

1 Depoe Bay Budget Committee  
2 April 26, 2010 - 6:00 PM  
3 Depoe Bay City Hall  
4

5 PRESENT: Mayor J. White, J. Brown, P. Cameron, C. Connors, R. Hunter, D. Johnson, B. Leff,  
6 P. Leoni, B. Silver, B. Spores, P. Taunton, T. Wideman  
7

8 ABSENT: D. Davilla, D. Zimmerman  
9

10 STAFF: City Recorder P. Murray, City Field Superintendent T. Owings  
11

12 I. CALL TO ORDER

13 Mayor Jim White called the meeting to order at 6:00 PM and established a quorum.  
14

15 II. NOMINATIONS FOR AND ELECTION OF CHAIRPERSON  
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17 Motion: Spores moved to appoint Johnson as Chairperson. Silver seconded the motion.  
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19 Mayor White said it was moved and seconded, and called for discussion. There was none.  
20

21 Vote: Motion passed.

22 Ayes: Brown, Cameron, Connors, Hunter, Johnson, Leff, Leoni, Silver, Spores, Taunton,  
23 White, Wideman  
24

25 Johnson accepted the gavel and took control of the meeting.  
26

27 III. READING OF BUDGET MESSAGE BY BUDGET OFFICER

28 Murray read the City of Depoe Bay Budget Message for fiscal year 2010-2011 and the Schedule of  
29 Revenues, Expenditures [comparing] Budget and Actual (copies attached to original of these  
30 minutes); and responded to questions posed by Committee members.  
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32 IV. PRESENTATIONS: REQUESTS FOR FUNDING

33 Depoe Bay Food Pantry: Donna Sanders thanked the Committee for past contributions, provided  
34 statistics on the program, and requested continued support.  
35

36 Backpack Program: Donna Sanders explained what the Backpack Program is, what types of food  
37 are provided, and what the cost is per child. She said 23 new children have enrolled in the program  
38 since her written request was submitted. She answered questions about the program, and thanked  
39 the Committee for their support.  
40

41 Neighbors For Kids: Wendy Hausotter thanked the Committee for their work and for the support  
42 that has been given to Neighbors For Kids (NFK) in the past. NFK is currently seeking funding to  
43 complete the second floor of the new building. She said they are still not meeting the full needs of  
44 the community. Online research she conducted indicated there are 200 children in Depoe Bay. She  
45 said NFK serves those 200 children and their families. She said NFK is a non-profit service provider  
46 that provides a service that in other cities is usually provided by the city, so they see themselves  
47 as a non-profit partner with the City of Depoe Bay. Discussion included a description of paid  
48 employee positions and total of volunteer hours; a clarification that the requested contribution of  
49 \$20,000 was earmarked for salaries, which are typically not funded through grants; and a question  
50 about the ramifications of funding if the City absorbed the facility – a question that went  
51 unanswered.  
52

1 Johnson noted that several written requests for funding were received (copies attached to the  
2 original of these minutes). The written requests were from CASA (\$800), Depoe Bay Food Pantry,  
3 Fleet of Flowers (\$1,500), Lincoln County Council on Alcohol and Other Drug Abuse / Ken Trueman  
4 Recovery Center, Lincoln County School District Backpack Program, Meals on Wheels (\$2,000), My  
5 Sisters' Place (\$1,500), Neighbors For Kids (\$20,000), Progressive Options (\$480), RSVP (\$1,000),  
6 and United Way (\$1,000). Johnson asked if there were any questions on the written requests.  
7

8 United Way: Mayor White said he sits on the United Way Board, and explained that the director  
9 was out of town and unable to address the Committee.  
10

11 The Committee asked Leoni to review the requests and provide recommendations. Leoni agreed to  
12 present recommendations at the next meeting, based on 1.5% of the discretionary fund.  
13

14 Motion: Connors moved that Leoni review contribution requests and bring back recommendations  
15 based upon 1.5% of the discretionary fund for FY 2010-11. Mayor White seconded the motion.  
16

17 Chair Johnson said it was moved and seconded, and called for discussion. A Committee Member  
18 said that it was discussed that NFK is "more a part of the City rather than a charitable separate  
19 organization", so the 1.5% limit may not be feasible for that request. Other Committee Members  
20 said NFK is at this time a charitable organization; NFK by definition is a separate 501(c)3 entity;  
21 and if the City were to absorb NFK there would be legal ramifications to their 501(c)3 status, there  
22 would be a necessity for the City to expand the Parks department and increase the Parks budget,  
23 and ownership of the property that the City recently deeded to NFK would need to be addressed. It  
24 was also noted that all requests do not have to be treated in an identical manner; Leoni was asked  
25 to take this into account when preparing her recommendations. A Committee Member was  
26 confused as to why one request could be treated differently than the others.  
27

28 Vote: Motion passed.

29 Ayes: Brown, Cameron, Connors, Hunter, Johnson, Leff, Leoni, Silver, Spores, Taunton,  
30 White, Wideman  
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## 32 V. STATE REVENUE SHARE FUNDING

33 Murray explained that the City has historically participated in revenue sharing of State highway,  
34 liquor, and cigarette taxes.  
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36 Motion: Connors moved to participate in the Revenue Sharing Program. Spores seconded the  
37 motion.  
38

39 Chair Johnson said it was moved and seconded, and called for discussion. A Committee Member  
40 asked what the downsides are; Murray responded that there are no known downsides, and  
41 explained how the program works.  
42

43 Vote: Motion passed.

44 Ayes: Brown, Cameron, Connors, Hunter, Johnson, Leff, Leoni, Silver, Spores, Taunton,  
45 White, Wideman  
46

## 47 VI. OPEN DISCUSSION PERIOD/PUBLIC INPUT

48

### 49 General Fund (Pages 1-3)

50 Page 1: There was discussion about transient room tax. Page 2: There was discussion about merit  
51 increases and the proposed addition of long-term disability benefits on the Personal Services  
52 Summary page.  
53

1 Motion: Leoni moved to limit the maximum employee merit increase to 3% for FY 2010-11. Leff  
2 seconded the motion.  
3

4 Chair Johnson said it was moved and seconded, and called for discussion. Murray corrected the  
5 estimated savings amount if there was a freeze on merit increases for qualifying employees. There  
6 was additional discussion on merit increases.  
7

8 Vote: Motion failed.

9 Ayes: Connors, Hunter, Leff, Leoni

10 Noes: Brown, Cameron, Johnson, Silver, Spores, Taunton, White, Wideman  
11

12 There was further discussion on employee positions, salaries, overtime, and benefits. No changes  
13 were proposed to the Personal Services Summary page. On the Materials and Services Summary  
14 page, there was discussion about increasing the budgeted amount of Line 14 (Legal & Other  
15 Professional Services). Because the amount involved litigation discussed in Executive Session, it  
16 was determined to make no change to the proposed figure. Committee Member Leff asked that the  
17 record reflect her concern that "if we do this, we have to be aware that we may have to go back in  
18 and make major cuts in this budget to cover expenses that are not currently covered." Other  
19 Committee Members noted that it was possible that the amount of the anticipated expenditure  
20 could also be reduced by a significant amount, and that the litigation was still pending. Leoni asked  
21 what the balance of the discretionary fund was for contributions; Murray noted that "the  
22 discretionary fund" is "disposable income" of the General Fund. The line items to be included as  
23 disposable income were determined to be the total of Line 12 (Total Franchises), Line 18 (Total  
24 Oregon State Funding) less \$15,000 to Port, and Line 21 (Business License Fees). Discussion  
25 returned to Page 2. Returning to the Materials and Services Summary page, a Committee Member  
26 noted that last year's contributions were closer to 10.5% than 1.5%; there was discussion about  
27 how last year's disposable income was computed. It was the consensus of the Committee to table  
28 discussion on disposable income to the next meeting, with Leoni to research the issue before  
29 proceeding with making recommendations.  
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31 Motion: Silver moved to recess to a time specific. Motion failed for lack of second.  
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33 Motion: Leff moved to continue this meeting to 8:30 PM, and if not finished, recess to a time  
34 specific and proceed with the Urban Renewal Budget Committee meeting. Spores seconded the  
35 motion.  
36

37 Chair Johnson said it was moved and seconded, and called for discussion. There was none.  
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39 Amendment: Mayor White amended the motion to include finishing the Budget Committee at the  
40 second meeting and to not let it continue to a third meeting. Leff accepted the amendment.  
41

42 Chair Johnson said it was moved and seconded, and called for discussion. There was none.  
43

44 Vote: Motion, as amended, passed.

45 Ayes: Brown, Cameron, Connors, Hunter, Johnson, Leff, Leoni, Silver, Spores, Taunton,  
46 White, Wideman  
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#### 48 **Transient Room Tax Fund (Page 4)**

49 There was brief discussion. No changes were proposed to the Transient Room Tax Fund page.  
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#### 51 **Street Fund (Pages 5-7)**

52 There was brief discussion. No changes were proposed to the Street Fund pages.  
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1 **Harbor Fund (Pages 8-10)**

2 There was brief discussion. No changes were proposed to the Harbor Fund pages.

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5 VII. SET DATE FOR NEXT MEETING

6 The next meeting was scheduled for 6:00 PM on Thursday, May 13, 2010.

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8 VIII. RECESS

9 The meeting was recessed until the next meeting at 8:28 PM.

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Richard Johnson, Chair  
City of Depoe Bay Budget Committee

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Emma LuMaye, Recording Secretary