

PORT OF CASCADE LOCKS

The Budget meeting of the POCL Commission and Budget Committee was held May 8, 2014 at 6:00 pm at the Community Center, Cascade Locks, Oregon 97014.

1. **MEETING CALLED TO ORDER/PLEDGE OF ALLEGIANCE:** Commission President Groves called the meeting to order at 6:00 p.m.

2. **ROLL CALL:**

- **Commission Present:** Groves, Caldwell, Mohr, & Cramblett.
- **Budget Members (BM):** Don Haight, Ken Wittenberg, Rob Brostoff, & Myra Walker.

Others present: Paul Koch, Kristi Bengtson, Angie Wilson, Melissa Warren & Holly Howell.

Commissioner Groves requested that the administration portion of the budget be delayed until the Commission had a chance to discuss, also requesting more backup detail, and questioned the \$10,000 budgeted salary study.

IGM Koch commented that his plans are to not go through each individual department budgets tonight, just to read the budget message and briefly outline the format, so the committee can have time to review.

3. **ELECTION OF OFFICERS:**

Commissioner Groves asked for nominations for President.

- **President:**
COMMISSIONER CALDWELL MADE A MOTION NOMINATING KEN WITTENBERG AS PRESIDENT. BM HAIGHT SECONDED THE MOTION. Motion passed unanimously by Commissioners Groves, Caldwell, Cramblett & Mohr & BM's Wittenberg, Brostoff, Haight & Walker.

Vice President:

COMMISSIONER CALDWELL MADE A MOTION NOMINATING MYRA WALKER AS VICE PRESIDENT. COMMISSIONER MOHR SECONDED THE MOTION. Motion passed unanimously by Commissioners Groves, Caldwell, Cramblett & Mohr & BM's Wittenberg, Brostoff, Haight & Walker.

4. **DECLARATION OF POTENTIAL CONFLICT OF INTEREST:** Commissioner's Caldwell, Cramblett, Mohr and BM Walker declared potential conflicts of interest.

5. **PRESENTATION OF BUDGET MESSAGE: IGM Paul Koch:**

IGM Koch reviewed the budget message (exhibit a). IGM Koch commented that this budget is a plan and the Budget Committee will review the detail in each department, and can make changes as necessary.

6. **REVIEW AND DISCUSSION OF BUDGET DETAIL:**

Some discussion on budget items that need more detail for next meeting.

Commission would like a special meeting to discuss the Administration department budget prior to the next budget meeting.

Commissioner Mohr suggested that the maintenance and construction manager be at the next budget meeting to give his recommendations.

7. SET BUDGET SCHEDULE:

Next budget meeting is May 22nd 6 pm at City Council Chambers.

8. ADJOURNMENT


BM WITTENBERG MADE A MOTION TO ADJOURN THE MEETING AT 7:14 PM. COMMISSIONER MOHR SECONDED THE MOTION. Motion passed unanimously by Commissioners Groves, Caldwell, Cramblett & Mohr & BM's Wittenberg, Brostoff, Haight & Walker.

Port of Cascade Locks:



Jess Groves, President
Port Commission

Attest:



Joeinne Caldwell, Secretary
Port Commission

DATE APPROVED: 6/5/14
Prepared by: Kristi Bengtson

**PORT OF CASCADE LOCKS
2014-15 Budget Message**

DATE: May 5, 2014
TO: Port Budget Committee
FROM: Paul Koch, IGM/Budget Officer
SUBJECT: 2014-15 Budget Message

INTRODUCTION: Attached to this message is the proposed Port of Cascade Locks 2014-15 Annual Budget. This budget represents a significant change from past budgets, not only in content, but also in terms of preparing the community for the addition of three new companies along with the related creation of a Development Fund. This budget represents the delivery of the promises planned for years ago. The 2014-15 Budget provides a framework for the creation of new jobs within the community, added tax base and other benefits to every citizen of the community.

The 2014-15 Budget is divided into three parts. First is the **regular operating budget**. Second is the **Bridge Fund and related 10 Year Operating and Maintenance Budget and Plan**. Third is the newly proposed **Development Fund** designed to make use of the proceeds from land sales, grants and loans for infrastructure.

This budget process began with the establishment of clear priorities developed by the elected Port Commission. The budget format continues the 5 department approach begun in 2013-14. The 5 Departments represent every element of Port operations, and in this second year, provides the Budget Committee with some limited one year historic perspective for what it takes to operate this Port to be effective and to achieve the mission of the Port.

As provided last year, the historic outline of the budget is still included (Section 1) to provide Committee members with an easy cross reference in comparison to

the new departmental format. This allows for all to see exactly what the community is getting for the money being spent.

Each of the 5 Departments (Commission, Administration, Maintenance and Construction, Toll Booth, Bridge and Economic Development) provides the Budget Committee with a clear purpose, list of services to be provided, revenue sources for each department, how the department is organized and finally the important objectives to be completed during the year and some measures of evaluation.

During the first year of this 5 Departments method, we have had to make some changes and adjustments during the year. Final end of the budget year adjustments will come forward for the Commission in late June. This follows the April action by the Commission to adopt the Supplemental Budget. The Supplemental Budget process was used to provide for full payment to the State of Oregon of \$243,000 for the Bridge of the Gods repair work and the unanticipated pilings at the Sternwheeler dock for a total of \$284,470. These expenditures were not anticipated at the beginning of the year, so easily fit into the State required Supplemental Budget format.

FOCUS: The proposed 2014-15 Budget sets a clear focus on the Port Commission established priorities and the preparation necessary to bring in three to four new businesses along with the important jobs related to those new businesses. This focus is possible because of the work of the Port Commission and their development and adoption of the Strategic Business Plan and the updated Master Plan for the Industrial Park. The Port and the community are now positioned to realize the hopes and dreams of past leaders and to be able to deliver new jobs to the community. This budget builds upon the plans laid by past Port and community leadership.

CHANGES IN THE PROPOSED BUDGET: To achieve the priorities set by the Commission and deliver on the policy established in the Strategic Business Plan and updated Industrial Park Master Plan, the following changes are proposed in the budget.

1. The proposed budget **adds the following positions** at the Port.
 - A. **Creates** the new position of full time front desk **Receptionist**.
 - B. **Creates one new Maintenance Worker** to serve the needs of facility rentals, special events and other public service demand.
 - C. **Increases** the number of seasonal maintenance worker hours from 1,800 to 2,400 in the Maintenance and Construction Department.

2. Here are the highlights of the changes by Department and fund program. You will see more detail and some of the specifics in the Program Section (Section 2) of the budget.
 - A. **Port Commission: The Port Commission Budget has been increased from \$54,845 to \$103,950.**
 - a. The Port Commission Budget has been increased by budgeting for the full cost of the Washington D.C. trip at \$10,000.
 - b. Provides funding for the Commission and staff annual Christmas Party at \$2,000.
 - c. Allocates \$3,000 to support the creation of the 5 Ports advocacy group.
 - d. Increases funding for the Ports General Counsel from \$30,000 to \$45,000. This includes \$5,000 set aside for the attorney negotiating with the four treaty tribes on behalf of the Port.
 - e. Increases the cost of the D.C. lobbying firm Ball Janik from \$24,000 to \$35,000.
 - B. **Administration:**
 - a. Continues the contract IGM through June 30, 2015 at \$96,000. (A new recruitment effort will begin in the fall of 2014)
 - b. Creates a new full time receptionist position in the front office at a base salary of \$31,200, with benefits the cost is \$42,211.

- c. Funds an employee salary study to be done by the Local Government Personnel Institute (LGPI) in the amount of \$10,000.
- d. Sets aside \$30,000 for the Commission to be able to respond to any proposed salary adjustments as a result of the salary study.
- e. Creates an employee merit program that allows the GM to reward outstanding employee work and accomplishment. \$25,000.
- f. Sets the direction to go out for RFP's for audit and computer services.
- g. Proposes enhancing the telephone system to lower cost and better serve callers.

C. Economic Development:

- a. Provides for continuation of the contract Economic Development Manager/Consultant for \$60,000.
- b. Makes a step forward in the enhancement for recreation, event and activity support for \$50,000. (Includes a vault toilet in the Industrial park for \$20,000)
- c. Establishes a much more aggressive and targeted marketing and promotions effort for \$23,000.
- d. Continues support to community services in the amount of \$14,000.
- e. Begins the systematic improvement to signage and directional way finding for \$18,000.
- f. Sets aside funds for the development of the Marine Park Master Plan at \$10,000.

D. Maintenance and Construction:

- a. Adds one beginning Maintenance Worker to enhance services for facility rentals, special events, support community events and improve the quality of service provided for rentals. \$31,000.

- b. Increases the number of hours for seasonal work by 600 providing four seasonal workers in Maintenance. Increase from 1800 to 2400 hours.
- c. Creates a vehicle replacement fund for \$5,000. This savings account will be enhanced every year to allow the Port to pay cash for new vehicles and equipment.
- d. Sets aside \$5,000 for Park and Port property beautification.
- e. Budgets \$20,000 to repair, fix and replace sidewalks, concrete surfaces including the addition of a sidewalk at the Pavilion. New curb at WaNaPa Street and the Park entrance.
- f. Sets aside \$10,000 to begin to correct electrical deficiencies in the Park, at the Toll Booth and other locations at Port Facilities.
- g. Budgets \$10,000 to begin to enhance irrigation systems within Marine Park and Thunder Island.

E. Toll Booth:

- a. Continues the current operation at the Toll Booth.

F. Bridge of the Gods: The Bridge Fund provides for the following.

- a. A planned total expenditure of \$ 235,000.
- b. The hiring of HNTB as bridge engineers for \$50,000 to assist in the development of the 10 Year Plan for the BOG. In addition, \$20,000 to assist with toll booth technology enhancements. Total cost for engineering is \$70,000.
- c. Implementation of the Bridge Technology enhancements for \$25,000.
- d. Increases the bridge welding program to \$30,000.
- e. Electric system improvements at the BOG including the north entry sign for \$10,000.
- f. Completion of the 10 Year plan for the BOG.

- G. **Development Fund**: The new Development Fund centralizes all development related costs and facilitates the installation of necessary infrastructure in preparation for the new businesses planning to come to town.

You will note for each of the Program or Department budgets, the actual financial support is identified in the Revenue Section.

RESERVES: This budget projects a beginning fund balance (reserves) of approximately \$612,534. To access these funds will require a supplemental budget.

BUDGET OPTIONS: This proposed budget also provides you with the following options for consideration.

1. An organizational option that creates the position of Operations Manager overseeing administration and Toll Booth. Salary and fringe benefits would peg this position at \$65,327 annually.
2. Salary increase options for current employees for 1%, 2% and 3% salary adjustment. This is included for Budget Committee information.

A lot of work and planning has been completed during this past budget year. It is now time for the Port and community to step up and make those long held dreams come true. This community is now positioned to deliver new companies, new jobs and new opportunity. This is the time to add too and enhance what the Port does and to improve its operation and services to keep moving in a positive direction.

Staff and other resources are available to assist the work of the Budget Committee and to assist you in your assignment of sending a recommended budget to the Port Commissioners. We are here to serve you and assist you in the delivery of your community future.