



MINUTES

City Budget Committee Meeting

May 25, 2021 6:15 P.M.

Coburg City Hall

91136 N Willamette Street

Via Virtual Conference

MEMBERS PRESENT: Chair Linda Kroeger, John Fox, John Lehmann, Nancy Bell, Jeffrey Milam, Terry Dawson, Sharon Taylor, Todd Waters.

MEMBERS ABSENT: Marcus Alexander, Paul Thompson, Patty McConnell, Kyle Blain.

STAFF PRESENT: Ray Smith, Mayor; Sammy Egbert, City Recorder; Brian Harmon, Public Works Director; Anne Heath, City Administrator; Mandy Balcom; Court Administrator; Tim Gaines, Finance Director; Larry Larson, Chief of Police.

RECORDED BY: Jayson Hayden, Lane Council of Governments (LCOG).

1. CALL TO ORDER

Chair Kroeger called the meeting to order at 6:18 P.M.

2. ROLL CALL

Ms. Egbert called roll and a quorum was present.

3. APPROVAL OF BUDGET COMMITTEE MINUTES

- **May 19, 2020 Budget Committee**

There were no changes or corrections.

- **May 26, 2020 Budget Committee**

There were no changes or corrections.

- **May 18, 2021 Budget Committee**

There were no changes or corrections.

Chair Kroeger wondered if it was appropriate to make a motion for all three minutes to be approved, Ms. Egbert answered that this was appropriate.

Chair Kroeger offered to entertain a motion to approve the minutes.

MOTION: Councilor Bell moved, Councilor Taylor seconded to approve all three Budget Meeting minutes as presented. The motion passed unanimously. 8:0

4. PUBLIC COMMENT

There was no public comment.

5. PUBLIC HEARING

- **RESOLUTION 2021-08 A RESOLUTION DECLARING THE CITY'S ELECTION TO RECEIVE STATE REVENUES**

Chair Kroeger opened the public hearing for Resolution 2021-08 at 6:21 P.M.

Mr. Gaines offered to present a report on this resolution. He explained that the City was eligible for these revenues because it provided at least five essential services; police protection, street construction and maintenance, sanitary sewers, storm sewers, and utility services.

Mr. Gaines explained that the source of these revenues was cigarette, liquor, and general state revenue sharing, and that these funds were used for general expenses. He expected to collect around \$40,000 between those three funds for fiscal year 2022.

He outlined the other state revenue sharing fund known as the highway trust fund, or state gas tax. He expected around \$104,000 in fiscal year 2022 and added that this was separate from the City gas tax.

Councilor Lehmann noted a typo on page 1 which showed a state shared revenue stream of \$17,000 instead of \$144,000. Mr. Gaines agreed and said this should have been listed as \$40,000 for the general fund and \$104,000 for the street fund.

Chair Kroeger asked if there was any public testimony, Ms. Egbert said that no one had signed up for public testimony.

Hearing no further discussion, Chair Kroeger closed the public hearing at 6:25 P.M.

Chair Kroeger noted that a second public hearing was scheduled for June 8, 2021 at the regular City Council Meeting.

6. FOLLOW UP ON QUESTIONS FROM MAY 18th MEETING

Mr. Gaines said that they were not directed by the Budget Committee to make any changes to the proposed budget at the last meeting, but that the staff had noted two changes needed; another \$1,000 needed to be budgeted in the general fund for IT services, and another \$5,000 was needed to purchase a new mower. He said they also discovered another issue; the \$463,500 for the sewer debt in the City budget was an oversight and was changed to match the \$400,000 URA transfer. He added that this would affect the unappropriated fund balance but that it would not be a huge deal.

Chair Kroeger asked for any other follow up questions.

Councilor Fox wondered how much the replacement 15-year tank pumps cost. Mr. Harmon said that this depended on the size of the tank and which vendor was used, but that they were typically around \$1,000 for residential and up to \$12,000 for commercial sites. Councilor Fox asked how many residential pumps there were, and Mr. Harmon answered a little over 600 approximately.

Mr. Gaines wanted to touch on revenues collected compared to budget, noting that it may be alarming to see that revenues weren't coming in as fast as expected. He explained that a 15-home subdivision was postponed this year, and that the shortfall in revenues was mostly due to non-collection of almost \$1 million in SDC funds.

Councilor Fox asked if they anticipated a loss in tax revenues that would not be received by June 30th due to pandemic issues, and if so, how much. Tim Gaines answered that they had exceeded their tax revenue forecast from 2021. Ms. Heath added that these revenues were budgeted conservatively as they did not know what would happen and noted that they had done very well.

Ms. Heath wanted to correct that the residential subdivision was actually much larger and was anticipated to start this year but was delayed. She said that the developer had pulled the application and redone the development plan for 28 homes and was not ready for this year. Ms. Heath said this was why SDC revenues were not realized this year but noted they would happen in the next fiscal year.

Councilor Fox asked if this meant a reduced SDC and Ms. Heath answered that these were redone every year at budget time, noting that they were only projections.

7. PROPOSED BUDGET REVIEW, DISCUSSION AND RECOMMEND CHANGES

Chair Kroeger shared that they were close to deciding the budget and wanted to be sure any questions were asked before a motion was entertained.

Ms. Heath asked Mr. Gaines to share some slides on budget to actual for fiscal year 2021 and Mr. Gaines said that this info was in the packets sent out.

Ms. Heath thought it was relevant to mention that this year had been odd in that some substantial funding items were time sensitive and that while percentages could look low, they had a very large water reimbursement coming in and they had not transferred money to the sewer fund yet. She added that in the street fund the percentage difference was representative of the SDCs that had not been realized, and in the general fund there were reimbursements for police patrols of the fire coming in, in addition to a grant for street costs. She wanted to make sure the council was aware of the City receiving these reimbursements which could skew the percentages.

Councilor Fox noted that they were about \$93,000 positive even though expenses and revenues were down. Ms. Heath said that this was hard to look at from a monetary point as there were still revenues coming in and expenses going out. She explained that they instead looked for a gap between revenues and expenses and noted that there were substantial revenues still coming in that would make these figures line up even more.

Chair Kroeger asked for any other questions. Ms. Heath shared that no questions had been received by either her or Mr. Gaines.

Hearing no further discussion, Chair Kroeger offered to entertain a motion.

8. CONSIDER APPROVING THE BUDGET FOR FISCAL YEAR 2021-22 AND RECOMMENDING ADOPTION TO CITY COUNCIL

MOTION: Councilor Taylor moved, Councilor Milam seconded to approve the 2021-22 budget as presented and recommend to the Council for adoption. The motion passed unanimously.

9. BUDGET COMMITTEE VACANCY

Mayor Smith asked the Committee to recognize that Councilor Sharon Taylor would be moving out of the area and would be ineligible for the Committee. He noted that Councilor Taylor started in 2014 and said he appreciated her skills in asking productive questions and providing helpful data. He thanked Councilor Taylor for her service to the City with her expertise and help to get through tough times.

Ms. Taylor thanked the Committee and thought that the City was in good hands and appreciated the improvements over the years.

Ms. Egbert shared a staff report on vacancies and filling them. She recalled that the Budget Committee wanted to be more involved in the appointment of members and had set an informal policy of opening recruitment in April so they could interview and recommend members to Council.

Ms. Egbert said that Sharon Taylor and Linda Kroeger's terms had expired, and that recruitment was open through April. Ms. Egbert said that one approved application had been received and suggested to consider recommending the City Council and Mayor reappoint Linda Kroeger to the Budget Committee.

Ms. Egbert said that the Budget Committee had also addressed how to go forward with the other vacancy and noted that they were still recruiting for applicants to bring to the Budget Committee for recommendation.

Ms. Egbert noted a typo in the staff report that said Linda Kroeger would be appointed until 2043, which should actually only be a three-year term.

Mayor Smith asked for further questions or comments. Hearing none he offered to entertain a motion.

MOTION: Mr. Dawson moved, Mr. Fox seconded to recommend to City Council and Mayor that Linda Kroeger be appointed to the Budget Committee for a three-year term expiring 6/30/2024. The motion passed unanimously. 8:0

Chair Kroeger thanked the Committee for their input and understanding. She also thanked the staff for their participation and asked if there was any input on how to continue to improve.

Ms. Taylor shared that she had a friend on the Springfield budget committee and said that their individual department heads would record their presentations on YouTube for convenience.

Mr. Lehmann wanted to see a list of the top ten budget increases and reductions in the presentation. Mayor Smith asked if he wanted a dollar amount or percentages and Mr. Lehmann answered either one, so that discussion could be had on the largest increases and decreases in the budget. Mayor Smith suggested using percentages as some dollar amounts were small and Mr. Lehmann suggested limiting it to any dollar amount over \$10,000. Ms. Heath and Mr. Gaines added that this was already prepared and could be sent out. Councilor Fox noted that smaller dollar amounts would skew the data and agreed about a \$10,000 minimum. Ms. Heath explained that they had only covered large increases and why they increased but offered to send out percentage changes. Mr. Fox said this would be great to include in the whole packet next year and Ms. Heath said this would be included in the regular budget package.

Mayor Smith reiterated his appreciation of the experience working with the Council and Committee and said that it was a pleasure working with knowledgeable people. He noted the staff's hard work in making presentations as easy as possible.

Chair Kroeger said she appreciated Ms. Heath for helping her prepare prior to meetings.

10. ADJOURNMENT

Chair Kroeger adjourned the meeting at 6:54 P.M.

APPROVED by the City of Coburg Budget Committee on this 24th day of May 2022.



John Fox, Budget Committee Chair

ATTEST:



Sammy L. Egbert, City Recorder