

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

April 12, 2016

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

Those Attending

Budget Committee Members attending were Harold Folker, Jennifer Groth, Steve Horne, Stephanie Kramer, Thomas Leahy, Philip Marler, Roy Metzger, Joseph Monahan, Alan Pettit, Crystal Shoji, and Mike Vaughan. Committee Members Fred Brick, Mark Daily, and Donald Dille were absent. City staff present were City Manager Rodger Craddock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Community Development Director Eric Day, Extended Service Office Director Norma Fowler, Fire Chief Mark Anderson, Library Director Sami Pierson, Police Captain Chris Chapanar, Police Chief Gary McCullough, and Public Works Director Jim Hossley.

Election of Officers

Committee Member Shoji nominated Stephanie Kramer as Chair. Committee Member Groth seconded the motion which carried with Committee Members Folker, Groth, Horne, Kramer, Leahy, Marler, Metzger, Monahan, Pettit, Shoji, and Vaughan voting aye. Committee Members Brick, Daily, and Dille were absent.

Chair Kramer nominated Jennifer Groth as Vice-Chair. Committee Member Marler seconded the motion which carried with Chair Kramer and Committee Members Folker, Groth, Horne, Leahy, Marler, Metzger, Monahan, Pettit, Shoji, and Vaughan voting aye. Committee Members Brick, Daily, and Dille were absent.

Committee Member Groth nominated Roy Metzger as Secretary. Committee Member Shoji seconded the motion which carried with Chair Kramer and Committee Members Folker, Groth, Horne, Leahy, Marler, Metzger, Monahan, Pettit, Shoji, and Vaughan voting aye. Committee Members Brick, Daily, and Dille were absent.

Public Comments

Leslie Lintner, Director of THE House: stated the THE House had a recent budget setback, their United Way funding was cut; presented the Budget Committee with a budgetary shortfall correction plan. Alexandria Welmon, Coos Bay: stated she was a former Boys and Girls Club member and currently worked at the Boys and Girls Club; urged the Budget Committee's to approve the proposed community contribution for the Boys and Girls Club. Annabel Taylor, Coos Bay: stated she was the Teen Program Coordinator at the Boys and Girls Club and also expressed her support for the City's community contribution. Jennie Wright, Coos Bay: stated she had four grandchildren who attended the Boys and Girls Club; stated her son-in-law was diagnosed with cancer and she was greatly appreciative that her daughter and grandchildren had the support system provided by the Boys and Girls Club. Robert More, Coos Bay: inquired if there was an emergency preparedness line item in the budget; suggested the community was unprepared for a disaster and disaster relief. Mr. More stated he served on the Library Board

and inquired if there was adequate funding to address the continued deterioration of the Library building.

Presentation of the 2016-2017 Budget Message by Budget Officer Rodger Craddock

City Manager Rodger Craddock reviewed the budget message as attached and hereby made a part of the record. City Manager Craddock reported the fiscal year (FY) 2016-2017 proposed budget totaled \$80,625,475 which included \$30,890,689 in wastewater capital improvements and noted 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 American Federation of State, County and Municipal Employees (AFSCME), Coos Bay Police Officer’s Association (CBPOA), International Association of Firefighters (IAFF), and non-represented (management) employees. Projected personnel costs included salary increases of 0%, a cost of living adjustment (COLA) for AFSCME and non-represented (management) employees, 1% for CBPOA, and 2% for IAFF. Personnel expenses comprised 15% of the total City operating budget, with salaries comprising 63% and benefits comprising 37% of personnel expenses. The FY 2016-2017 proposed budget reflected a 1% medical, 4% vision, and 10% dental increase in employee insurance cost over the FY 2015-2016 budget and no increase in PERS rates.

Operationally, department heads submitted a budget reflecting a status quo budget from the previous year with small increases to account for inflation or the need to replace critical items; estimated General Fund carryover for fiscal year 2016-2017 was \$3,062,016; reserved to maintain the General Fund over a four-month period in which no substantial revenues were received.

City Manager Craddock stated through balancing measures taken by Council and staff, the proposed budget projected a general fund unappropriated ending fund balance higher than the prior year. As a balancing measure, the proposed 2016-2017 budget included increases in service contracts and fees. Projected property tax revenue reflected a slight increase in the growth in property assessments; anticipated an approximate 1% increase in property tax revenue over the 2015-2016 budget year. The Wastewater Fund proposed budget reflected a 6.5% rate increase to meet the demands for improvements and \$30,890,689 in loan proceeds used to undertake identified projects in the wastewater construction in progress (CIP).

Review of the Proposed Budget for Fiscal Year 2015-2016

General Fund

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

Summary Pages

The Budget Committee reviewed the summary pages, no changes were made.

City Council

The Budget Committee reviewed the City Council Department (100), no changes were made.

City Manager

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

The Budget Committee reviewed the Community Contribution Department (180), no changes were made.

Committee Member Monahan recused himself declaring a conflict of interest stating his wife worked with Cathy Pennington (Mental Health Association of Southwestern Oregon).

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

The Budget Committee reviewed Police Division (240), Police Communications Division (242), and Codes Enforcement Department (243), no changes were made.

Fire Department

The Budget Committee reviewed the Fire Department (261), no changes were made.

Community Development Department

The Budget Committee reviewed the Community Development Department (301) and DLC/Coastal Implementation Grant Department (302), no changes were made.

Budget Committee Member Leahy exited the meeting at 9:30 p.m.

Public Works Department

The Budget Committee reviewed the Public Works Departments (305) and (306), no changes were made.

Library

The Library and Coos County Library Service District - Extended Service Office (CCLSD - ESO) budgets funded by the Library Service Taxing District were reviewed by the Coos Bay Library Board and the Coos County Board of Commissioners. The Budget Committee reviewed the Library Fund 7 and CCLSD - ESO Fund 14, no changes were made.


Adjourn

Meeting adjourned until Thursday, April 14, 2016 at 7:00 p.m.

Attest:



Roy Metzger, Secretary



Stephanie Kramer, Chair