

# Banks budget approved, but water user revenue is questionable

Banks budget committee approved a budget that Mayor Bob Orłowski said should have the city out of debt by the end of the next fiscal year, at their meeting May 10th. Recent actions by the city council, continued cost saving measures, the proposed addition of \$60,000 of water franchise fees and larger than expected property tax revenue all contribute to a positive ending fund balance by June 2002. Council will act

on the water fee at a special meeting on May 16.

Orłowski said that projected revenues increased from \$61.4 million to \$66.4 million. The budget he presented has no funds operating in the red and reflects a positive ending fund balance of \$44,983 in the general fund, to carry over to the following year. The expected ending deficit for this year is \$82,000, a significant reduction from the year's beginning deficit of \$137,000.

The city is making a serious effort to "eliminate black holes", make payroll cohesive and consistent, and ensure that payroll can be tracked across city funds according to Orłowski. Personnel expenses are shared on a pro rata basis in the general fund, the water fund and the police department since the road department does not have any employees. However, water department employees, who have not previously separated out hours worked in each department, have made road repairs. Unfortunately, this has resulted in higher liability costs since road workers have a high liability cost.

Councilor Ryan Birr asked why no liability cost is reflected under the street fund. This year records have been kept and the city may receive a reduction in liability costs reflecting lower rates for water department tasks. Orłowski said he would discuss with the city accountant how to appropriately reflect liability costs for street repairs.

The city's healthiest fund, the water fund, includes the \$520,000 balance of the loan for water system improvements, \$18,000 for the IWRM water feasibility study, \$23,000 to secure an emergency water supply from Quail Valley, and \$5,000 to bring the TVID line under the railroad to allow future connection for irrigation. City engineer Dale Merrell said that, due to recent improve-

ments, most of the city's water system is less than five years old so the city does not need to budget much for repairs. However, \$50,000 is budgeted to transfer to the depreciation fund to cover future repairs and improvements. The water fund also includes money for security and enforcement that will be used by the police department.

Repayment of the loan for water system improvements will begin in March of next year with a \$53,500 first payment. This loan, from the state, functions like a line of credit for up to the full amount of \$520,000. After completion of the project the actual amount of the loan will be determined. It is expected that actual costs will be far below the available funds. Future year's payment amounts

and the term of the loan will be determined after completion of the project.

The library fund continues to receive increased reimbursements from Washington County due to increased circulation and extended hours. The library made some adjustments to even out cash flow and has begun to build up library funds for the future. Plans are to continue to increase staffing and open hours.

The street and road fund includes a \$25,000 grant that the city has applied for to allow construction that would bring the sidewalk and curb into disability compliance. Wilkes St. is also scheduled for improvement.

Historically, the city has "borrowed" money from the

traffic impact reserve fund. These funds are available only for certain very specific projects and the money must be available if a requested project is approved. Orłowski said that the city "must get out of debt and build funds, not borrow."

The police department budget appears to be reduced but is actually increased, due to \$26,910 that is included in the water fund budget. The department has budgeted improvement in their computer system based on a \$98,000 grant they have applied for. Chief Daryl Crandall discussed with the committee the city's need for reliable police cars. Several adjustments were made to reflect increased gas and utility costs.

## Banks council meeting on proposed water user fee

Banks City Council has scheduled a special meeting Wednesday, May 16, at 7:30 p.m. in City Hall, to continue consideration of a proposal to institute water user fees in an effort to reduce the city's substantial budget deficit. The special meeting was decided upon during the regularly scheduled meeting of May 8.

A fee of one-cent for every thousand gallons of water used would generate approximately \$60,000 of income for the city at a nominal cost to users. Last month city residents and other water users received a questionnaire with water bills about various options the city is considering.

Responses to the questionnaire indicated a lot of confusion about the proposed increase, according to Councilor Gary Coffey. Mayor Bob Orłowski noted that some residents even indicated that they would prefer an increase in property tax, a move that would nearly double property taxes in order to generate a like amount of income. Most of the residents who responded indicated

a preference for the .001/gallon rate.

Orłowski said that with continued reductions in expenses and other actions to be taken by the council he would expect the city to be out of debt by the end of the next fiscal year, June 30, 2002. Councilor Teri Brandstir expressed the need for the city to pay back the debt as soon as possible. The city needs to maximize income equitably across the population according to Orłowski. Councilor Katie Murdoch continues to be concerned that the money raised by user fees be used to pay the debt and not become a long-term source of income for the city.

While it is common for cities to charge a franchise fee to utilities, as Banks does for gas and electric utilities, any additional fee must be reasonable and equitable across utilities according to city attorney Jim Lucas. Current franchise fees are assessed against the utility, not the user. The water user fee being discussed by the council would be assessed against the water user and, ac-

cording to Lucas, might be considered a tax rather than a fee. Due to illness, Lucas missed last month's discussion of the fee and had not been consulted in the interim. Orłowski asked Lucas to provide clarification on the issue and to prepare a sample resolution.

Due to importance of the issue Mayor Orłowski asked the audience at the meeting if there was any public comment on this issue. No comments were offered.

## Annual Hilger Memorial Shoot

The fifth annual Dan Hilger Memorial Trap Shoot will be held Saturday, May 19, at 12:00 p.m. at Sunset Park in Banks. Hosted by Bighorn Logging and the Sunset Gun Club, all proceeds from the trap shoot are donated to the Children of Dan Hilger Trust Fund.

Among this year's activities will be fun shoots for all skill levels and a 30 bird draw backer. Beginners and those who haven't shot for a while, will have a chance to practice

Please see page 10

### Tri-City Rural Fire District

Abbreviations: EMS, Emergency Medical Service; MVA, Motor Vehicle Accident

#### APRIL, 2001

- April 1 - MVA
- April 3 - MVA  
EMS assist  
Auto Alarm  
Illegal Burn
- April 5 - EMS Assist
- April 7 - MVA (2)  
Illegal Burn  
Auto Alarms (3)
- April 8 - EMS Assist
- April 13 - EMS Assist (2)
- April 14 - EMS Assist  
Power Lines Down
- April 16 - Brush Fire
- April 17 - EMS Assist
- April 18 - EMS Assist
- April 19 - MVA  
EMS Assist
- April 20 - EMS Assist
- April 22 - EMS Assist
- April 25 - MVA
- April 27 - MVA (2)
- April 29 - EMS Assist (2)

### Lumberjack Farms



OPEN DAILY 10-6  
16000 NW Sellers Rd @ Hwy. 26  
503-324-6300

**STIHL QUALITY**

**FC 75 Edger**  
**\$315<sup>00</sup>**

- 25.4 cc engine
- 12.8 lbs.
- Dependability from turf to treetop
- Depth adjustment wheel makes for easy cutting

Designed with the professional landscaper in mind

**\$299<sup>95</sup>**

**BR400 Backpack Blower**  
**\$399<sup>00</sup>**

**SPECIAL!**

- 56.5 cc
- 19.6 lbs.
- 180 mph
- 476 cfm\* with tubes

**029 SUPER**  
• 3.4 cu. in.  
• 56 cc  
• 13.2 lbs.

**BG55 Handheld Blower**

- 27.2 cc
- 8.8 lbs.
- 130 mph
- 430 cfm

**\$159<sup>95</sup>**

**025**  
• 2.7 cu. in.  
• 45 cc  
• 10.3 lbs.

**20" bar**

**036 PRO**  
• 3.75 cu. in.; 12.5 lb. powerhead  
• Easy-access air filter  
• INTELLICARB™ allows engine to operate longer before air filter cleaning is required  
• Automatic oil pump with adjustable oil flow  
• View-through gas tank

**\$329<sup>95</sup>**

**24" bar**

**\$525<sup>00</sup>**

**BANKS AUTO PARTS**  
101 N. MAIN STREET - 503-324-1060

Saw Shop Open  
M-F 8 am - 6 pm  
Sat. 8 am - 12 pm

## Banks and Manning Merchants are Happy to Serve You

**SUNSET LAUNDRY**

**Wash...\$1.00**  
**Dry...25¢**

**180 S. Main St. Banks, Oregon**

**Ye Olde Dingheiser Pub & Restaurant**

VISA - MC - ATM Access

**Lunch & Dinner**  
Daily 11:00 am - Closing

**Breakfast**  
Sat-Sun 9 am - Noon

COCKTAILS • BEER • WINE  
KEGS TO GO

**BINGO**  
SUNDAYS 5-8 PM  
CASH PRIZES!!

All Lottery Games  
CLOSED MONDAYS  
47100 NW SUNSET HWY.  
MANNING • 324-4848

**STRASSEL'S AUTO REPAIR & HYDRAULIC HOSES**

2-4-6 Spiral Wire • Flange Head • Suction Hoses  
Adaptors • 3/16" to 2" • Bulk Oil Products  
276 SUNSET, BANKS • 503-324-9808