

**MINUTES OF THE PROCEEDINGS OF THE  
CITY OF COOS BAY BUDGET COMMITTEE**

**April 22, 2014**

The minutes of the proceedings of a meeting of the City of Coos Bay Budget Committee held at 7 p.m. in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

**Those Attending**

Committee Members attending were Brian Bowers, Mark Daily, Lucinda DiNovo, Jennifer Groth, Stephanie Kramer, Thomas Leahy, Philip Marler, Roy Metzger, John Muenchrath, Colin Myatt, Alan Pettit, Crystal Shoji, and Mike Vaughan. Committee Member Brooke Walton was absent. City staff present were City Manager Rodger Craddock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Community Development Director Eric Day, Fire Chief Mark Anderson, Library Director Sami Pierson, Police Chief Gary McCullough, and Public Works Director Jim Hossley.

**Public Comments**

No comments were given.

**Public Hearing – Citizen Input on the Use of State Revenue Sharing Funds**

City Manager Rodger Craddock stated the purpose of the Public Hearing was to accept public input on the use of State Revenue Sharing funds. A public hearing notice was published April 10, 2014 in The World newspaper and provided an opportunity for public comments during the April 22, 2014 Budget Committee Meeting. Chair Groth opened the public hearing and invited citizen input on the use of State Shared Revenue funds. No public comments were given and the hearing was closed.

**Community Grant Contributions**

At the April 17, 2014 Budget Committee Meeting, Committee Member Metzger redlined General Fund 01, Community Grant Contributions Department (180), page 38. City Manager Rodger Craddock stated Coos County Retired and Senior Volunteer Program (RSVP) did not receive federal funding and would not be operational. Boys & Girls Club of Southwestern Oregon Program Director Angie Rieber stated the City's annual contracted contribution to the Boys and Girls Club was to provide assistance to the Boys and Girls Club to develop and implement programs to take the place of a City Parks and Recreation program and the eliminated Safety Town program.

Committee Member Daily moved to eliminate all contracted funding to the General Fund 01, Community Grant Contributions Department (180), page 38, line item 520-2416, Boys and Girls Club; due to a lack of second, the motion failed. Committee Member Muenchrath moved to reduce funding to the General Fund 01, Community Grant Contributions Department (180), page 38, line item 520-2416, Boys and Girls Club to \$5,000. Committee Member Pettit seconded the motion which failed with Committee Members Bowers, Daily, Kramer, Muenchrath, Myatt, and Pettit voting aye and Chair Groth and Committee Members DiNovo, Leahy, Marler, Metzger, Shoji, and Vaughan voting nay. Committee Member Walton was absent.

Committee Member Shoji moved to re-allocate Community Contributions Department (180), page 38, line item 520-2419, Coos County RSVP funding in the amount of \$1,744 to State Gas Tax Fund 2, Division (320), page 56, line item 520-2307, Concrete, Asphalt & Gravel. Committee Member Kramer seconded the motion which carried with Chair Groth and Committee Members Bowers, Daily, DiNovo, Kramer, Leahy, Marler, Metzger, Muenchrath, Myatt, Pettit, Shoji, and Vaughan voting aye. Committee Member Walton was absent.

It was the consensus of the budget committee to fund the following grant requests for the General Fund 01, Community Contributions Department (180), page 38, which consisted of \$10,000 to the Boys and Girls Club; \$3,577 to T.H.E House; \$2,683 to Coos County Area Transit; \$2,200 to the Women's Safety Resource Center; \$2,236 to the Bob Belloni Ranch; \$1,073 to Mental Health of Southwestern Oregon; \$2,146 to Coos Bay Public Schools Maslow Project; \$224 to Bay Area First Step; and \$1,117 to Oregon Coast Community Action Casa Program.

### **Library**

Library Director Samantha Pierson stated the Library Education Service Office (ESO) Fund was a new program/fund. The proposed budget provided for revenues and expenditures associated with the operation of Coos County Library Service District's ESO which was scheduled to move/operate out of the Coos Bay Library at or around the start of fiscal year 2015. Library Director Pierson stated the Library and ESO budget was reviewed by the Coos Bay Library Board and the Coos County Board of Commissioners and was funded by the Library Service Taxing District. The Budget Committee reviewed the Coos County Library ESO Fund 14 and Library Fund 7, no changes were made.

### **Wastewater Fund**

Public Works Director Jim Hossley stated the purpose of the Wastewater Fund was for the operation and maintenance of the City's wastewater treatment plants and systems. Public Works Director Hossley stated the budget included a 6.5% rate increase to raise revenue for debt service of wastewater treatment and collections upgrades; also included a new position for a wastewater engineer to assist the City in accomplishing the numerous wastewater projects. The Budget Committee reviewed the Wastewater Fund 3, Departments (350), (351), (352), (353), and (355), no changes were made. Committee Member Marler recommended the Council consider implementing an ordinance requiring inspection of sewer laterals prior to sale of property in Coos Bay.

### **Hotel/Motel Tax Fund**

Finance Director Susanne Baker provided a brief summary on the Hotel/Motel Fund. The Budget Committee reviewed the Hotel/Motel Tax Fund 5; the following changes were made: Committee Member Shoji expressed concern about Hotel/Motel Tax Fund 5, Department (410), page 66, line item 520-2429, Visitors Convention Bureau (VCB); suggested the City of Coos Bay provided the bulk of the funding to the VCB but were not be equally represented. Committee Member DiNovo stated she was also on the Board of the VCB; noted the VCB Board was working to meet the needs of the City of Coos Bay. Committee Member Leahy spoke in support of funding Hotel/Motel Tax Fund 5, Department (410), page 66, line item 520-2410, Boat Building Center. Committee Member Muenchrath moved to transfer \$5,000 from the

General Fund 01 to the Hotel/Motel Tax Fund 5 Expenditures, Department (410), page 66, line item 520-2410, Boat Building Center. Committee Member Kramer seconded the motion which carried with Committee Members Bowers, Daily, DiNovo, Kramer, Leahy, Marler, Metzger, Muenchrath, Myatt, Pettit, Shoji, and Vaughan voting aye and Chair Groth voting nay. Committee Member Walton was absent.

### **Building Codes Fund**

Community Development Director Eric Day explained the Building Codes Fund noting the proposed budget was a decrease to prior budget years; stated City fees for building permits had not been increased since 2001 and no longer covered the costs to provide the service. The Budget Committee reviewed the Building Codes Fund 8, no changes were made. Committee Member Metzger inquired what the penalty was for not obtaining a required permit. Community Development Director Day stated the penalty was one and half times the permit fee.

### **9-1-1 Tax Fund**

Police Chief Gary McCullough explained the purpose of the 9-1-1 Tax Fund. The Budget Committee reviewed the 9-1-1 Tax Fund 10, no changes were made.

### **Debt Service Budgets**

Finance Director Susanne Baker explained the General Obligation Bond Fund 11, and the Revenue Bond Fund 12, no changes were made.

### **Capital Improvements Budgets**

Public Works Director Jim Hossley explained the Capital Improvement Funds. The Budget Committee reviewed Special Improvement (LID) Fund 15, Street Improvement Fund 16, and Parks Improvement Fund 17, Bike/Pedestrian Path Fund 18, Transportation SDC Fund 19, Wastewater SDC Fund 20, and Stormwater SDC Fund 21, no changes were made.

Committee Member Metzger exited the meeting at 8:57 p.m. during the review of the Parks Improvement Fund 17.

### **Reserve Budgets**

City Manager Rodger Craddock reported the Insurance Reserve Fund 23 was abolished in FYE2013; Fire Station Reserve Fund 27 was reinstated in FYE 2014 to budget for and purchase a fire engine as allowed by the ballot measure. The Budget Committee reviewed the Fire Station Reserve Fund 27, no changes were made.

Public Works Director Jim Hossley explained the Wastewater Improvement Fund. The Budget Committee reviewed the Wastewater Improvement Fund 29, no changes were made. City Manager Craddock explained the Major Capital Reserve Fund 34; Jurisdictional Exchange Streets Reserve Fund 39; Technology Reserve Fund 40; County-wide CAD Core Reserve Fund 41; and the Rainy Day Reserve Fund 42. The Budget Committee reviewed the Major Capital Reserve Fund 34; Jurisdictional Exchange Streets Reserve Fund 39; Technology Reserve Fund

40; County-wide CAD Core Reserve Fund 41; and the Rainy Day Reserve Fund 42, no changes were made.

### **Review of Redlined Budget Items**

#### **State Gas Tax Fund**

At the April 17, 2014 Budget Committee meeting, Committee Member Marler redlined State Gas Tax Fund 2, Division (320), page 56, line item 520-2307, Concrete, Asphalt & Gravel, citing concern over funding and the growing number of streets in disrepair. City Manager Rodger Craddock stated funds would need to be transferred from the General Fund 01; noted the City currently had two vacant public safety positions due to a lack of available funds in the General Fund. After further discussion it was determined there was a lack of additional funding sources, Committee Member Marler retracted his redline of the State Gas Tax Fund 2, Division (320), page 56, line item 520-2307, Concrete, Asphalt & Gravel.

#### **Approval of Permanent Tax Rate**

Committee Member DiNovo moved to approve imposing the City's maximum permanent tax rate of 6.3643 per \$1,000 taxable assessed value for fiscal year 2014-2015. Committee Member Bowers seconded the motion which carried with Chair Groth and Committee Members Bowers, Daily, DiNovo, Kramer, Leahy, Marler, Muenchrath, Myatt, Pettit, Shoji, and Vaughan voting aye. Committee Members Metzger and Walton were absent.

#### **Approval to Impose General Obligation Bonded Debt**

Committee Member Shoji moved to approve imposing the general obligation bonded debt amount of \$546,778. Committee Member Daily seconded the motion which carried with Chair Groth and Committee Members Bowers, Daily, DiNovo, Kramer, Leahy, Marler, Muenchrath, Myatt, Pettit, Shoji, and Vaughan voting aye. Committee Members Metzger and Walton were absent.

#### **Approval of the Fiscal Year 2014-2015 Budget**


Committee Member Muenchrath moved to approve the Fiscal Year 2014-2015 City of Coos Bay budget as amended and to forward it on to the Coos Bay City Council for adoption at the June 3, 2014 City Council meeting. Committee Member Kramer seconded the motion which carried with Chair Groth and Committee Members Bowers, Daily, DiNovo, Kramer, Leahy, Marler, Muenchrath, Myatt, Pettit, Shoji, and Vaughan voting aye. Committee Members Metzger and Walton were absent.

#### **Adjourn**

There being no further business the meeting was adjourned.

Attest:

  
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Lucinda DiNovo, Secretary

  
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Jennifer Groth, Chair