUND:**

Materials & Services	\$	107,324
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TOTAL HOUSING REHABILITATION LOAN FUND:	\$	107,324	No Tax Levy
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**STORM DRAIN FACILITIES FUND:**

Materials & Services	\$	15,000
Capital Outlay	\$	194,400
Contingency	\$	4,190

TOTAL STORM DRAIN FACILITIES FUND:	\$	213,590	No Tax Levy
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**PARK FACILITIES FUND:**

Materials & Services	\$	600
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TOTAL PARK FACILITIES FUND:	\$	600	No Tax Levy
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**CITY HALL EXPANSION FUND:**

Materials & Services	\$	296,500
Debt Service	\$	405,400

TOTAL CITY HALL EXPANSION FUND:	\$	701,900	No Tax Levy
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**PUBLIC WORKS EQUIPMENT RESERVE FUND:**

Capital Outlay	\$	36,000
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TOTAL PUBLIC WORKS EQUIPMENT RESERVE FUND: \$ 36,000      No Tax Levy

**PUBLIC SAFETY EQUIPMENT & FACILITIES RESERVE FUND:**

Capital Outlay	\$	50,000
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TOTAL PUBLIC SAFETY EQUIP & FACILITIES RESERVE FUND: \$50,000 No Tax Levy

**BUILDING RESERVE FUND:**

Capital Outlay	\$	10,000
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TOTAL BUILDING RESERVE FUND:   \$       10,000                      No Tax Levy

RESERVE FOR FUTURE	\$	5,435,633
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TOTAL BUDGET APPROPRIATIONS	\$	7,310,681
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APPROVED AND ADOPTED THIS 15<sup>TH</sup> DAY OF JUNE 2022.

Michael Scott, Mayor

ATTEST:

Leila Aman, City Manager/ City  
Recorder



## City of Manzanita

### **COUNCIL RESOLUTION No. 22-10**

#### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANZANITA, OREGON, ELECTING TO RECEIVE STATE REVENUE SHARING FUNDS FOR FISCAL YEAR 2022-23**

#### **Now, therefore, be it Resolved:**

**Section 1.** Pursuant to O.R.S. 221.770, the City hereby elects to receive State revenues for the fiscal year 2022-23.

**Section 2.** The City certifies that a public hearing before the Budget Committee was held on May 18, 2022, and a public hearing before the City Council was held on June 15, 2022, giving citizens the opportunity to comment on use of State Revenue Sharing funds.

Introduced and adopted by the City Council on June 15, 2022.

This resolution is effective on June 15, 2022.

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Michael Scott, Mayor

ATTEST:

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Leila Aman, City Manager/ City  
Recorder



## City of Manzanita

### **COUNCIL RESOLUTION No. 22-11**

#### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANZANITA, OREGON, EXTENDING WORKERS' COMPENSATION COVERAGE TO VOLUNTEERS OF CITY OF MANZANITA FOR POLICY YEAR 2022.**

**WHEREAS**, the City of Manzanita elects the following:

Pursuant to ORS 656.031, worker' compensation coverage will be provided to the classes of volunteers listed in this resolution, noted on SAIF payroll schedule, and verified at audit:

**1. Public Safety Volunteers**

An assumed monthly wage of \$800 will be used for public safety volunteers (Class Code 8411).

**Emergency Response Volunteers**

All emergency response volunteers will track their hours and Oregon minimum wage will serve as assumed wage for both premium and benefits calculations.

**2. Volunteer boards, commissions, and councils for the performance of administrative duties**

- a. City Council
- b. Planning Commission

**3. Manual labor by elected officials**

(Not applicable)

**4. Non-Public Safety Volunteers**

All non-public safety volunteers listed below will track their hours and Oregon minimum wage will serve as assumed wage for both premium and benefits calculations. SAIF will assign the appropriate classification code according to the type of volunteer work being performed.

- a. Parks and recreation
- b. Public works
- c. Administration

**5. Public Events**

Volunteers at the following public events will be covered under workers' compensation coverage using verified hours Oregon minimum wage as basis for

premium and/or benefit calculation: Other events will be subject to the same parameters as section 7 other volunteers.

- a. Fourth of July Parade
- b. Other Events

#### **6. Community Service Volunteers/Inmates**

Pursuant to ORS 656.041, workers' compensation coverage will be provided to community service volunteers commuting their sentences by performing work authorized by City of Manzanita. Oregon minimum wage tracked hourly will be used for both premium and benefit calculations, verifiable by providing a copy of the roster and/or sentencing agreement from the court.

#### **7. Other Volunteers**

Volunteer exposures not addressed here will have workers' compensation coverage if, prior to the onset of the work the City of Manzanita:

- a. Provides at least two weeks advance written notice to SAIF underwriting requesting the coverage.
- b. SAIF approves the coverage and date of coverage.
- c. SAIF provides written confirmation of coverage.

City of Manzanita will maintain verifiable rosters for all volunteers including volunteer name, date of service and hours of service and make then available to SAIF at the time of a claim or audit to verify coverage; now therefore,

**Now, therefore, be it Resolved** that the City of Manzanita shall provide for worker' compensation insurance coverage effective July 1, 2022, as indicated above.

Introduced and adopted by the City Council on June 15, 2022.

This resolution is effective on June 15, 2022.

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Michael Scott, Mayor

ATTEST:

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Leila Aman, City Manager/ City  
Recorder



## City of Manzanita

### COUNCIL RESOLUTION No. 22-12

#### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANZANITA, OREGON, FOR THE PURPOSE OF TRANSFERRING APPROPRIATIONS WITHIN THE GENERAL FUND FOR FISCAL YEAR 2021-22

**WHEREAS**, the City of Manzanita has determined that a transfer of appropriations in the General Fund/Administration Department is needed for the purpose(s) of covering unanticipated legal costs, and contract services for information technology service and support; and

**WHEREAS**, the City of Manzanita has determined that a transfer of appropriations in the General Fund / Court Department is needed for the purpose(s) of additional staff hours required to perform the functions of the court. Specifically transitioning the court records to a new system and implementation of new financial software; and

**WHEREAS**, the City of Manzanita has determined that transfer of appropriations in the General Fund / Building Department is needed for the purpose of covering an increase in the projected assessment on building fees charged by the state due to significantly higher building starts than projected.

#### **Now, therefore, be it Resolved:**

The following appropriations within the 2021-2022 City Budget are adjusted as follows:

<u>Appropriation Category</u>	<u>Existing Amount</u>	<u>Increase/ (Decrease)</u>	<u>Adjusted Amount</u>
General Fund/Administration	\$666,732	\$50,000	\$716,732
General Fund/Court	\$68,160	\$5,000	\$73,160
General Fund/Building	\$124,404	\$10,000	\$134,404
General Fund/Contingency	\$137,974	(\$65,000)	\$72,974

Introduced and adopted by the City Council on June 15, 2022.

This resolution is effective on June 15, 2022.

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Michael Scott, Mayor

ATTEST:

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Leila Aman, City Manager/ City  
Recorder





## City of Manzanita

### **COUNCIL RESOLUTION No. 22-13**

#### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANZANITA, OREGON, SETTING A GENERAL FUND OPERATING RESERVE POLICY.**

**WHEREAS**, the Budget Committee determined that it would be in the best interest of the City of Manzanita to establish a formal General Fund Operating Reserve Policy; and

**WHEREAS**, the Budget Committee approved a 15% reserve for the 2022-2023 fiscal year and supported increasing that reserve amount to 25% over the next four years.

#### **Now, Therefore, be it Resolved:**

**Section 1:** 15% of General Fund operating funds shall be held in reserve for Fiscal Year 2022-2023.

**Section 2:** The General Fund reserve will increase by 2.5% until the operating reserve reaches 25%.

**Introduced and adopted by the City Council on June 15, 2022.**

**This resolution is effective on June 15, 2022.**

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Michael Scott, Mayor

ATTEST:

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Leila Aman, City Manager/ City  
Recorder

**From:** Randy Kugler <[rkinor@gmail.com](mailto:rkinor@gmail.com)>

**Sent:** Saturday, June 11, 2022 8:45 AM

**To:** Leila Aman <[lamana@ci.manzanita.or.us](mailto:lamana@ci.manzanita.or.us)>

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**Subject:** Re: Questions

Lelia,

Thank you for the invitation to submit written questions for the June 15<sup>th</sup> Budget Public Hearing. You are aware that the question of allowing citizens to both comment and ask questions at the required Public Hearing before the Budget Committee was put out to City Managers recently on the OCCMA listserv. The responding City Managers confirmed that both comments and questions were welcomed and encouraged in their cities.

It appears from the comments that I received at the Budget Committee Public Hearing that the City sees no distinction between comments and questions and believes that it satisfies its legal obligations by simply allowing both at its Public Hearing. I would suggest that the opportunity to ask questions with no expectation of receiving any answer is hardly a characteristic of transparent and responsive government. In essence, the Budget Committee Public Hearing is equivalent to a Council meeting Audience Participation without a 3 minute time limit.

It was noted that it was the practice of this Council at other meetings and workshops that citizens were allowed to ask questions and could expect to get answers. Do you think that the 95% of citizens who do not attend City meetings regularly and are not familiar with the "practice" of the Council and come to a meeting with an announced Public Hearing might be confused as to why their questions won't get an answer because they should have been asked at some earlier meeting with no Public Hearing opportunity on the Agenda?

My written questions are below. If I have any follow up questions in response to your answers on the 15<sup>th</sup>, will that be allowed and can I expect to receive answers?

**Question:** Did the Budget Committee or staff perform any review of the maximum indirect charges generated by the FCS model for the 4 City Hall staff and did that review confirm that the maximum charges were indeed appropriate?

If a review was conducted, when was it done and what objective measures were used to conclude that the maximum charges were appropriate?

The FCS model concludes that the Short Term Rental Program Manager position can be funded by transfers from the Water Operating Fund.

**Question:** What does the Short Term Rental Program Manager do to support the operation of the water utility and are we supposed to believe that during the last 3 years of record STR income there isn't enough STR income to support this position without additional funding from the Water Operating Fund?

The City Manager estimates that she spends approximately 10-15% of her time in the necessary work required by her position to see that the water utility is operating efficiently. The FCS model says that the Water Fund is justified in being charged \$75,729 for this effort.

**Question:** Again, without relying on the complexities of the FCS model to justify this charge, can you give specific examples and explain how this works so that a citizen can understand this?

**Question:.** The original FCS model in 2019 claimed that the City could justify taking \$157K from the Water Fund for indirect costs for 5 City Hall staff positions. The indirect costs in the updated model in this Budget now covering 4 positions instead of decreasing actually increases to \$168K. Can you offer a common sense explanation of how that happened?

The City Manager and Assistant City Recorder are charging the Water Construction Fund approximately \$26,000 mostly for the Dorcus Street repair project. The Accounting Manager is taking an additional \$18,728 from the Water Construction Fund for her role in the project.

**Question:** Can you explain what these three staff members, particularly the Assistant City Recorder will be doing to assist the Public Works Director and the selected contractor in this construction project?

**Question:** According to the FCS Model, charges to the Water Operating Fund for indirect services for both the City Manager and Assistant City Recorder positions are heavily based on non personnel expenditures in the Water Operating Fund. The model states that it averaged these costs over “the 2019 and 2022 time periods”. How can the model average expenditure costs for 2022 on 3 months of actual costs for 2022?

The Water Master Plan adopted in August 2021 states there “ does not appear to be an immediate need to raise rates.

**Question:** Why were the Water Master Plan consultants wrong in their assessment of the financial condition of the Water Operating Fund?

The Public Works Director job description states :Supervision Exercised: **Supervises Public Works Department employees. Assigns and reviews work; alters the workloads of others to meet scheduling demands; evaluates performance and conducts appraisal interviews; and has the authority to hire and fire, or effectively recommend the same.**

In reality, The City Manager supervises their Department Heads (Public Works Directors) who in turn supervise their departmental staff.

The Assistant City Recorder's position specifies that supervision of others is not a function assigned to this position.

**Question:** Given that the City Manager certainly has responsibilities supervising the Public Works Director, What specific personnel activities for the 3 FTEs identified in the FCS Study that is not done by the Public Works Director is the City Manager and Assistant City Recorder performing that results in a \$46,333 charge against the Water Operating Fund?

On Mon, May 23, 2022 at 12:29 PM Leila Aman <[layan@ci.manzanita.or.us](mailto:layan@ci.manzanita.or.us)> wrote:

Randy,

To be clear you were provided an opportunity to comment and ask questions of the budget committee in accordance with the law. If you had wanted answers in the moment, then you could have submitted your questions in advance. You will indeed receive a response to your questions, as appropriate, at the next public hearing on the budget on June 15<sup>th</sup>. You are welcome to submit your questions in writing as I am relying on your verbal testimony.

Manzanita will continue to go above and beyond in allowing public comment in our meetings.

Cheerfully,

Leila