

1 Depoe Bay Budget Committee
2 Monday, May 5, 2014 – 6:00 PM
3 Depoe Bay City Hall
4

5 PRESENT: Chair D. Goddard, R. Gambino, R. Hunter, D. Johnson, B. Laughlin, B. Leff, P. Leoni,
6 Mayor A.J. Mattila, S. Olsen, B. Silver, B. Spores
7

8 ABSENT: B. Berry, S. Hoitink, T. Wideman
9

10 STAFF: City Recorder P. Murray, Recording Secretary E. LuMaye, City Superintendent
11 B. Weidner
12

13 I. CALL TO ORDER

14 Chair Goddard called the meeting to order at 6:00 PM and established a quorum.
15

16 II. MINUTES OF April 28, 2014 BUDGET COMMITTEE MEETING

17 Motion 1: Leff moved to approve the minutes of the April 28, 2014 Budget Committee meeting as
18 written. Silver seconded the motion.
19

20 Chair Goddard said it was moved and seconded, and called for discussion. Johnson made the following
21 corrections: Page 1 Line 38 should be “Chair ~~Johnson~~ **Goddard**”, and Page 2 Line 10 should be “Chair
22 ~~Johnson~~ **Goddard**”. Leff and Silver accepted the corrections.
23

24 Vote: Motion 1 passed.

25 Ayes: Gambino, Goddard, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Silver, Spores
26

27 III. CONTINUE DISCUSSION PERIOD/PUBLIC INPUT

28 **Water Service Fund (Pages 15-17), Miroco Water Reserve Fund (Page 18), Water Bond Fund (Page**
29 **19)**

30 Murray reviewed the details and footnotes of the Water Service Fund pages, the Miroco Water
31 Reserve Fund page, and the Water Bond Fund page. There was brief discussion; the footnote for Line 2
32 of Capital Outlay on Page 16 of the Water Service Fund will be further broken out to include a
33 specification that \$150,000 will be designated for Coast Avenue.
34

35 Motion 2: Olsen moved to approve Pages 16, 17, 18, and 19 concerning the water service funds.
36

37 Amendment: Silver amended the motion to include the modified footnote for Page 16 Line 2. Olsen
38 accepted the amendment. Silver seconded Olsen’s motion.
39

40 Chair Goddard said it was moved and seconded, and called for discussion. There was none.
41

42 Vote: Motion 2, as amended, passed.

43 Ayes: Gambino, Goddard, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Silver, Spores
44

1 **Parks & Buildings Fund (Pages 20-22)**

2 The Line numbering of the footnotes on Page 22 will be corrected from Lines 15, 16, and 17 to Lines
3 14, 15, and 16. There was lengthy discussion on expenditure of funds for new items when there are
4 existing infrastructure areas in need of attention, and several changes were made to the proposed
5 budget.
6

7 Motion 3: Leff moved to remove Community Hall “bridge” \$36,000 with a note to look at including it in
8 next year’s budget, should that make sense, and either take it out completely or put it somewhere to
9 possibly help fund the purchase of a lot that would add to the parking. Olsen seconded the motion.
10

11 Chair Goddard said it was moved and seconded, and called for discussion. Discussion included a
12 comment that the “bridge” could tie in to a harbor walkway, description of unexpended funds from
13 this year’s Parks & Buildings budget, details of Capital Outlay Line 10 *Future Park Improvements/
14 Acquisition (former SDC Reserve)*, and the distinction between Lines 10 and 11 of Capital Outlay on
15 Page 21. Motion-maker Leff stressed the facility shouldn’t be expanded when there’s not enough
16 parking currently. A suggestion was made to purchase the property that’s for sale across the street
17 from the Community Hall. Murray reviewed proposed changes: Line 11 on Page 21 will no longer be
18 specific to buying park land, it will be for buying land; and Line 2 will be reduced by \$36,000 and Line
19 11 will be increased by \$36,000. At the Chair’s request, Murray re-stated the motion. Chair Goddard
20 added that removing the word “park” from Line 11 should be added to the motion. Leff and Olsen
21 accepted this addition. Spores said he didn’t want to see land purchased elsewhere than at the
22 Community Hall with the \$36,000 added to Line 11; there was brief discussion. Leff called for the
23 question.
24

25 Vote: Motion 3, as revised during discussion, passed.

26 Ayes: Gambino, Hunter, Johnson, Laughlin, Leff, Leoni, Olsen, Silver, Spores

27 Noes: Goddard, Mattila
28

29 Murray said at last week’s Harbor Commission meeting, they requested the Budget Committee’s
30 consideration of taking the Harbor Renaissance and Docks Study out of the Harbor Fund and put it in
31 the General Fund. Of the \$75,000, \$45,000 is coming from Urban Renewal and \$15,000 is grant
32 money. Leoni wanted to revisit that issue, and said she thinks a walk around the harbor project is a pie
33 in the sky and she doesn’t think it’s feasible in the next five years. She would like to see the \$75,000
34 reduced down to the cost of replacing the docks that need replacing. She said the City should fix what
35 we have that brings in money. She said the Harbor Commission should have some say-so – that’s why
36 we have a Harbor Commission. There was discussion about what the Harbor Renaissance and Docks
37 Study includes and how to best spend the money earmarked for that study. Silver said the study was
38 to promote Depoe Bay and he would agree with the Harbor Commission that the \$75,000 belongs in
39 the General Fund. There was additional discussion. Murray reviewed proposed changes resulting from
40 discussion: Harbor Fund Page 8 *Beginning Fund Balance* Line 2 *Net Working Capital* will be reduced by
41 the \$15,000 grant money, which will be moved to the General Fund; eliminate Line 7 *Transfer from
42 Urban Renewal Project Fund*; reduce Line 5 *Transfer from General Fund (Future Improvements, former
43 Reserve)* by \$15,000; Harbor Fund Page 10 Line 22 *Harbor Renaissance & Docks Study – Engineering*
44 will be reduced to \$0. She also noted that the City would need to re-notice the necessary re-convening

1 of the Urban Renewal Agency Budget Committee. Leff said she knew this creates an operational glitch
2 for the two committees, but she felt it was the right thing to do. There was additional discussion. Chair
3 Goddard recapped the proposed changes: move the \$45,000 from Urban Renewal plus the \$15,000
4 from Lincoln County grant out of the Harbor Fund and in to the General Fund, and the General Fund
5 would pick up the other \$15,000 instead of the Harbor Fund picking it up; and the expenditure gets
6 moved.

7
8 Motion 4: Leff so moved. Murray asked for clarification, on Page 8, Line 5 *Transfer from the General*
9 *Fund*, did the Committee want to leave it at \$270,000, or did they want to reduce it by the \$15,000 so
10 it stays in the General Fund so it helps pay for the study? The decision was to reduce Line 5 by
11 \$15,000. Johnson said the transfer from Urban Renewal will go back to the General Fund; Murray said
12 Page 8 Line 7 *Transfer from Urban Renewal Project Fund* will be \$0 (move \$45,000 back to General
13 Fund), Line 2 *Net Working Capital* will be reduced by \$15,000, Page 10 Line 22 *Harbor Renaissance &*
14 *Docks Study – Engineering* will be reduced to \$0, and total expenditures will drop down to \$420,410.
15 Leoni seconded the motion.

16
17 Chair Goddard said it was moved and seconded, and called for further discussion. There was none.

18
19 Vote: Motion 4 passed.

20 Ayes: Goddard, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Silver, Spores

21 Noes: Gambino, Olsen

22
23 Discussion returned to paring down expenditures in the Parks & Buildings Fund by postponing the
24 following proposed Capital Outlay projects for a year or two: memorial wall expansion and City Park to
25 Stonebridge trail; and transferring those expenditures to support other infrastructure such as streets.

26
27 Motion 5: Leoni moved to remove Line 6 project from this year and reduce Line 1 by \$20,000, which is
28 still more than last year, and reduce the transfer from the General Fund by \$40,000. Leff seconded the
29 motion.

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

32
33 Amendment: Leoni amended her motion that \$20,000 will come out of the memorial wall expansion,
34 not Line 1. Leff accepted the amendment.

35
36 Chair Goddard said it was moved and seconded, and called for discussion. There was brief discussion,
37 then Leff called for the question. There was further discussion about implementation of new projects
38 and maintenance of existing facilities. Murray reviewed the changes proposed in the motion.

39
40 Vote: Motion 5, as amended, passed.

41 Ayes: Goddard, Hunter, Johnson, Laughlin, Leff, Leoni, Olsen

42 Noes: Gambino, Mattila, Silver, Spores

1 There was more discussion about adding parks and reducing maintenance, with concern expressed
2 about the limited Staff time available to maintain parks.

3
4 Motion 6: Leoni moved to take the *Unappropriated Ending Fund Balance* of \$8,000 and add it to Line 5
5 *Parks Maintenance* on Page 22. Olsen seconded the motion.

6
7 Chair Goddard said it was moved and seconded, and called for discussion. There was brief discussion.

8
9 Vote: Motion 6 passed.

10 Ayes: Goddard, Johnson, Laughlin, Leff, Leoni, Olsen, Silver, Spores

11 Noes: Gambino, Hunter, Mattila

12
13 There was discussion about whether the \$8,000 proposed for a City Park fire lane belongs in the Parks
14 & Buildings Fund or the Street Fund, and whether \$8,000 is enough for this project. Murray noted that
15 money can be moved from one line to another by Council Resolution.

16
17 Motion 7: Leff moved to approve the Parks & Buildings Fund as edited by the Committee. Leoni
18 seconded the motion.

19
20 Chair Goddard said it was moved and seconded, and called for discussion. There was none.

21
22 Vote: Motion 7 passed.

23 Ayes: Goddard, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Silver, Spores

24 Noes: Gambino

25
26 **Salmon Enhancement Project Fund (Page 23)**

27 Murray asked if there were any questions on the Salmon Enhancement Fund. There were no
28 questions.

29
30 Motion 8: Silver moved to accept the Salmon Enhancement Fund as proposed. Leoni seconded the
31 motion.

32
33 Chair Goddard said it was moved and seconded, and called for discussion. There was none.

34
35 Vote: Motion 8 passed.

36 Ayes: Gambino, Goddard, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Silver, Spores

37
38 **911 Emergency Telephone Tax Fund (Page 24)**

39 Murray said by law the City was required to budget for money we never saw and never spent, and
40 then the law was changed. As of the current fiscal year, we no longer have to budget for this money,
41 and it is included in the budget for historical information only.

42
43 Return to **Street Fund (Page 5 and Page 7)**

1 Murray said in accordance with the discussion on the Parks & Buildings Fund, Page 5 Line 5 *Transfer*
2 *from General Fund* will increase by \$40,000, and on Page 7; it was the Committee's decision to place
3 that money on Page 7 Line 4 *Maintenance & Repair*.

4
5 Motion 9: Leoni moved to take that \$40,000 that we just put in the General Fund and put it on Page 7
6 Line 4 *Maintenance & Repair*, increasing it from \$20,000 to \$60,000. Olsen seconded the motion.

7
8 Chair Goddard said it was moved and seconded, and called for discussion. Murray asked Leoni to
9 amend her motion to include increasing Page 5 Line 5 *Transfer from General Fund*. She agreed to
10 amend the motion.

11
12 Vote: Motion 9 passed.

13 Ayes: Gambino, Goddard, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Silver, Spores
14

15 **General Fund (Pages 1-3)**

16 Murray reviewed the changes to the General Fund resulting from Committee motions:

17 Page 1 Line 6 *Transfer from Urban Renewal Agency* will increase \$45,000.

18 Page 1 Line 2 *Net Working Capital* will increase \$15,000.

19 Page 2 *Transferred to Other Funds* Line 1 *Transfer to Harbor Fund* will be reduced \$15,000.

20 Page 2 *Transferred to Other Funds* Line 2 *Transfer to Street Fund* will increase \$40,000.

21 Page 2 *Transferred to Other Funds* Line 3 *Transfer to Parks & Buildings Fund* will be reduced \$40,000.

22 Page 3 empty Line 22 will become *Harbor Renaissance & Docks Study* at \$75,000.
23

24 Review of the General Fund continued. There was discussion regarding increasing the formula for
25 charitable contributions to 1.5% to give more money to the food pantry, with an expressed desire to
26 make it a general rule for all budgets.

27
28 Motion 10: Gambino moved to increase from 1% to 1.5% the amount of funds that we can give to
29 charitable organizations from the *Unappropriated Ending Fund Balance*. Olsen seconded the motion.

30
31 Chair Goddard said it was moved and seconded, and called for discussion. Discussion included a
32 reminder that Depoe Bay has no tax base and there are other ways to contribute, a suggestion to give
33 more just this year, and the City's contribution history with the eventual establishment of the existing
34 formula to keep contributions at a reasonable level. It was noted that some cities make no charitable
35 contributions, and there was a comment that one reason the formula was established was to avoid
36 getting caught up in the emotion of who's asking for the money. Johnson called for the question.
37 There was a little more discussion, then Murray re-read the motion. It was clarified that if approved,
38 the motion would become effective with next year's budget.

39
40 Vote: Motion 10 failed.

41 Ayes: Gambino, Laughlin, Mattila, Olsen

42 Noes: Goddard, Hunter, Johnson, Leff, Leoni, Silver, Spores
43

1 Motion 11: Leoni moved to change Page 3 and increase the donation to \$5,000 this year, taking the
2 money from the General Fund. There was discussion about the preceding failed motion and
3 established procedure; Murray said the Committee can change the rule for one year if they want and
4 change it again next year. It was agreed the motion was valid. Murray clarified the intent was to give
5 \$5,000 to the Depoe Bay Food Pantry. Chair Goddard re-stated the motion. Laughlin seconded the
6 motion.

7
8 Chair Goddard said it was moved and seconded, and called for discussion. There was a question of
9 whether the \$961 would come from the *Unappropriated Ending Fund Balance*. Murray said it would
10 unless another expenditure was reduced to offset the increased contribution. There was brief
11 discussion.

12
13 Amendment: Leoni amended her motion to take \$961 from Page 3 Line 16 *Depoe Bay Advertising and*
14 *Promotion* and add it to Line 27 *Contribution to Depoe Bay Food Pantry* to make an even \$5,000.
15 Laughlin accepted the amendment.

16
17 Chair Goddard said it was moved and seconded, and called for discussion. There was none.

18
19 Vote: Motion 11 failed.

20 Ayes: Goddard, Laughlin, Leff, Leoni, Olsen

21 Noes: Gambino, Hunter, Johnson, Mattila, Silver, Spores

22
23 Murray said the Urban Renewal Agency Budget Committee would need to be re-convened; the
24 meeting will take place on May 20, 2014 at 6:45 PM.

25
26 Motion 12: Silver moved to accept the budget, as amended, for 2014-15. Hunter seconded the
27 motion.

28
29 Chair Goddard said it was moved and seconded, and called for discussion. There was none.

30
31 Vote: Motion 12 passed.

32 Ayes: Gambino, Goddard, Hunter, Johnson, Laughlin, Leff, Leoni, Mattila, Olsen, Silver, Spores

33
34 IV. ADJOURN

35 There being no further business, the meeting was adjourned at 8:51 PM.

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38
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40 _____
Dorinda Goddard, Budget Committee Chair

41
42
43 _____
44 Emma LuMaye, Recording Secretary