



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

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## CITY OF GARIBALDI BUDGET COMMITTEE MEETING MINUTES

Monday, May 7, 2012, 6:00 p.m.

Meeting Room, Garibaldi Fire Hall

### ATTENDEES:

Emmy Lou Orahood, Budget Committee Member  
Michelle Aeder, Budget Committee Member  
Denise Harrington, Budget Committee Member  
Richard Harrison, Budget Committee Member  
James Jensen, Budget Committee Member  
Herb Dorn, GURA Budget Committee Member  
Chris Miller, GURA Budget Committee Member

Suzanne McCarthy, Mayor  
Terry Kandle, Council President  
Jerry Bartolomucci, Council Vice President  
Roberta Bettis, Council Member  
John Foulk, Council Member  
Everett Brown, Chair, Urban Renewal Agency  
Valerie Folkema, Urban Renewal Agency  
Joe Wrabek, Urban Renewal Agency

City Manager John O'Leary  
Assistant City Manager Mary DeLoria  
Fire Chief Jay Marugg  
Tourism Commissioner Eugene Tish

### 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 Orahood as Chair. Seconded by Michelle Aeder. AYES: Emmy Lou Orahood, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. 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 Cn Jerry Bartolomucci. AYES: Emmy Lou Orahod, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

IV. PUBLIC HEARING ON STATE REVENUE SHARING

Chair opened the hearing at 6:16 p.m. and asked if anyone present wished to comment on the proposed use of State Revenues. O'Leary recommended that the Committee continue to allocate this revenue for Fire Department expenses as it has in the past. Hearing no comments made by the public, the Chair closed Hearing at 6:17 p.m.

V. PUBLIC COMMENT ON THE PROPOSED BUDGET

None.

VI. REVIEW OF THE BUDGET MESSAGE AND PROPOSED BUDGET

O'Leary gave an overview of the proposed budget and discussed the budget document's appendices. O'Leary discussed the Twelfth Street and Seismic Rehabilitation projects and noted continuing pursuit of grant funds. He further noted that personnel costs continue to increase, primarily due to increases in health insurance and PERS retirement and that city-wide the staffing level is balanced against resources.

General Fund - O'Leary noted that the property re-assessments are negatively impacting property tax revenue. O'Leary also noted 16% drop in state revenue sharing associated with the decrease in population. Regarding expenses in the Property Department, O'Leary stated that the personnel costs associated with the Utility Worker II position vacated in September, 2011 have been reallocated to the Utility Worker I position, and that the engineering costs shown in Line 141.310 and Line 141.330 are appropriated for the Fire Department seismic rehabilitation project together. O'Leary noted that these appropriations include \$270,000 of grant funds, combined with \$200,000 of fund reserves. O'Leary discussed this appropriation with the committee, noting that this was the most significant expenditure in the budget. Committee member Harrington asked if depleting the reserves by this much was advisable, and O'Leary said that the project would most likely not require the entire amount budgeted. O'Leary said that this was an amount that he was comfortable with, but that the committee needed to decide what the rest of the community would be comfortable with. After discussion Harrington recommended that the amount be reduced by \$75,000.

Change: Adjust Line No. 141.330 to \$355,000.00.

**MOTION made by Cn Terry Kandle to approve the General Fund Budget with Line No. reduced to \$355,000.00. Seconded by Michelle Aeder. AYES: Emmy Lou Orahod, Michelle Aeder, Denise Harrington, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: Richard Harrison. MOTION PASSED.**

Street Fund - O'Leary noted that Line No. 241.341 includes \$30,000 as contingency

funding for the 12th Street project.

**MOTION made by Michelle Aeder to approve the Street Fund Budget by category as presented. Seconded by Denise Harrington. AYES: Emmy Lou Orahod, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

Sewer Discount Fund - O'Leary reported that the fund is operating as designed. Staff confirmed that ten recipients are receiving monthly sewer discount during the current fiscal year.

**MOTION made by Denise Harrington to approve the Sewer Discount Fund Budget by category as presented. Seconded by Emmy Lou Orahod. AYES: Emmy Lou Orahod, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

Wastewater Fund -- No changes.

**MOTION made by Michelle Aeder to approve the Wastewater Fund Budget by category as presented. Seconded by Denise Harrington. AYES: Emmy Lou Orahod, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

Water Fund - O'Leary noted that there was a slight unexpected increase in water usage in the current fiscal year. Resident Thomas Ellwood asked to talk about an issue regarding timing of water meter reading and was directed by Mayor McCarthy to bring the question to the City Council meeting on Monday, May 21.

**MOTION made by Cn Jerry Bartolomucci to approve the Water Fund Budget by category as presented. Seconded by Denise Harrington. AYES: Emmy Lou Orahod, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

System Development Fund - O'Leary noted that the budget amount is in consideration of potential development.

**MOTION made by Cn Roberta Bettis to approve the System Development Fund Budget by category as presented. Seconded by Michelle Aeder. AYES: Emmy Lou Orahod, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

Housing Rehab Fund - Discussion regarding lack of loan applicants and qualifying conditions that may be restricting the applicant pool.

**MOTION made by Denise Harrington to approve the Street Fund Budget by category as presented. Seconded by Richard Harrison. AYES: Emmy Lou Orahod, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

Transient Room Tax Fund - O'Leary noted that 51% of revenues are used for tourism promotion and credited local businesses with the increase in revenue.

**MOTION made by Cn John Foulk to approve the Transient Room Tax Fund Budget by category as presented. Seconded by Cn Terry Kandle. AYES: Emmy Lou Orahood, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

Wastewater Debt Fund - No Change requested.

**MOTION made by Denise Harrington to approve the Wastewater Debt Fund Budget by category as presented. Seconded by Roberta Bettis. AYES: Emmy Lou Orahood, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

Payroll Liabilities Fund - O'Leary stated that the city is close to funding the actual liability, which is used to cash out vacation accrual when an employee leaves the city, and credited previous City Administrator Joe Wrabek with development of the fund.

**MOTION made by Roberta Bettis to approve the Payroll Liabilities Fund Budget by category as presented. Seconded by Roberta Bettis. AYES: Emmy Lou Orahood, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

Public Safety Equipment Reserve Fund - O'Leary noted that the city is not funding 100% of depreciated value on equipment and credited the Fire Chief with reducing the total asset value with the purchase of the Humvee and obtaining grants for purchasing equipment. When asked whether the police cruiser is due for replacement, O'Leary reported that although Deputy Pippenger is doing a good job of making the car last beyond its expected lifespan, the city needs to continue transferring funds into this fund for a future purchase. O'Leary further noted that should the need arise, the current contract with the Tillamook County Sheriff's Office provides the loan of a vehicle if needed.

**MOTION made by Denise Harrington to approve the Public Safety Equipment Reserve Fund Budget by category as presented. Seconded by Roberta Bettis. AYES: Emmy Lou Orahood, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. 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 by category as presented. Seconded by Michelle Aeder. AYES: Emmy Lou Orahood, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

**MOTION made by Richard Harrison to approve the Fiscal Year 2012-2013**

**Budget as amended. Seconded by Cn Bartolomucci. AYES: Emmy Lou Orahod, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

VII. TAX APPROVAL

**MOTION made by Richard Harrison to approve taxes for the 2012-13 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 Bartolomucci. AYES: Emmy Lou Orahod, Michelle Aeder, Denise Harrington, Richard Harrison, James Jensen, Suzanne McCarthy, Terry Kandle, Jerry Bartolomucci, Roberta Bettis, John Foulk. NAYS: None. MOTION PASSED.**

VIII. ADJOURNMENT

Chair adjourned at 7:45 p.m.

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Hon. Suzanne McCarthy, Mayor

ATTEST:

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John O'Leary, City Manager/ Budget Officer