

MINUTES OF THE BUDGET COMMITTEE OF THE CITY OF REEDSPORT APRIL 19, 2010,
7:15 P.M. AT CITY HALL.

PRESENT: Mayor Keith Tymchuk, Councilors Diane Essig, Bill Otis, and
Ginger Anderson, Bill Walker and Tonya Wahl (Councilor Mike
Macho was absent)

Committee Members Jackie Potter, Jim Akre, Tammy Van Syoc,
Lee Bridge, Marie Wheeler and Mark Bedard (Committee
Member Al Villeneuve was absent)

City Manager Scott Somers

OTHERS PRESENT: Floyd Dollar, Deanna Schafer, Vera Koch, Judy Macho,
Steve Miller, Dave Anderson, Judy Macho, and Sgt. Jim Wood

MEETING CALLED TO ORDER:

CITIZEN COMMENTS:

None

BUSINESS:

1. Public Hearing for possible uses of State Revenue Sharing Funds.

Chair Mark Bedard opened the public meeting at 7:15pm.

Bedard stated the reason that a public hearing is required is to discuss possible uses for the State Revenue Sharing Funds.

Financial Officer Vera Koch said that in order to receive state revenues apportioned among cities within the state, the City Council is required by Oregon Revised Statutes (ORS) to establish a process for annually electing to receive the distributions.

At the regular City Council meeting of May 21, 2001, the Council adopted Ordinance 2001-1022 establishing a process for electing to receive annual state revenue distributions. The Ordinance provides for a hearing before the City Budget Committee to consider the possible uses of state revenue sharing distributions in relation to the entire budget, including offset against property tax levies by the City.

The possible uses of state revenue may be used for:

- Police Protection
- Fire Protection
- Street Construction, maintenance & lighting
- Sanitary Sewers
- Storm Sewers
- Planning, zoning, and subdivision control

The City of Reedsport supports all of the programs required as listed above, and levied a property tax for the fiscal year 2010/11, therefore making the City eligible to receive funding.

The proposed Fiscal Year 2010 / 011 operating budget includes the ESTIMATED state collected and distributed revenues, as an offset against property tax levies by the City as follows:

A. General Fund (#001)

a. Liquor Tax	\$55,000
b. Cigarette Tax	\$5,700
c. State Revenue Sharing	\$38,500
d. 9-1-1 Telephone Tax	\$22,000
Subtotal	\$121,200

B.	Street Fund (#002) (Gas Tax)	
	a. State Gasoline Tax	\$170,000
C.	Bicycle / Footpath Fund (#007)	
	a. State Gasoline Tax	<u>\$1,750</u>
Total:		\$292,950

These estimations may be revised prior to budget adoption if updated information is available.

A motion may be made by the Budget Committee to approve the proposed uses of the State Revenue Sharing funds.

Chair Bedard asked if there is any testimony in support or opposition of the proposed uses of the State Revenue Sharing funds.

Mayor Keith Tymchuk moved that the Budget Committee approve the proposed uses of the State Revenue Sharing funds.

Councilor Bill Walker seconded the motion.

MOTION:

that the Budget Committee approve the proposed uses of the State Revenue Sharing funds.

VOTE:

A vote was taken on the motion with the following results:

AYES 12 NAYS 0

(Mayor Tymchuk, Councilors Otis, Anderson, Essig, Walker, Wahl and Committee Members Bedard, Wheeler, Akre, Van Syoc, Bridge and Potter voted in favor of the motion.)

Chair Mark Bedard declared the motion passed unanimously.

2. Continue Review of Fiscal year 2010 / 011 Budget.

Chair Mark Bedard said that the review of the budget will continue from the last meeting at the Street Fund.

City Manager Scott Somers began review of various funds. He noted that this year there will be a \$15,000 transfer from the General Fund which should enable the Fire Department to purchase a lightly used fire truck that is badly needed to replace aging equipment. It is anticipated that approximately \$140,000 could be expended.

Somers said that in the future the Riverfront Fund (Umpqua Discovery Center) should be able to support itself as an enterprise fund. It is not to that point yet, so appropriations have to be made from the General Fund in order to keep the Discovery Center open.

Councilor Wahl said that she understood that in the previous fiscal year there were no General Fund transfers to the Riverfront Fund.

Somers said that two years ago there was no transfer; however, \$35,000 was transferred in the last fiscal year.

Financial Officer Vera Koch said that it is a city building and it is anticipated that there will always be some type of maintenance funds used for the building.

Somers said that the proposed transfer is an increase of \$5,000 to \$40,000, it is anticipated that another \$10,000 will be needed to paint the building but there are no funds available at this time. He said that alternatives are being looked at such as summer workers or city staff scheduling.

Chair Mark Bedard said that before continuing on with the review he would like to close the public hearing and seek a motion concerning the proposed uses of the State Revenue Sharing Funds. 7:35pm.

Mayor Keith Tymchuk moved that the Budget Committee approve the proposed uses of the State Revenue Sharing Funds.

Councilor Bill Walker seconded the motion.

MOTION:

that the Budget Committee approve the proposed uses of the State Revenue Sharing funds.

VOTE:

A vote was taken on the motion with the following results:

AYES 12 NAYS 0

(Mayor Tymchuk, Councilors Otis, Anderson, Essig, Walker, Wahl and Committee Members Bedard, Wheeler, Akre, Van Syoc, Bridge and Potter voted in favor of the motion.)

Chair Mark Bedard declared the motion passed unanimously.

Councilor Walker asked about the cost of health insurance.

Finance Officer Vera Koch gave an overview of the Cities health plans explaining that the administrative employees are on a HSA plan which is a high deductible plan and is a different kind of insurance plan than either of the Unions. She said that the City switched to this plan a year ago and it has resulted in significant savings for the City.

City Manager Scott Somers began discussion on the Wastewater Fund. He said that now that the Wastewater Treatment Plant is nearing completion staff is looking at the anticipated debt service for this project. There have been discussions with the City Council concerning this topic. Staff is working with Rural Community Assistance Corporation to come up with the right fee the City should be charging in order to be able to pay the operations and maintenance, debt service and ongoing improvements. He said that what is proposed in the Budget is the worst case scenario until that data is completely gathered. It is anticipated that the revenue will need to go from 1.2 million to 1.8 million if all loans available are used.

Budget Committee reviewed remaining Capital Improvement and Capital Enterprise Funds. No significant changes were noted.

Chair Mark Bedard said that the budget committee needs to vote to accept the permanent tax levy rate of 6.1882/\$1000 of assessed value and to approve the 2010/2011 Budget for City Council review and adoption.

Committee Jim Akre moved that the Budget Committee adopt a permanent tax levy rate of 6.1882/\$1000 of assessed value and to approve the 2010/2011 Budget for City Council review and adoption.

Committee Member Tammy Van Syoc seconded the motion.

MOTION:

that the Budget Committee adopt a permanent tax levy rate of 6.1882/\$1000 of assessed value and to approve the 2010/2011 Budget for City Council review and adoption.

VOTE:

A vote was taken on the motion with the following results:

AYES 12 NAYS 0

(Mayor Tymchuk, Councilors Otis, Anderson, Essig, Walker, Wahl and Committee Members Bedard, Wheeler, Akre, Van Syoc, Bridge and Potter voted in favor of the motion.)

Chair Mark Bedard declared the motion passed unanimously.

MISCELLANEOUS:

There were no miscellaneous items.

NEXT MEETING DATE:

ADJOURN:

Mark Bedard, Chair

ATTEST:

Deanna Schafer, City Recorder