



# City of Rockaway Beach

## Budget Committee Meeting Minutes

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**Date:** Wednesday, April 23, 2025  
**Location:** Rockaway Beach City Hall, 276 Hwy 101 - Civic Facility

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### 1. CALL TO ORDER

Mayor McNeilly called the meeting to order at 5:00 p.m.

### 2. ROLL CALL

**Committee Members Present:** Donald Allgeier, Penny Cheek (arrived on Zoom at 5:04 p.m.), Kiley Konruff, Tom Martine, Dave May, Robbie McClaran, Mary McGinnis, Susan Hennessy Schaeftbauer, Carolyn Walters, Michael Weissenfluh and Charles McNeilly

**Staff Present:** Luke Shepard, City Manager; Melissa Thompson, City Recorder; Marni Johnston, Finance Director; Mary Mertz, Public Works Director; and Todd Hesse, Fire Chief

### 3. APPROVAL OF MINUTES

Start time: 5:01 p.m.

#### a. April 16, 2025 Budget Committee Meeting Minutes

Martine made a **motion**, seconded by McGinnis, to approve the minutes for the April 16, 2025 Budget Committee Meeting as presented.

The **motion carried** by the following vote:

Yes: 10 (Allgeier, Konruff, Martine, May, McClaran, McGinnis, Schaeftbauer, Walters, Weissenfluh, McNeilly)

No: 0

### 4. PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS ON THE PROPOSED BUDGET

McNeilly opened the public hearing at 5:02 p.m.

No guests wished to comment.

McNeilly closed the public hearing at 5:03 p.m.

## 5. REVIEW OF PROPOSED BUDGET FOR 2025-2026 FISCAL YEAR

Start time: 5:04 p.m.

Cheek joined the meeting at 5:04 p.m.

Shepard gave a presentation providing an overview of the water system, and high-level water and sewer funds.

Discussion and comments included:

- Question about when sewer rate increases might be imposed and explanation of rates.
- Suggestion to add incentives in rates to conserve water, and comments that rates tied to consumption typically have a higher base rate.
- Noted that expenditure increases include materials and services and personnel.

Mertz presented, and the Budget Committee reviewed, each budget fund indicated below on a line-by-line basis.

### a. Fund 400 Water Operating Fund – Public Works Director Mertz

Discussion and comments included:

- Question whether travel and training for staff was adequate.
- Code Enforcement would be half code and half Public Works. Recruitment to occur after new City Planner hired.

### b. Fund 420 Water Master Plan Reserve Fund – Public Works Director Mertz

Discussion and comments included:

- Question about mechanisms to replenish the fund. Noted that funds are available in case a project comes up, but nothing specific is anticipated.

### c. Fund 470 Water Improvements Debt Service – Public Works Director Mertz

Discussion and comments included:

- Question about Jetty Creek restoration and maintenance costs. Staff explained the focus would be on due diligence, acquisition, and a forest stewardship plan.

### d. Fund 490 Water System Development Charge Fund – Public Works Director Mertz

Discussion and comments included:

- Requirements are not project specific, and all available funds are allocated.

### e. Fund 500 Sewer Operating Fund – Public Works Director Mertz

Discussion and comments included:

- Johnston commended for improving shared cost allocations throughout the budget.
- Suggestion to have salary study to review allocation of shared costs for personnel.
- Increases in requirements were attributed to moving toward adequate staffing, aging equipment, and cost of doing business.

**f. Fund 520 Sewer Master Plan Reserve Fund – Public Works Director Mertz**

**g. Fund 560 Sewer Improvements Debt Service Fund – Public Works Director Mertz**

Discussion and comments included:

- Potential new loan amount could be used as a match if Congressionally directed spending is received, or for a different project.

**h. Fund 590 Sewer System Development Charge Fund – Public Works Director Mertz**

Discussion and comments included:

- Question about the Pacific Street project and comment regarding potholes.
- Request to ensure paving schedule minimizes disruption during busy tourist season.

McNeilly referred the Committee to the staff report to consider Proposed Amendments to Personnel Services submitted by Finance Director Johnston.

McGinnis made a **motion**, seconded by Martine, to amend the Personnel Services allocations in each fund as follows:

- Increase General Fund – Administration (line 2) by \$7,200
- Increase Road Fund – Maintenance Workers Wages (line 26) by \$6,800
- Increase Water Fund – Office Employees (line 21) by \$4,900
- Increase Sewer Fund – Office Employees (line 21) by \$4,900
- Increase TRT Fund – Wages (line 36) by \$9,400

The **motion carried** by the following vote:

Yes: 11 (Allgeier, Cheek, Konruff, Martine, May, McClaran, McGinnis, Schaeffbauer, Walters, Weissenfluh, McNeilly)

No: 0

Johnston noted a typo in Roads Fund 300: FTE is 1.87, not 2, and would be reflected in the approved budget.

Committee general comments:

- Excitement about Transportation study.
- Concerns about speeding on east-west roads, Washington Street, Nedonna Beach area and South 2<sup>nd</sup> Street, and suggestions for traffic calming signs or striping.

- Disappointment expressed that so few members of the public attend Budget Committee meetings.

## 6. ELECTION TO RECEIVE STATE REVENUE SHARING FUNDS FOR FISCAL YEAR 2025-2026

Start time: 5:56 p.m.

McNeilly explained cities in Oregon can opt to receive a share of the State's revenue. A city's share of these revenues is based on per capita distribution and other factors, such as property, taxes, population and income.

McClaran made a **motion**, seconded by Allgeier, to elect to receive State Revenue Sharing funds for Fiscal year 2025-2026.

McGinnis noted it was required by state law to receive funds.

The **motion carried** by the following vote:

Yes: 11 (Allgeier, Cheek, Konruff, Martine, May, McClaran, McGinnis, Schaeftbauer, Walters, Weissenfluh, McNeilly)

No: 0

## 7. APPROVAL OF PROPERTY TAX RATE

Start time: 6:03 p.m.

McNeilly explained that City has a permanent property tax rate levy.

May made a **motion**, seconded by Martine, to approve property taxes for the 2025-2026 fiscal year at the current property tax rate of \$0.988 per \$1,000 of assessed value.

The **motion carried** by the following vote:

Yes: 11 (Allgeier, Cheek, Konruff, Martine, May, McClaran, McGinnis, Schaeftbauer, Walters, Weissenfluh, McNeilly)

No: 0

## 8. APPROVAL OF 2025-2026 FISCAL YEAR BUDGET

Start time: 6:04 p.m.

Weissenfluh made a **motion**, seconded by McClaran, to approve the Budget for Fiscal Year 2025-2026 and recommend it to the City Council for adoption.

The **motion carried** by the following vote:

Yes: 11 (Allgeier, Cheek, Konruff, Martine, May, McClaran, McGinnis, Schaeftbauer, Walters, Weissenfluh, McNeilly)

No: 0

**9. ADJOURNMENT**

Start time: 6:06 p.m.

Martine made a **motion**, seconded by Konruff, to adjourn the meeting at 6:06 p.m.

The **motion carried** by the following vote:


Yes: 11 (Allgeier, Cheek, Konruff, Martine, May, McClaran, McGinnis, Schaeftbauer, Walters, Weissenfluh, McNeilly)

No: 0

MINUTES APPROVED THE  
22<sup>ND</sup> DAY OF APRIL 2026

  
Charles McNeilly, Mayor

ATTEST

  
Melissa Thompson, City Recorder