

MINUTES OF THE REEDSPORT CITY COUNCIL SPECIAL SESSION JUNE 19, 2017
7:15 P.M. CITY HALL CONFERENCE ROOM

PRESENT: Mayor Linda McCollum
Councilors Leslee Collier, DeeDee Murphy, Frank Barth,
Rich Patten and Debby Turner
City Manager, Jonathan Wright

OTHERS PRESENT: Deanna Schafer, Jessica Terra, John Stokes, Chief Duane
Wisehart

1. CALL TO ORDER

2. GENERAL BUSINESS

- A. Shall the City Council continue the suspension of utilities system development charges (SDCs), for the full term provided by Ordinance 2016-1159?

Interim Finance Director Jessica Terra said that in December 1, 2011, the City Council adopted Ordinance No. 2011-1111 suspending SDCs for one year (i.e., January-December). The City Council has since extended the suspension consecutively each year; however, during the last three reauthorizations the Council directed staff to add a six month evaluation provision. This provision allows the City Council the option to terminate the suspension, thereby reinstating SDC's, or allow the suspension to continue until the end of the year where an additional extension can be considered.

Statistics:

- To date, two applicants have taken advantage of the SDC moratorium. The permits issued were for new single-family dwellings.
- One more new single-family dwelling permit is anticipated by the end of the month.
- One public project has also occurred, in which SDCs have been billed for and received.

To continue with the suspension until the end of the calendar year, no action is required by the Council.

The 2017/18 fiscal budget anticipated no new SDCs due to the suspension. Therefore, if Council extends the suspension, no loss of anticipated revenue from SDCs would occur.

Councilor Frank Barth motioned to continue the suspension of SDCs for the full term of the Ordinance.

Councilor Leslee Collier seconded the motion.

MOTION:

that the City Council continue the suspension of SDCs for the full term of the Ordinance.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Barth, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

B. Shall the City Council adopt an Appropriations Resolution 2017-011 authorizing an appropriation and budget revision for FY 2016/17?

Interim Finance Director Jessica Terra said that a resolution has been drafted which provides for unforeseen changes in the form of an appropriations resolution and budget revision for fiscal year budget of 2016/17.

The following information is provided regarding the recommended adjustments. These adjustments were not known at the time of adopting the FY 2016/17 budget. None of the recommended adjustments increase the property tax levy.

This budget adjustment affects page 265 of the current adopted budget for FY 2016/17.

Stormwater Capital Improvement Fund Change explanations:

FEMA Levee Improvement

During the 2015/16 FY staff applied for and received a grant from FEMA to assist with levee certification improvements and research. The total grant was in the amount of \$240,000 and was anticipated to be expended by the end of the 2015/16 fiscal year. Unfortunately, due to unforeseen circumstances (delays) with the engineering firm, the project continued into the 2016/17 fiscal year and final disbursements did not occur until September 2016. According to ORS 294.338(3) expenditures that were originally planned in the year of receipt, but because of unforeseen circumstances, were instead unexpectedly carried over to the following year, such expenditures can be appropriated in the second year by resolution. (A supplemental budget and hearing are not required.)

An increase of \$87,000 is recommended for both the revenue and expenditure of this grant. This is the portion of the grant and related expenses, which carried over to the 2016/17 FY.

LINE ITEM CHANGES

STORMWATER CAPITAL IMPROVEMENT FUND REVENUES:

FEMA Grant (027-000-453500) is increased from \$0 to \$87,000 (page 265)

Net increase to Stormwater Fund revenue is \$87,000.

STORMWATER CAPITAL IMPROVEMENT FUND EXPENDITURES:

Capital Outlay

- FEMA Levee Imprv. (027-527-746790) is increased from \$0 to \$87,000. (page 265)

Net increase to Stormwater Fund expenditures is \$87,000.

It is recommended that the City Council approve an appropriation resolution authorizing an appropriation and budget revision for FY 2016/17 and assign Resolution 2017-011 as the title.

The total budget will be increased by \$87,000 with no increase or decrease in property tax.

Councilor Frank Barth motioned to adopt Appropriation Resolution 2017-011 authorizing an appropriation and budget revision for FY 2016/17.

Councilor DeeDee Murphy seconded the motion.

MOTION:

that the City Council adopt Appropriation Resolution 2017-011 authorizing an appropriation and budget revision for FY 2016/17.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Barth, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

C. Shall the City Council adopt a Resolution 2017-012 authorizing a supplemental budget and budget revision for FY 2016/17?

Interim Finance Director Jessica Terra said that a resolution has been drafted which provides for unforeseen changes in the form of a supplemental budget and budget revisions for fiscal year budget of 2016/17.

The following information is provided regarding the recommended adjustments. These adjustments were not known at the time of adopting the FY 2016/17 budget. None of the recommended adjustments increase the property tax levy.

This budget adjustment affects pages 68, 119,165, & 166 of the current adopted budget for FY 2016/17.

General Fund Change explanations:

Transient Room Tax

Upon collection and distribution of transient room tax from three of the four fiscal year quarters, the budgetary lines involving the transient room tax must be increased to avoid over expenditure in the distribution of the fourth quarter tax revenue. An increase of \$30,000 is recommended for both the revenue and the expenditure of the tax. This fiscal year, room tax revenues are being received at slightly increased amounts in comparison to last fiscal year. As well, a delinquent room tax payment is anticipated to be collected before the end of the fiscal year.

Dial-A-Ride

Due to an increase in costs associated with insurance claims this year and vehicle repairs, as well as, a potential overage in personnel costs, funds are needed to be moved from Capital Outlay in the amount of \$1,500 to Personal Services and in the amount of \$2,500 to Materials and Services.

LINE ITEM CHANGES

GENERAL FUND REVENUES:

Transt. Rm. Tax (001-000-415250) is increased from \$200,000 to \$230,000 (page 68)

Net increase to General Fund revenue is \$30,000.

GENERAL FUND EXPENDITURES:

Non-Departmental Unit (110)

Materials & Services

- Tourism Promo. (001-110-614850) is increased from \$200,000 to \$230,000 (pg 119)

Net increase to the Non-Departmental Departmental Unit is \$30,000.

Dial-A-Ride Departmental Unit (450)

Personal Services

- Comm. Supervisor (001-450-511230) is increased from \$8,250 to \$9,500 (page 165)
- Health Insurance (001-450-531220) is increased from \$1,635 to \$1,885 (page 165)

Materials & Services

- Bond. & Insurance (001-450-614390) is increased from \$1,800 to \$3,300 (page 165)
- Automobile Maint. (001-450-617300) is increased from \$850 to \$1,850 (page 165)

Capital Outlay

- Future Reserve (001-450-712500) is decreased from \$10,000 to 6,000. (pg 166)

There is no net change to the Dial-A-Ride Departmental Unit.

Budget Amendment Summary

Net increase to General Fund Revenues \$30,000.

Net increase to Non-Departmental Departmental Unit is \$30,000.

No net change to Dial-A-Ride Departmental Unit.

It is recommended that the City Council approve a resolution adopting a supplemental budget and budget revisions for FY 2016/17 and assign Resolution 2017-012 as the title.

The total budget will be increased by \$30,000 with no increase or decrease in property tax.

Councilor Leslee Collier motioned to adopt Resolution 2017-012 authorizing a supplemental budget and budget revision for FY 2016/17.

Councilor Frank Barth seconded the motion.

MOTION:

that the City Council adopt Resolution 2017-012 authorizing a supplemental budget and budget revision for FY 2016/17.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Barth, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

D. Shall the City Council adopt a Transfer Resolution 2017-013 authorizing an intrafund transfer and budget revision for FY 2016/17?

Interim Finance Director Jessica Terra said that a resolution has been drafted which provides for unforeseen changes in the form of a transfer resolution and budget revision for fiscal year budget of 2016/17.

The following information is provided regarding the recommended adjustments. These adjustments were not known at the time of adopting the FY 2016/17 budget. None of the recommended adjustments increase the property tax levy.

This budget adjustment affects pages 154 and 161 of the current adopted budget for FY 2016/17.

General Fund Changes

Public Services

The Public Services Fund is utilized to maintain numerous public facilities. For this reason, staff finds it justifiable to transfer money budgeted for building maintenance expenses in this departmental unit to the Senior Center departmental unit in order to offset overspent line items for electricity, garbage disposal, and janitorial costs. This would be an intra-fund transfer of \$3,050 from one departmental unit (410) to another (440), but all within the General Fund.

Senior Center

Due to an increase in electricity use during the FY 2016/17, additional janitorial costs and garbage disposal fees, the Senior Center is over in the Materials and Services category. A transfer in from the Public Services departmental unit, in the amount of \$3,050, is proposed to offset the overages, so as not to over spend the category at the end of the fiscal year. Staff is closely monitoring the remaining expense line items until the end of the year, further ensuring there will be no overages after this transfer is completed.

No increase or decrease to the FY 2016/17 budget is proposed with this intra-fund transfer.

LINE ITEM CHANGES

GENERAL FUND EXPENDITURES:

Public Services Departmental Unit (410)

Materials & Services

- Bldg. Maint./Supplies (001-410-614250) is decreased from \$5,000 to \$1,950 (pg 154)

Net decrease to the Public Services Departmental Unit is \$3,050.

Senior Center Departmental Unit (440)

Materials & Services

- Garbage Disposal (001-440-612070) is increased from \$1,000 to \$1,225 (page 161)
- Electricity (001-440-612100) is increased from \$11,000 to \$13,375 (page 161)
- Janitorial Supplies (001-440-614220) is increased from \$600 to \$1,050 (page 161)

Net increase to the Senior Center Departmental Unit is \$3,050.

Budget Amendment Summary

Net decrease to Public Services Departmental Unit \$3,050.

Net increase to Senior Center Departmental Unit is \$3,050.

No net change to the General Fund.

It is recommended that the City Council approve a transfer resolution authorizing a transfer and budget revision for FY 2016/17 and assign Resolution 2017-013 as the title.

There will be no increase or decrease to the FY 2016/17 General Fund budget and no increase or decrease in property tax.

Councilor Frank Barth motioned to adopt Transfer Resolution 2017-013 authorizing a transfer and budget revision for FY 2016/17.

Councilor DeeDee Murphy seconded the motion.

MOTION:

that the City Council adopt Transfer Resolution 2017-013 authorizing a transfer and budget revision for FY 2016/17.

VOTE:

AYES 6 NAYES 0

(Mayor Linda McCollum, Councilors Barth, Turner, Murphy, Patten and Collier voted in favor of the motion. Student Councilor Claire Havener cast an advisory vote in favor.)

3. MISCELANEOUS

Mayor Linda McCollum announce that there will be a memorial service for Councilor Diane Essig at 11:00am on Thursday, June 22, 2017 at the United Perspiration Church.

City Manager Jonathan Wright said that he has been working with the County, Hospital and the developer of Master Heights subdivision to draft a memo of understanding concerning debt forgiveness. He said that he is the impartial mediator of the group.

He said that Fire Chief Tom Anderson has successfully submitted a grant to USDA for partial funding of a new Fire Truck.

Councilor Leslie Collier asked about filling of the vacant City Councilor position. She has if location of applicant would be a factor. She noted that a resident of River Bend has applied.

City Manager Jonathan Wright said that several years ago voters decided to dissolve Council Precincts which means that there are not residency requirements other than longevity. He said that three members that live in the same community is not ideal from a public perception standpoint but it could be possible.

4. ADJOURN

Linda McCollum, Mayor

ATTEST:

Deanna, City Recorder