

## **CITY OF COOS BAY BUDGET COMMITTEE**

**April 18, 2013**

The minutes of the proceedings of a meeting of the City Budget Committee of the City of Coos Bay, Oregon, held immediately following the Budget Committee Meeting for the Urban Renewal Agency 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, Peter Cooley, Mark Daily, Lucinda DiNovo, Howard Forte, Jennifer Groth, Stephanie Kramer, Philip Marler, Gene Melton, Roy Metzger, Colin Myatt, John Muenchrath, and Crystal Shoji. Committee Member Mike Vaughan was absent. City staff present were City Manager Rodger Craddock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Intermediate Accountant Debbie Frankenberger, Economic Revitalization Administrator Joyce Jansen, Fire Chief Stan Gibson, Library Director Samantha Pierson, Police Chief Gary McCullough, and Public Works and Development Director Jim Hossley.

### **Election of Officers**

The meeting opened immediately following the Budget Committee Meeting for the Urban Renewal Agency held at 7:00 p.m. with the election of officers. Committee Member Kramer nominated Jennifer Groth as Chair. Committee Member Muenchrath seconded the motion which carried with Committee Members Bowers, Cooley, Daily, DiNovo, Forte, Groth, Kramer, Marler, Melton, Metzger, Myatt, Muenchrath, and Shoji voting aye. Committee Member Vaughan was absent. Committee Member Shoji nominated Howard Forte as Vice-Chair. Committee Member Melton seconded the motion which carried with Chair Groth and Committee Members Bowers, Cooley, Daily, DiNovo, Forte, Kramer, Marler, Melton, Myatt, Muenchrath, and Shoji voting aye and Committee Member Metzger voting nay. Committee Member Vaughan was absent. Committee Member Forte nominated Roy Metzger as Secretary. Committee Member Daily seconded the motion which carried with Chair Groth and Committee Members Bowers, Cooley, Daily, DiNovo, Forte, Kramer, Marler, Melton, Myatt, Muenchrath, Shoji voting aye and Committee Member Metzger voting nay. Committee Member Vaughan was absent.

### **Public Comments**

No comments were made.

### **Presentation of the Budget Message by Budget Officer Rodger Craddock**

City Manager Rodger Craddock reviewed the budget message which is attached and hereby made a part of the record. City Manager Craddock reported the 2013/2014 proposed budget totaled \$47,414,070 noting the budget was based on conservatively estimated revenues with expenditures based on actual experience and incremental increases and/or decreases as needed. Reserve funds were maintained at adequate funding levels in accordance to accepted accounting practices. City Manager Craddock provided a general overview of the budget funds and categories. Significant highlights of the proposed budget included Personnel Costs – Salaries and Benefits for the four different segments of the City's workforce: employees represented by the International Association of Firefighters (IAFF), Coos Bay Police Officer's

Association (CBPOA), American Federation of State, County and Municipal Employees (AFSCME), and non-represented (management) employees. Projected personnel costs included salary increases of 2% cost of living adjustment (COLA) for both represented and non-represented employees. City Manager Craddock stated personnel expenses comprised 22% of the total City operating budget, with salaries comprising 65% and benefits comprising 35% of personnel expenses. The FY 2013-14 proposed budget reflected a more than 12.5% PERS cost increase and a more than 8% employee insurance cost increase over the FY 2012-13 budget.

Operationally, department heads submitted a status quo budget of either no increases from the previous fiscal year or small increases to account for inflation or the need to replace critical items; estimated General Fund carryover for fiscal year 2013/2014 was \$2,482,848; reserved to maintain the General Fund over a four month period in which no substantial revenues are received. Projected property tax revenue reflected continued decrease in the growth of property assessments and was expected to be 1% less than actually received during the FYE 2011 budget year. The proposed budget included reorganization of the Public Works Department and incorporated a Community Development Department and resulted in no increase in staffing. The Wastewater Fund proposed budget reflected a 6.5% rate increase to meet the demands for improvements and \$6,554,537 loan revenue used to undertake identified projects in the wastewater construction in progress (CIP). City Manager Craddock recommended a transfer of \$88,843 to the Rainy Day Reserve Fund.

### **Review of the Proposed Budget for Fiscal Year 2012/2013**

Chair Groth briefly explained the procedures for going through the proposed budget and for redlining items.

#### **General Fund**

The Budget Committee reviewed the City of Coos Bay General Fund (01) by Department as follows:

##### **City Council**

The Budget Committee reviewed the City Council Department (100). Committee Member Muenchrath redlined General Fund 01 Expenditures, Department (100), page 25, line item 520-2002, Dues – LOC, OCZMA, OR Mayors, LGPI, etc. and line item 520-2422, Economic Development.

##### **City Manager/URA Administration**

The Budget Committee reviewed the City Manager Department (120), no changes were made.

##### **Urban Renewal Administration**

The Budget Committee reviewed the Urban Renewal Administration Department (121), no changes were made.

Finance

The Budget Committee reviewed the Finance Department (130), no changes were made.

City Attorney

The Budget Committee reviewed the City Attorney Department (140), no changes were made.

City Hall

The Budget Committee reviewed the City Hall Department (170), no changes were made.

Community Contributions

Committee Member Muenchrath redlined the entire budget for the Community Contributions Department (180), page 37.

Non-Departmental

The Budget Committee reviewed Non-Departmental Department (190), no changes were made.

Other Financing Uses

The Budget Committee reviewed Other Financing Uses (195), no changes were made.

Police Department

Police Chief Gary McCullough stated the Police Department's 2013/2014 budget consisted of three Divisions: Police, Police Communications, and Codes Enforcement. The Budget Committee reviewed Police Departments (240), (242), and (243), no changes were made.

Fire Department

Fire Chief Stan Gibson reported the Fire Department 2013/2014 budget reflected costs to maintain the three fire stations with increases for fuel costs and the purchase of personal safety equipment. The Budget Committee reviewed the Fire Department (261), no changes were made.

Library

Library Director Samantha Pierson stated the library budget was reviewed by the Library Board and funded by the Library Service Taxing District. The Budget Committee reviewed the Library Fund 7, no changes were made.

Committee Member Stephanie Kramer exited the meeting at 9:00 p.m.

Public Works and Development Department

Public Works and Development Director Jim Hossley reported the Public Works and Development Department consisted of the following Departments: Planning/Community Development, DCLD/ Coast Implementation Grant, Administration/Engineering (merged FYE 2014), and Parks. The Budget Committee reviewed the Public Works and Development Departments (301), (302), (305), and (306). Committee Member Shoji redlined the entire budget for the DCLD/Coastal Implementation Grant, Department (302), page 56, for consideration of submission of an additional grant of up to \$20,000.

ODF&W

ODF&W Department (312) was abolished in FYE 2013 due to budgeted funds not used in prior fiscal years.

CBNBWB Special Water Project IFA 2010

CBNBWB Special Water Project IFA 2010 Department (313) was abolished in FYE 2014; project completed in FYE 2013.

State Gas Tax Fund

The Budget Committee reviewed the State Gas Tax Fund 2 Maintenance Department (320). Committee Member Muenchrath redlined State Gas Tax Fund 2 Expenditures, Department (320), page 65, line item 520-2307, Concrete, Asphalt and Gravel.

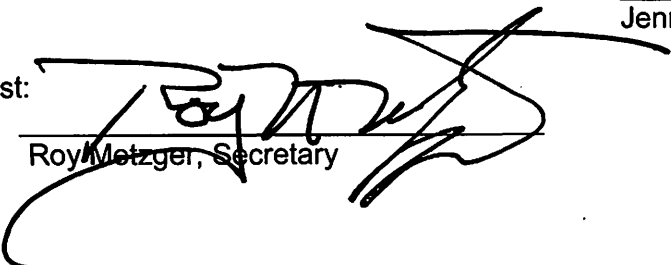
Wastewater Fund

Public Works and Development Director stated the purpose of the Wastewater Fund was for the operation and maintenance of the City's wastewater treatment plants and systems. Public Works and Development Director Hossley stated the budget included a 6.5% rate increase to raise revenue for debt service of wastewater treatment and collections upgrades. The Budget Committee reviewed the Wastewater Fund 3, Departments (350), (351), (352), (353), and (355), no changes were made.

Adjourn

Meeting adjourned until Tuesday, April 23, 2013 at 7:00 p.m.

Attest:

  
Roy Metzger, Secretary

  
Jennifer Groth, Chair