

RECORD OF PROCEEDINGS

Minutes of the 2007 Operating Budget Public Hearing
Held Thursday, November 9th, 2006

The City of Silverton held a public hearing in Council Chambers at 6860 Plainfield Road at 6:00 pm on Thursday, November 9th, 2006. Mayor John Smith led the Pledge of Allegiance, followed by a silent prayer, and then called the hearing to order. Mrs. George called the roll: Thompson – present, Morthorst – present, Quarry – present, Glover – present, Sylvester – present, Hackett – present. Also present were: Mark Wendling – City Manager and Tom Peterson – Finance Director. Mr. Quarry asked Council to excuse him from the remainder of the meeting, as he had a sick child at home. Council agreed to excuse Mr. Quarry from the meeting.

1. State Purpose of Hearing

Mr. Wendling stated the purpose of the hearing was the presentation of the 2007 Operating Budget. Mayor Smith noted that the City was in sound financial shape. Mrs. Glover said she was impressed with the budget. Mr. Wendling stated as we close out 2006 we are in good shape and have a number of things to build on.

2. Presentation and Discussion

Mr. Wendling explained the City's priorities for 2007 were:

- Overhaul of the Inspection Services
- New Gateway Entrances to the City
- Urban Forestry
- Economic Development
- Montgomery/Plainfield Intersection Re-Alignment

Mr. Wendling also stated he would like to have two readings for the Budget Ordinance, rather than pass it by emergency.

Mr. Wendling then turned the meeting over to Mr. Peterson. Mr. Peterson stated we are in sound financial shape but are facing some future pressures in revenues and expenses.

A. Revenues

Mr. Peterson noted that the revenue challenges we are facing are: The state and county are phasing out revenue sharing with local governments in the form of property taxes, the inheritance tax is being phased out, and revenue from interest income has likely peaked.

B. Expenses

Mr. Peterson stated the expense challenges we are facing include: health insurance, employer pension costs, regular and diesel fuel, gas heat and debt payments.

Mr. Peterson gave an overview of the City's funds, including the 2006 Projected Financials and the 2007 Proposed Budget. Mr. Peterson noted he has eliminated some never or rarely used line items in an effort to streamline the budget. Mr. Peterson also noted he was very conservative while preparing the budget. This is reflected in the projected 2% increase in earnings tax revenues.

Also included in the budget were the 5 year capital improvement plan and a vehicle replacement forecast. Mr. Peterson also gave an overview of our debt summary and a staffing summary as well as three year financial forecast.

3. Public Comment

None.

4. Adjourn Hearing

Mrs. Glover motioned to adjourn the hearing and was seconded by Mrs. Thompson. All voted aye. Motion carried.

Meeting adjourned.

Respectfully submitted,

Meredith L. George
Clerk of Council

John A. Smith
Mayor

Mark T. Wendling
City Manager