

MINUTES OF THE BUDGET COMMITTEE OF THE CITY OF REEDSPORT APRIL 30, 2012, 7:00 P.M. AT CITY HALL.

PRESENT: Mayor Keith Tymchuk, Bill Otis, Mike Macho, Kathi Wall-Meyer, Bill Walker and Ginger Anderson (Councilor Diane Essig was absent)

Committee Members Aeron Blackman, Jackie Potter, Tammy Van Syoc, Judy Macho, Lee Bridge and Mark Bedard (Committee member Norman Morrison was absent)

City Manager Scott Somers

OTHERS PRESENT: Floyd Dollar, Robin Dollar, Diane Novak, Deanna Schafer, Vera Koch, Chief Mark Fandrey, Ed O'Carroll, Jessica Lloyd-Rogers, Jerry Schneider, Joe Coyne, John Steininger, Caryn Kaufmann, Jessica Terra, Gail Adamson, Turner, Jeff Blum, Chuck Hurlocker, Dan Welch

1. CALL TO ORDER

2. APPROVAL OF THE AGENDA

Committee Member Tammy Van Syoc moved that the Budget Committee approve the Agenda.

Committee Member Potter seconded the motion.

MOTION:

that the Budget Committee approve the Agenda.

VOTE:

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

AYES 12 NAYS 0

(Mayor Tymchuk, Councilors Anderson, Otis, Macho, Walker, Wall-Meyer and Committee Members Bedard, Blackman, Bridge, Van Syoc, Macho, and Potter voted in favor of the motion.)

Chair Mark Bedard declared the motion passed unanimously.

3. APPROVAL OF THE MINUTES

Amended to correct a typographical error.

A. Approve the minutes of the April 9, 2012 meeting of the Budget Committee.

Committee Member Lee Bridge moved that the Budget Committee approve minutes of the April 9, 2012 Budget Committee as amended.

Committee Member Tammy Van Syoc seconded the motion.

MOTION:

that the Budget Committee approve minutes of the April 9, 2012 Budget Committee Meeting as amended.

VOTE:

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

AYES 12 NAYS 0

(Mayor Tymchuk, Councilors Anderson, Otis, Macho, Walker, Wall-Meyer and Committee Members Bedard, Blackman, Bridge, Van Syoc, Macho, and Potter voted in favor of the motion.)

Chair Mark Bedard declared the motion passed unanimously.

B. Approve the minutes of the April 16, 2012 meeting of the Budget Committee.

Mayor Keith Tymchuk moved that the Budget Committee approve minutes of the April 16, 2012 Budget Committee.

Councilor Bill Otis seconded the motion.

MOTION:

that the Budget Committee approve minutes of the April 16, 2012 Budget Committee Meeting.

VOTE:

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

AYES 12 NAYS 0

(Mayor Tymchuk, Councilors Anderson, Otis, Macho, Walker, Wall-Meyer and Committee Members Bedard, Blackman, Bridge, Van Syoc, Macho, and Potter voted in favor of the motion.)

Chair Mark Bedard declared the motion passed unanimously.

4. CITIZEN COMMENTS

*This time is reserved for citizens to comment. Maximum of five minutes per item, please.*

There were no citizens comments.

5. GENERAL BUSINESS

A. Brief summary and review of General Fund deficit cutting measures.

City Manager Scott Somers said that the biggest question when the Committee met a week ago was if the Teamsters bargaining unit would waive their contractual cost of living increase for the next fiscal year. The Teamsters have met and have denied that request. Somers said that they have been notified that the increase would be contingent on laying off an employee and knowing this they have decided not to revoke their position.

Somers said that based on the measure put in place by this committee at the last meeting the City Council will meeting in executive session to discuss the particulars.

Budget Committee Judy Macho asked if the other union will be forgoing their cost of living increase.

Somers said that this budget is based on both unions forgoing an increase because the IAM union said that they would forego their increase only if the Teamsters Union agreed to also forego an increase. He said that the exempt employees other than the City Manager would also receive a cost of living increase.

Committee Chair Mark Bedard said that he also wanted to point out that originally the Committee identified a decrease of \$25,000 to the transfer of transient room tax dollars to the Chamber of Commerce, which has been reduced to \$12,500.

Somers said that there is a balance of \$3,200 after the elimination of the officer position and the original cut was made to the energy conservation measures and he thought that would be a good place to put this balance back into the budget.

B. Continue review of the fiscal year 2012 / 013 budget document.

Chair Bedard said that the review with continue where it was left off at the Street Division Fund.

He noted that there will be pages to insert in the draft budget based on the decision made by the Teamsters. Most fund's Personal Services sections are affected.

City Manager Scott Somers mentioned that the Stormwater Fund brings in approximately \$73,000 a year and the expenses to maintain the stormwater utility should be about \$250,000 a year.

Mayor Keith Tymchuk said that there has been talk of the City of Reedsport having a "slush fund" in the Wastewater Fund, he asked Finance Officer, Vera Koch to talk about why this isn't the case.

Koch said that all revenues that are brought in from fees are allocated to pay personal service, materials and services, debt payment and capital improvements. She said that a transfer is made to the General Fund to offset salaries and expenses for operations that are not included in the Wastewater Fund.

City Manager Scott Somers said that capital improvements have to be made to keep the system operating efficiently.

Public Work Superintendant Floyd Dollar gave an overview of the wastewater treatment plant construction project from original estimates to the final cost.

Public Works Superintendant Floyd Dollar gave an update on the 16<sup>th</sup> Street waterline project. He said that the line was not installed properly originally and the Army Corp of Engineers says that it has to be moved. The issue is that the Corp will not let the City install a new line through the levee system and there is no way to get water to the downtown without passing through the levee at some point. Dollar said that he is hoping that the project will be completed this summer.

Dollar discussed the need to change the water treatment process for sterilizing water. He said that when the plant was designed the engineers tried to predict what future regulations would be. He said that they did not anticipate the correct regulations and now the ozone treatment is not strong enough to meet them. He said that a new system utilizing ultraviolet light will need to be installed and that will become the primary source of disinfectant. He said that the project is estimated at approximately \$400,000 but in the long run it is more efficient than the ozone system.

Councilor Ginger Anderson asked how the Budget Committee can approve the budget if the Council has not met to take final action on the recommended cuts.

Finance Officer Vera Koch said that the budget is balanced based on the assumption that there will be a position cut and the amount of money saved by making that decision.

Somers said that the changes can still be made in the budget as long as they don't exceed 10% of a particular fund.

Chair Bedard said that this would be an approval of the proposal to the City Council.

Councilor Otis said that it is impossible to approve the budget not knowing what the Council will decide.

Koch said that it is a balanced budget based on the money saved from personal services, and training of an officer. She said that internally how that savings in allocated will remain up to the City Council.

- C. Make a motion to approve the City of Reedsport proposed budget and approve taxes for the 2012 / 2013 fiscal year at the permanent tax rate of \$6.1882 per \$1,000 of assessed value for operating purposes.

Committee Member Judy Macho moved to approve the City of Reedsport proposed budget and approve taxes for the 2012 / 2013 fiscal year at the permanent tax rate of \$6.1882 per \$1,000 of assessed value for operating purposes.

Committee Member Tammy Van Syoc seconded the motion.

MOTION:

that the Budget Committee to approve the City of Reedsport proposed budget and approve taxes for the 2012 / 2013 fiscal year at the permanent tax rate of \$6.1882 per \$1,000 of assessed value for operating purposes.

VOTE:

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

AYES 10 NAYS 2

(Mayor Tymchuk, Councilors Anderson, Macho, Walker, Wall-Meyer and Committee Members Bedard, Bridge, Van Syoc, Macho, and Potter voted in favor of the motion.)(Councilor Otis and Committee Member Blackman cast votes in opposition of the motion.)

Chair Mark Bedard declared the motion passed unanimously.

D. Review Capital Improvement Plan.

The capital improvement plan was presented in the same format at the previous year with a grade for need and funds available.

Public Works Superintendant Floyd Dollar gave an update on the 16<sup>th</sup> Street waterline project. He said that the line was not installed properly originally and the Army Corp of Engineers says that it has to be moved. The issue is that the Corp will not let the City install a new line through the levee system and there is no way to get water to the downtown without passing through the levee at some point. Dollar said that he is hoping that the project will be completed this summer.

Dollar discussed the need to change the water treatment process for sterilizing water. He said that when the plant was designed the engineers tried to predict what future regulations would be. He said that they did not anticipate the correct regulations and now the ozone treatment is not strong enough to meet them. He said that a new system utilizing ultraviolet light will need to be installed and that will become the primary source of disinfectant. He said that the project is estimated at approximately \$400,000 but in the long run it is more efficient than the ozone system.

6. MISCELLANEOUS ITEMS  
(Budget Committee Members, City Staff)

Mayor Keith Tymchuk thanked all those involved in the memorial for John Smart.

7. ADJOURN

Next Meeting Date: May 14th, 2012 7:00pm

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Mark Bedard, Chair

ATTEST:

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Deanna Schafer, City Recorder