

1 Depoe Bay Budget Committee
2 Wednesday, May 1, 2013
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 (arr 6:02 PM), B. Leff, P. Leoni, S. Olsen, B. Silver, B. Spores, T. Wideman
7

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

11 Chair Goddard called the meeting to order at 6:00 PM and established a quorum.
12

13 II. MINUTES OF APRIL 23, 2012 BUDGET COMMITTEE MEETING

14 Motion 1: Hoitink moved to approve the minutes of the April 23, 2013 Budget Committee meeting as
15 written. Johnson seconded the motion.
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17 Chair Goddard said it was moved and seconded, and called for discussion. There was none.
18

19 Vote: Motion 1 passed.

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

22 Abstain: Spores
23

24 III. CONTINUE DISCUSSION PERIOD/PUBLIC INPUT
25

26 Return to **General Fund, Page 3 Charitable Donations** - Murray reported Neighbors For Kids (NFK)
27 submitted additional material (copy attached to original of these minutes), as requested. A Committee
28 member asked if the material satisfied the Committee's requirement for a complete request for
29 funding. The motion from the April 23 Budget Committee meeting was re-stated. Chair Goddard said
30 the request was still incomplete. There was brief discussion.
31

32 Motion 2: Olsen moved to accept the detail from NFK and provide funding of \$874. Hoitink seconded
33 the motion.
34

35 Chair Goddard said it was moved and seconded, and called for discussion. There was none.
36

37 Vote: Motion 2 failed.

38 Ayes: Berry, Gambino, Hoitink, Johnson, Laughlin, Mattila, Olsen

39 Noes: Goddard, Hunter, Leff, Leoni, Silver, Wideman

40 Abstain: Spores
41

42 Murray said an abstention counts as a "no" vote, so the vote was a tie and the motion fails to pass.
43 There was discussion on the NFK application, specifically whether or not NFK should be provided with
44 feedback.

1
2 Motion 3: Hoitink moved to forget this matter and keep moving along on the regular budget review.
3 Silver seconded the motion.

4
5 Chair Goddard said it was moved and seconded, and called for discussion. There was brief discussion
6 before a Committee Member called for the question.

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8 Vote: Motion 3 passed.

9 Ayes: Berry, Goddard, Hoitink, Hunter, Johnson, Laughlin, Leff, Leoni, Silver, Spores, Wideman

10 Noes: Gambino

11 Abstain: Mattila, Olsen

12
13 A Committee Member thought the budgeted amount of \$6,000 was excessively low on **General Fund,**
14 **Page 3 Line 16: Depoe Bay Advertising and Promotion.**

15
16 Motion 3: Gambino moved to increase the Advertising and Promotion amount to \$15,000, take the
17 difference out of the Unappropriated Ending Fund Balance, and create a committee to develop new
18 ways to advertise the City. Olsen seconded the motion.

19
20 Chair Goddard said it was moved and seconded, and called for discussion. A Committee Member
21 agreed that advertising for our tourist-destination city helps revenue and shop owners, but said he
22 couldn't vote for anything that doesn't have a program attached to it. Another Committee Member
23 said the Council could decide to take money out of the Unappropriated Ending Fund Balance for
24 advertising, could form a committee and develop a proposal. Murray said the Council can make
25 budgetary adjustments during the year, but this would require a supplemental budget; the budget can
26 be adjusted by reallocating appropriations from one category to another, but to change the
27 Unappropriated Ending Fund Balance requires a supplemental budget. Gambino withdrew his motion.

28
29 A Committee Member expressed interest in allotting money for installation of fiber optics at City Hall;
30 He also said video equipment would be needed. Another Committee Member asked what the fiber
31 optic vision was; discussion on this question included: 1) The City could stream all kinds of content to
32 the citizens, who can come to the website and see tours of parks, Budget and Council meetings, access
33 their water/sewer accounts and pay the bills online, but most importantly it was about transparency of
34 government. 2) The City would be able to Skype with the attorney. 3) Make a better website that
35 people would come to.

36
37 Motion 4: Olsen moved to include \$5,000 on **General Fund Page 2 Capital Outlay Line 5: Infrastructure**
38 **Improvement/Fiber Optics**, and to increase **General Fund Page 2 Capital Outlay Line 1: Equipment-**
39 **Office & Other** by \$1,500 for video equipment. Leff seconded the motion.

40
41 Chair Goddard said it was moved and seconded, and called for discussion. A Committee Member asked
42 if the City would get a franchise fee from the fiber optics company (CoastCom); the answer was yes,
43 and that the City is currently in negotiations with CoastCom. Moving Committee Member Olsen said

1 that based on information from CoastCom executives, his estimate is that the City will bring in more on
2 franchise fees than it spends on the installation.

3
4 Vote: Motion 4 passed.

5 Ayes: Berry, Gambino, Goddard, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Spores,
6 Wideman

7 Noes: Hoitink, Silver

8
9 Motion 5: Olsen moved to put aside \$3,000 for fiber optics service fees on **General Fund Page 3 Line**
10 **22: Fiber Optics.** Gambino seconded the motion.

11
12 Chair Goddard said it was moved and seconded, and called for discussion. Seconding Committee
13 Member Gambino was astonished the annual fee was only \$3,000.

14
15 Vote: Motion 5 passed.

16 Ayes: Berry, Gambino, Goddard, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Spores,
17 Wideman

18 Noes: Hoitink, Hunter, Silver

19
20 **Harbor Fund, Pages 8-10** - Murray described the line items, and said the Harbor Commission is holding
21 a special meeting tomorrow night to develop a recommendation for the Council regarding electrical
22 costs at the harbor, but this would not change the bottom line numbers. Mayor Mattila proposed
23 funds be added to clean up the harbor properties because it needs to be addressed, and the sooner
24 the better. A Committee Member suggested forming a harbor district to get outside assistance. There
25 was discussion regarding harbor cleanup; specifically, areas formerly leased by Sea Trollers and
26 Imperial Marine. Murray said if the properties were restored instead of being demolished, it would be
27 eligible for Urban Renewal funds.

28
29 Motion 6: Leff moved to add **Harbor Fund Page 10 Line 21: Harbor Restoration Assessment &**
30 **Recommendation** in the amount of \$20,000, to deal with the two properties in question. Hoitink
31 seconded the motion.

32
33 Chair Goddard said it was moved and seconded, and called for discussion. There was brief discussion
34 before a Committee Member called for the question.

35
36 Vote: Motion 6 passed.

37 Ayes: Berry, Gambino, Goddard, Hoitink, Johnson, Laughlin, Leff, Leoni, Olsen, Silver, Spores,
38 Wideman

39 Noes: Hunter

40 Abstain: Mattila

41
42 Motion 7: Leoni moved to reduce **Harbor Fund Page 9 Capital Outlay Line 8** by \$20,000. Gambino
43 seconded the motion.

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

2
3 Vote: Motion 7 passed.

4 Ayes: Berry, Gambino, Goddard, Hoitink, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen,
5 Silver, Spores, Wideman
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7 There was brief discussion regarding electrical surcharge and actual cost of providing electricity at the
8 harbor; it was noted that when the meters were first installed in the 1990s, electrical charges were
9 reduced by over 50%, from around \$14,000 to around \$6,000.
10

11 **Sanitary Service Fund, Pages 11-13** - Murray described the line items. There was brief discussion.

12
13 Motion 8: Leoni moved to accept the **Sanitary Service Fund** as written. Olsen seconded the motion.
14

15 Chair Goddard said it was moved and seconded, and called for discussion. There was brief discussion.

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17 Vote: Motion 8 passed.

18 Ayes: Berry, Gambino, Goddard, Hoitink, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen,
19 Silver, Spores, Wideman
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21 **Sanitary Bond Fund, Page 14** - Murray noted the City's debt was refinanced last year, resulting in a
22 substantial reduction in interest.
23

24 Motion 9: Leoni moved to accept the **Sanitary Bond Fund** as written. Leff seconded the motion.
25

26 Chair Goddard said it was moved and seconded, and called for discussion. There was brief discussion.

27
28 Vote: Motion 9 passed.

29 Ayes: Berry, Gambino, Goddard, Hoitink, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen,
30 Silver, Spores, Wideman
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32 **Water Service Fund, Pages 15-17** - There was brief discussion on the Water Fund.
33

34 Motion 10: Leff moved to accept the **Water Service Fund** as written. Spores seconded the motion.
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36 Chair Goddard said it was moved and seconded, and called for discussion. There was none.
37

38 Vote: Motion 10 passed.

39 Ayes: Berry, Gambino, Goddard, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Silver,
40 Spores, Wideman
41

42 Noes: Hoitink
43

44 **Miroco Water Reserve Fund, Page 18** - There was brief discussion on the Miroco fund.

1 Motion 11: Spores moved to accept the **Miroco Water Reserve Fund** as written. Laughlin seconded the
2 motion.

3

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

5

6 Vote: Motion 11 passed.

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

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10 **Water Bond Fund, Page 19** - There was brief discussion on this fund.

11

12 Motion 12: Spores moved to accept the **Water Bond Fund** as written. Leoni seconded the motion.

13

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

15

16 Vote: Motion 12 passed.

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

19

20 **Parks & Buildings Fund, Pages 20-22** - Murray described the line items. There was brief discussion
21 about a recent event at the Community Hall involving the sewer line, and about seeding and rolling the
22 swampy area in City Park.

23

24 Motion 13: Berry moved to accept the **Parks & Buildings Fund** as written. Hunter seconded the
25 motion.

26

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

28

29 Vote: Motion 13 passed.

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

32

33 **Salmon Enhancement Project Fund, Page 23** Murray described the line items.

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35 Motion 14: Silver moved to accept the **Salmon Enhancement Project Fund** as written. Leff seconded
36 the motion.

37

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

39

40 Vote: Motion 14 passed.

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

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1 **911 Emergency Telephone Tax Fund, Page 24** - Murray proposed to not budget for this fund because
2 the State no longer requires it.

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4 Motion 15: Silver moved to approve the City Recorder’s recommendation to discontinue the **911**
5 **Emergency Telephone Tax Fund**. Hoitink seconded the motion.

6
7 Chair Goddard said it was moved and seconded, and called for discussion. There was none.

8
9 Vote: Motion 15 passed.

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

12
13 **Personal Services** - A Committee Member expressed concern regarding how changes in healthcare
14 reform might affect the City, based on actions other cities are taking. Another Committee Member said
15 she found it “unthinkable” that someone should be punished for having better insurance than the
16 person next door. Murray said the City’s insurance company, CIS, will be at the next Council meeting to
17 talk about this, that pieces of healthcare reform have already been implemented, that the rates in
18 place are good through December 31, and that CIS predicts a not-to-exceed 5% increase in January
19 2014, which is in the proposed budget. Another Committee Member said not knowing what will
20 happen is not a good reason to take action now and that unforeseen expenses should be handled with
21 supplemental budgets.

22
23 **General Fund** - Murray said the Budget Committee needs to decide whether to elect to receive State
24 Revenue Sharing, which must be done by making a recommendation to the Council, who must enact
25 the election by resolution.

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27 Motion 16: Silver moved the Budget Committee recommend the City receive State Revenue Tax
28 Sharing to the City Council. Gambino seconded the motion.

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30 Chair Goddard said it was moved and seconded, and called for discussion. There was brief discussion.

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32 Vote: Motion 16 passed.

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

35
36 Murray asked if there were any other questions on the General Fund. There was brief discussion. A
37 Committee Member noted there had not been a vote to accept the Harbor Fund.

38
39 Motion 17: Johnson moved to accept the entire budget with the changes that have been recorded in
40 the minutes. Hoitink seconded the motion.

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42 Chair Goddard said it was moved and seconded, and called for discussion. There was brief discussion.

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44 Vote: Motion 17 passed.

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

IV. ADJOURN

There being no further business, the meeting was adjourned at 8:07 PM.

Dorinda Goddard, Budget Committee Chair

Emma LuMaye, Recording Secretary