

MINUTES OF THE BUDGET COMMITTEE OF THE CITY OF REEDSPORT APRIL 08, 2013, 7:00 P.M. AT CITY HALL.

PRESENT: Mayor Keith Tymchuk, Councilors Kathi Wall-Meyer, Diane Essig, DeeDee Murphy and Linda McCollum. (Councilors absent Frank Barth, Mike Macho)

Committee Members Preston Richardson, Jacque Potter, Mark Bedard and Norman Morrison (Committee Members absent Gaylyn Bradley, Lee Bridge and Judy Macho)

City Manager Jonathan Wright

OTHERS PRESENT: Diane Novak, Vera Koch, Harold Rose, Mark Fandrey, Stephen Miller, Allen Teitzel, Dave Courtney and Ed O'Carroll.

1. CALL TO ORDER
2. APPROVAL OF THE AGENDA

Committee Member Keith Tymchuk moved that the Budget Committee approve the Agenda.

Committee Member Diane Essig seconded the motion.

MOTION:

that the Budget Committee approve the Agenda.

VOTE:

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

AYES 09 NAYS 0

(Committee Members Tymchuk, Wall-Meyer, Essig, McCollum, Murphy, Bedard, Richardson, Morrison and Potter voted in favor of the motion.)

Chair Mark Bedard declared the motion passed unanimously.

3. APPROVAL OF THE MINUTES

A. No minutes were presented for approval.

4. CITIZEN COMMENTS

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

There were no citizen's comments.

5. PUBLIC HEARING

Chair Mark Bedard opened the public hearing.

- A. Conduct public hearing for the City of Reedsport to receive state revenue sharing during fiscal year 2013 / 014: [note: A hearing is needed in order to comply with the ORS 221.770 regarding revenue sharing]  
*Please limit your presentation to 5 minutes.*

Shall the Reedsport Budget Committee approve recommendations on uses of state revenue sharing funds for fiscal year 2013 / 2014?

Chair Mark Bedard closed the public portion of the hearing.

Finance Director Vera Koch gave the staff report:

State Revenue Budget Hearing

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 2012 / 013, therefore making the City eligible to receive funding.

The proposed Fiscal Year 2013 / 014 operating budget includes the ESTIMATED state collected and distributed revenues, as an offset against property tax levies by the City as follows:

1. General Fund (#001)

a. Liquor Tax	\$50,000
b. Cigarette Tax	\$4,000
c. State Revenue Sharing	\$40,000
Subtotal	\$94,000

2. Street Fund (#002) (Gas Tax)

a. State Gasoline Tax	\$215,000
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3. Bicycle / Footpath Fund (#007)

a. State Gasoline Tax	\$2,200
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Total: \$311,200

These estimations may be revised prior to budget adoption if updated information is available. A motion to approve the proposed uses of the State Revenue Sharing funds needs to be made by the Budget Committee. Committee Member Keith Tymchuk moved that the Budget Committee approve recommendations on uses of state revenue sharing funds for fiscal year 2013/014.

Committee Member Linda McCollum seconded the motion.

MOTION:

that the Budget Committee approve recommendations on uses of state revenue sharing funds for fiscal year 2013/014?

VOTE:

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

AYES 9 NAYS 0

(Committee Members Tymchuk, Wall-Meyer, Essig, McCollum, Murphy, Bedard, Richardson, Morrison and Potter voted in favor of the motion.)

Chair Mark Bedard declared the motion passed unanimously.

A. FY 2013 / 2014

City Manager Jonathan Wright began the budget review by reading the proposed budget message. He emphasized to the Budget Committee that during the current fiscal year, Reedsport realized three times the rate of compression loss experienced as in previous years with the number of its properties in compression reaching over 70%.

He also called attention to the fact that in 2012-2013 the City's general fund suffered a number of impacts, including but not limited to: excess loss of revenue due to under estimating compression loss; lower than anticipated court fine revenue; and, lastly, Ballot Measure 10-119 amending the City's Charter, eliminating or rolled back fees that had been increased in order for the City to afford to provide certain services. To offset, what staff believes were unintended consequences of Measure 10-119, Measure 10-127 has been proposed and will go to vote in May 2013.

Jonathan reported that the following actions have been taken to help offset the loss of revenue in the General Fund and well as Enterprise Funds.

- The City's Planning Director position was not filled after the previous Director resigned in October, 2012.
- The City postponed replacing the Public Works Director who retired in August, 2012 until after the first of the year.
- After the first of the year the City contracted a part time Public Works Director.
- The City Attorney retainer contract was replaced with an hourly, as needed contract in December, 2012.

The budget review process began with the General Fund revenue page. Staff indicated there will be some suggested changes during the review process. One change needing to be made was decreasing Court fine revenue from \$180,000 to \$175,000. An increase from \$60,000 to \$65,000 for the School Resource Officer grant line item was also requested. General Fund revenue total remains the same. Review was completed to General Fund Departmental Unit Police 205. The review will begin the next week at departmental unit 210.

6. Miscellaneous Items  
(*Budget Committee Members, City Staff*)

None

7. Adjourn

Meeting was adjourned at 8:36pm. The next meeting will be held April 15<sup>th</sup> at 7:00 pm.

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Mark Bedard, Chair

ATTEST:

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Deanna Schafer, City Recorder