



CITY HALL - 107 SIXTH ST. (P.O. BOX 708) - GARIBALDI, OREGON 97118

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THE CITY OF GARIBALDI IS AN EQUAL OPPORTUNITY PROVIDER

CITY OF GARIBALDI BUDGET COMMITTEE MEETING MINUTES

Monday, May 2, 2011, 6:30 p.m.

Meeting Room, Garibaldi Fire Hall

ATTENDEES:

Michelle Aeder, Budget Committee Member
Denise Harrington, Budget Committee Member
Linda Kjemperud, Budget Committee Member
Emmy Lou Orahod, Budget Committee Member
Roberta Bettis, Budget Committee Member
Herb Dorn, GURA Budget Committee Member
Joe Wrabek, GURA Budget Committee Member

Suzanne McCarthy, Mayor
Jerry Bartolomucci, Council Member
Betty Thomas, Council Member

City Manager John O'Leary
Assistant City Manager Mary DeLoria
Public Works Director, Wayne Schultz
Fire Chief, Jay Marugg

Eugene Tish, Tourism Commissioner

I. CALL TO ORDER

Mayor Suzanne McCarthy called the meeting to order at 6:30 pm.

II. ELECTION OF CHAIR

Mayor McCarthy opened the floor for motion for Chair of the Garibaldi Budget Committee. **MOTION made by Denise Harrington to elect Emmy Lou Orahod as Chair. Seconded by Roberta Bettis. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.**

III. ELECTION OF SECRETARY

Chair opened the floor for motion for Secretary of the Garibaldi Budget Committee. Mary DeLoria to act as Recorder Pro-Tem for the purpose of taking minutes. **MOTION made by Michelle Aeder to elect Denise Harrington as Secretary. Seconded by Betty Thomas. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne**

McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

IV. PUBLIC HEARING ON STATE REVENUE SHARING

Chair opened the hearing at 6:31 p.m. O'Leary recommended that the Committee continue to use this revenue for Fire Department expenses as it has in the past. Hearing no comments made by the public the Chair closed Hearing at 6:32 p.m.

V. PUBLIC COMMENT ON THE PROPOSED BUDGET

None.

VI. REVIEW OF THE BUDGET MESSAGE AND PROPOSED BUDGET

O'Leary discussed how the budget document was changed to accommodate the new GASB 54 standard requirements and that classifications (restricted, committed, assigned, unassigned/unappropriated) are subject to change by the city auditor.

O'Leary explained the reduction in revenues received from various sources, specifically the Water Fund; noted that property taxes have been stagnant, which has affected the revenue stream; and commented that the City continues to experience lower franchise fee receipts each year as result of changes to laws regulating the telecommunications industry.

O'Leary explained the increase in personnel costs, attributing them in part to increases in PERS and employee health insurance. O'Leary noted other significant cost increases this fiscal year and next; specifically increases in fuel and electricity costs. O'Leary explained that due to significant City wide spending cuts in the past three years, and freezes on other areas of spending, the City has kept its ending fund balances stable.

O'Leary discussed outside grant activity, including the award of the \$270,000 seismic rehabilitation grant for the Fire Department. O'Leary explained that this grant creates an incentive to utilize the existing building for two to three more decades, and noted that he would be working on acquiring other grants to remodel City Hall and address existing ADA issues with the building. O'Leary discussed the acquisition of the Fire Department's Humvee brush vehicle from the State of Oregon Department of Forestry, noting that the overall cost of \$7,000 was the primary reason for acquiring the vehicle.

O'Leary and the committee discussed various aspects of limited spending on the City's capital assets and curtailed spending in the PSE and PWE funds. O'Leary discussed the formation of the Tourism Commission and subsequent changes to the Transient Room Tax Fund. O'Leary noted that this is the second year that the City would be shifting TRT funds in the Street Fund for the purpose of repaving City streets. O'Leary also noted that the City is continuing to replace segments of the water and wastewater system as funding allows. O'Leary stressed the need to revamp the type of services provided by the City and/or increase rates and fees to maintain existing services and continue to replace infrastructure as needed.

General Fund – Changes: Increase Line No. 88 to \$4,750 on page 34; adjust Line Nos. 84 (pg. 34), 104, 105 and 111 (Page 35) to include \$2,180 increase. O'Leary noted that the total General Fund expenditures, excluding interfund transfers,

would now equal \$372,248.00.

MOTION made by Denise Harrington to approve the General Fund Budget as amended. Seconded by Cn. Thomas. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

Street Fund – Staff and the committee discussed the development of budget numbers in the Public Works funds. O’Leary expressed his confidence in the numbers as presented. Hearing no other comments the committee reviewed and approved each fund.

Change: Adjust Line No. 287, Ending Fund Balance to \$90,287.00 (formula error).

MOTION made by Denise Harrington to approve the Street Fund Budget as amended. Seconded by Cn. Bartolomucci. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

Sewer Discount Fund - Change: Increase Line No. 300, Discounts Applied to \$2400.00 and adjust the Ending Fund Balance to \$6,701.00.

MOTION made by Roberta Bettis to approve the Sewer Discount Fund Budget as amended. Seconded by Cn. Thomas. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

Wastewater Fund – Correction: Schultz noted that on Page 52, “Evergreen” should be changed to “Fir”.

MOTION made by Denise Harrington to approve the Wastewater Fund Budget as presented. Seconded by Michelle Aeder. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

Water Fund – No Changes.

MOTION made by Michelle Aeder to approve the Water Fund Budget as presented. Seconded by Denise Harrington. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

System Development Fund – Discussion regarding funding of capital improvement projects ended with a consensus that the SDC Fund contingencies should be shifted to their respective capital outlay categories, leaving an ending System Development Fund balance of zero.

Change: Distribute SDC Fund Contingency to Line 529, Item 544.340 -- \$188,653; Line 537, Item 543.340 -- \$92,808; Line 545, Item 542.340 -- \$71,853; Line 552, Item 545.340 -- \$43,812; Line 560, Item 541.340 -- \$18,115. Ending Fund Balance: \$0

MOTION made by Denise Harrington to approve the System Development Fund Budget as amended. Seconded by Cn. Bartolomucci. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None.

MOTION PASSED.

Housing Rehab Fund - No Change.

MOTION made by Denise Harrington to approve the Housing Rehab Fund Budget as presented. Seconded by Michelle Aeder. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

Transient Room Tax Fund - Public comment from Eugene Tish (owner of Garibaldi House Inn and member of the Garibaldi Tourism Commission): Mr. Tish thanked the City for its hard work and allocation of funds for tourism promotion and police protection.

Changes: Line 633, Item 741.408 increased from \$19,765 to \$21,265 to allow funds for two members of the Tourism Commission to attend the Governor's State Tourism Conference.

MOTION made by Denise Harrington to approve the Transient Room Tax Fund Budget as amended. Seconded by Roberta Bettis. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

Wastewater Debt Fund - No Change.

MOTION made by Denise Harrington to approve the Wastewater Debt Fund Budget as presented. Seconded by Michelle Aeder. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

Payroll Liabilities Fund - No Change.

MOTION made by Denise Harrington to approve the Payroll Liabilities Fund Budget as presented. Seconded by Roberta Bettis. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

Public Safety Equipment Reserve Fund - O'Leary commended Fire Department volunteers and Public Works staff for taking excellent care of vehicles and equipment, and working diligently to keep maintenance costs as low as possible.

MOTION made by Denise Harrington to approve the Public Safety Equipment Reserve Fund as presented. Seconded by Michelle Aeder. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

Public Works Equipment Reserve Fund - No Change.

MOTION made by Denise Harrington to approve the Public Works Equipment Reserve Fund Budget as presented. Seconded by Cn. Thomas. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahod, Roberta

Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None.
MOTION PASSED.

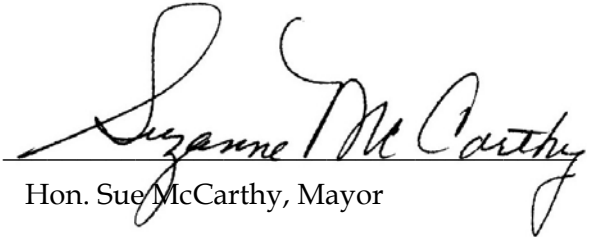
MOTION made by Michelle Aeder to approve the Fiscal Year 2011-2012 Budget as amended. Seconded by Cn. Thomas. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahoad, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

VII. TAX APPROVAL

MOTION made by Denise Harrington to approve taxes for the 2011-12 fiscal year at the rate of \$2.8468 per \$1,000 assessed value for operating purposes in the General Fund, and in the amount of \$42,900 for payment of general obligation bond principal and interest in the Wastewater Debt Fund. Seconded by Cn. Thomas. AYES: Michelle Aeder, Denise Harrington, Linda Kjemperud, Emmy Lou Orahoad, Roberta Bettis, Suzanne McCarthy, Jerry Bartolomucci, Betty Thomas. NAYS: None. MOTION PASSED.

VIII. ADJOURNMENT

Chair adjourned at 8:27 p.m.



Hon. Sue McCarthy, Mayor

ATTEST:



John O'Leary, City Manager/ Budget Officer