

1 Depoe Bay Budget Committee
2 Tuesday, April 23, 2013 – immediately following the Urban Renewal Agency Budget Committee Meeting
3 Depoe Bay City Hall
4

5 PRESENT: Mayor AJ Mattila, B. Berry, R. Gambino, D. Goddard, S. Hoitink, R. Hunter, D. Johnson,
6 B. Laughlin, B. Leff, P. Leoni, S. Olsen, B. Silver, T. Wideman
7

8 ABSENT: B. Spores
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10 STAFF: City Recorder P. Murray, Recording Secretary E. LuMaye, Field Supervisor B. Weidner
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12 I. CALL TO ORDER

13 Mayor Mattila called the meeting to order at 6:53 PM and established a quorum.
14

15 II. NOMINATIONS FOR AND ELECTION OF CHAIRPERSON
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17 Motion 1: Leff moved to appoint Goddard as Chairperson. Hoitink seconded the motion.
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19 Mayor Mattila said it was moved and seconded, and called for discussion. There was none.
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21 Vote: Motion 1 passed.

22 Ayes: Mattila, Berry, Gambino, Hoitink, Hunter, Johnson, Laughlin, Leff, Leoni, Olsen, Silver,
23 Wideman

24 Abstain: Goddard
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26 Goddard accepted the gavel and took control of the meeting.
27

28 III. READING OF BUDGET MESSAGE BY BUDGET OFFICER

29 Murray read the City of Depoe Bay Budget Message for fiscal year 2013-2014 (copy attached to original of these
30 minutes). She noted a piece of correspondence dated April 8 from Sean Lee, which included a petition regarding
31 a request for street improvements on Oceana, saying the request was not included in the proposed budget, but
32 was referred to the Budget Committee for their consideration. Committee Member Johnson stated he had a
33 conflict of interest on that issue.
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35 IV. PRESENTATIONS: REQUESTS FOR FUNDING

36 Donna Sanders, Depoe Bay Food Pantry, said she has been managing the food bank for eight years, and that it is
37 growing by leaps and bounds. She gets food through the Oregon Food Bank when she can, to make the money
38 stretch. They have initiated a soup kitchen on Wednesdays. There are no admin fees listed in their budget
39 because there are no employees; everyone is a volunteer.
40

41 There was discussion about how much money to budget for contributions. It was noted that 1% of the *General*
42 *Fund Unappropriated Ending Fund Balance* has been used in the past. A Member felt that 1% was not enough
43 because Depoe Bay is an enterprise city. A Member said 1% was chosen because it is typical of what other cities
44 do.
45

46 Motion 2: Leoni moved that contributions not exceed 1% of the Unappropriated Ending Fund Balance
47 [approximately \$5,600] in the General Fund. Laughlin seconded the motion.
48

1 Chair Goddard said it was moved and seconded, and called for discussion. There was discussion about increasing
2 that amount. Comments included:

- 3 - It's an issue of what's the best service to our local residents.
- 4 - Our emotions got carried away in the past, so a cap was set.
- 5 - People in the community go to bed hungry and 1% is embarrassing.
- 6 - Many of the groups that regularly request money receive Council of Governments funding.
- 7 - Depoe Bay is a city that relies on grants and tourist money.
- 8 - The City isn't a charity, it's in the business of running the city.

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10 Vote: Motion 2 passed.

11 Ayes: Goddard, Hoitink, Hunter, Leff, Leoni, Silver, Wideman

12 Noes: Berry, Gambino, Johnson, Laughlin, Mattila, Olsen

13
14 The Committee discussed Neighbors For Kids (NFK) at length. It was noted by Members that NFK did not provide
15 a complete request package, and therefore their request should be automatically denied. It was also noted by
16 Members that NFK was the recipient of many thousands of dollars' worth of support in the past, including being
17 deeded the property their building sits on, without which they probably would not have been able to get grant
18 funding. Members also noted that NFK has done wonderful things and there are other ways to support them.

19
20 The Committee discussed requests that have other funding. There was further discussion about NFK; Chair
21 Goddard said she had a hard time with the fact that Depoe Bay is the only town contributing when over 50% of
22 the kids live outside Depoe Bay. It was the Committee's consensus to deny funding to RSVP and CASA.

23
24 Motion 3: Leff moved to deny the contribution requests from CASA and RSVP. Olsen seconded the motion.

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26 Chair Goddard said it was moved and seconded, and called for discussion. There was none.

27
28 Vote: Motion 3 passed.

29 Ayes: Berry, Gambino, Goddard, Hoitink, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Silver,
30 Wideman

31
32 Motion 4: Leoni moved to deny the contribution request from Senior Meals on Wheels. Wideman seconded the
33 motion.

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35 Chair Goddard said it was moved and seconded, and called for discussion. There was none.

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37 Vote: Motion 4 passed.

38 Ayes: Gambino, Goddard, Hoitink, Hunter, Johnson, Leoni, Olsen, Silver, Wideman

39 Noes: Berry, Laughlin, Leff

40 Abstain: Mattila

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42 Motion 5: Olsen moved to deny the contribution request from Oregon Coast Community College (OCCC) for two
43 scholarships. Wideman seconded the motion.

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45 Chair Goddard said it was moved and seconded, and called for discussion. There was discussion, and then the
46 question was called.

1 Amendment: Johnson amended the motion to deny one scholarship request. Amendment denied because the
2 question had been called.

3
4 Vote: Motion 5 failed.

5 Ayes: Berry, Laughlin, Olsen, Wideman

6 Noes: Gambino, Goddard, Hoitink, Hunter, Johnson, Leff, Leoni, Silver

7 Abstain: Mattila
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9 Motion 6: Johnson moved to allocate one OCCC scholarship at \$750. Silver seconded the motion.

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11 Chair Goddard said it was moved and seconded, and called for discussion. There was none.

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13 Vote: Motion 6 passed.

14 Ayes: Berry, Gambino, Goddard, Hoitink, Hunter, Johnson, Leff, Leoni, Laughlin, Mattila, Olsen,
15 Silver, Wideman

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17 Motion 7: Silver moved to contribute \$4,000 to the Depoe Bay Food Pantry, and \$874 to NFK. Hoitink seconded
18 the motion.

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20 Chair Goddard said it was moved and seconded, and called for discussion.

21
22 Amendment: Leff amended the motion that the contribution to NFK be contingent upon the Budget Committee
23 receiving the information missing from their packet. Silver and Hoitink accepted the amendment.

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25 Chair Goddard said it was moved and seconded, and called for discussion. There was none.

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27 Vote: Motion 7, as amended, passed.

28 Ayes: Berry, Gambino, Goddard, Hoitink, Hunter, Laughlin, Leff, Leoni, Mattila, Olsen, Silver,
29 Wideman

30 Abstain: Johnson
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32 Chair Goddard asked Murray to start reviewing the proposed budget at the top of Page 1. Murray noted that
33 after a preliminary review of the General Fund, the Budget Committee usually waits until the rest of the funds
34 have been approved before finalizing the General Fund, because proposed inter-fund transfers often change.
35 Murray began review of the General Fund, explaining many of the line items. Noted on **General Fund Page 1**
36 under *OTHER RESOURCES, FRANCHISES* section was a new *Line 14: CoastCom*, which is currently under
37 negotiation. The projected budget estimate was based on minimal information available at the time the
38 proposed budget was prepared.

39
40 V. STATE REVENUE SHARE FUNDING

41 Still on General Fund Page 1, under *OTHER RESOURCES, OREGON STATE FUNDING* section Murray explained that
42 cigarette tax and liquor tax are listed in the General Fund, with gas tax in the Street Fund. She explained that
43 cigarette and liquor taxes listed on Lines 18 and 19 are specific per-capita amounts, and the *Line 20: Revenue*
44 *Sharing (liquor tax 14%)* comes from a different method of distribution.

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46 VI. OPEN DISCUSSION PERIOD/PUBLIC INPUT

47 Murray continued with the review of General Fund Page 1, explaining most of the line items in detail for the
48 benefit of new Committee Members. There was brief discussion of franchise fees. Review moved to **General**

1 **Fund Page 3**, where Murray pointed out two new line items: *Line 8. Electricity – OWSPAS* (Outdoor Warning
2 System and Public Address System), and *Line 6. Motor Vehicle Expense* potentially related to a new City
3 Superintendent. She explained how the Agate Beach Closure Fund works. There was brief discussion about *Line*
4 *16: Depoe Bay Advertising and Promotion*. There was discussion about Transient Room Tax and other revenue
5 sources for the City, with the focus of getting more “heads in beds” and increasing the amount of Transient
6 Room Tax revenue so there would be more money available for advertising and promotion. A Committee
7 Member also said the Council hadn’t yet been approached, but the Siren Protocol Sub-Committee has identified
8 a need for tsunami warning and evacuation signs. Chair Goddard tasked Committee Members to formulate their
9 ideas and bring back numbers to the next Budget Committee meeting, and continue this discussion at that time.

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11 **General Fund Page 2:** Murray described each of the line items, and explained that Page 3 was reviewed before
12 Page 2 because Page 3 is referenced on Page 2. She also explained that the *TRANSFERRED TO OTHER FUNDS*
13 section is dependent on what those funds need to balance. Speaking to **Page 3 Line 16. Depoe Bay Advertising**
14 *and Promotion*, and the possibility of advertising more, a Member said the fiber optic connection that can come
15 into City Hall is going to cost “a couple of bucks”, and that he could get that price quickly and would like to put
16 an input for getting that fiber installed at least at City Hall, so we can start pumping out information to residents
17 and potential guests. When asked about a time frame, he said if the contract is ratified, which he assumed it will
18 be, it would take three-four months for the fiber to be plugged into Wave, and within six months it would be
19 plugged into CenturyTel; and the internet loop that would be used in town would probably be six-nine months
20 out. He questioned whether this expense would be capital outlay; Murray responded if it was under \$1,000 it
21 would not be. He guessed the cost would be between \$8,000-\$9,000 to bring a loop in to City Hall, with a server,
22 and that this technology would transform how City Hall interacts with the public and with advertising in this
23 town. Murray said that would be Capital Outlay; the Member said he would return with numbers. There was no
24 further discussion or questions on the General Fund.

25
26 **Transient Room Tax Fund, Page 4:** Murray described each of the line items. There was brief discussion. It was
27 noted that 70% of any increase in Transient Room Tax (TRT) must be dedicated to advertising and promotion. A
28 Member proposed increasing the TRT rate and dedicating 30% of the increase specifically to sprucing up the
29 harbor, which he sees as an untapped revenue source. It was noted that Depoe Bay’s TRT rate is lower than that
30 of other Lincoln County Cities and the County. There was additional discussion about the public safety use of TRT
31 funds.

32
33 **Street Fund, Pages 5-7:** Murray described the line items. A Member asked about the submitted petition for
34 improvements to Oceana Street. There was general discussion about chip sealing, pothole repair, and street
35 overlays. It was noted that overlays are capital outlay (*Page 6, Line 1: Street Improvements Construction*). A
36 Member asked if the Council had considered a five-year temporary road improvement local options tax; the
37 Council had not discussed this idea.

38
39 Motion 8: Johnson moved to increase *Page 6, Capital Outlay Line 1, Street Improvements* by \$10,000. Gambino
40 seconded the motion.

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42 Chair Goddard said it was moved and seconded, and called for discussion. There was discussion that the
43 unappropriated ending balance is not adequate for this increase to expenses. A Member brought up that
44 infrastructure repairs and improvement would ruin new overlays; Weidner said that is taken into consideration
45 when planning street overlays. A Member called for the question.

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47 Vote: Motion 8 passed.

48 Ayes: Berry, Gambino, Goddard, Hoitink, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Silver,

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Wideman

Noes: Hunter

There was brief discussion about variable costs of overlays. Murray guided the Committee to finding a source to fund the increase to the Street Fund.

Motion 9: Johnson moved to increase the General Fund Transfer to Street fund **from \$160,000 to \$170,000.** Leoni seconded the motion.

Chair Goddard said it was moved and seconded, and called for discussion. Murray noted that *Page 5 Beginning Fund Balance Line 5 Transfer from General Fund* would be increased **from \$160,000 to \$170,000.**

Vote: Motion 9 passed.

Ayes: Berry, Gambino, Goddard, Hoitink, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Silver, Wideman

Murray continued her review of line items. There was brief discussion. Murray called for questions; there were none.

VII. SET DATE FOR NEXT MEETING

The next Budget Committee meeting will be on Wednesday, May 1 at 6:00 PM.

VIII. RECESS

The meeting was recessed until the next meeting at 9:27 PM.

Dorinda Goddard, Budget Committee Chair

Emma LuMaye, Recording Secretary