

CITY OF MANZANITA
APRIL 26, 2010
BUDGET COMMITTEE MEETING/PUBLIC HEARING

CALL MEETING TO ORDER:

The meeting was called to order by Chair Dave Dillon at 7:00 pm. Members present were Garry Bullard, Leila Salmon, Linda Kozlowski, Mike Scott, Ray Scales, Sandy Heaman, Dave Dillon, Frank Wolf, Larry Mueller and Terry Staehnke. Staff present: City Manager Jerry Taylor, Police Chief Erik Harth, Public Works Director Bret Siler and Administrative Assistant Kristin Grassetth. There was 1 citizen in attendance.

APPROVAL OF MINUTES: Budget Committee Meetings of April 12, 2010 and April 20, 2010.

Motion was made by Salmon; seconded by Kozlowski to approve minutes of April 12, 2010 Budget Committee Meeting and April 20, 2010 Budget Committee Meeting. Motion passed unanimously.

PUBLIC HEARING AND COMMENTS – Proposed use of State Revenue Sharing for 2010-2011/Proposed 2010-2011 Budget for the City of Manzanita.

Chair Dillon opened the Public Hearing at 7:05 pm.

There was no input given regarding the proposed uses of State Revenue Sharing.

Owen Nicholson shared his concerns with the Committee regarding the amount of money being set aside for road improvement projects. In 2002, a citizen task force recommended that \$75,000 be put aside annually for road improvements based on a calculation of improving all streets in a 20 year timeframe. In today's economy these costs would be greater, and the City should revisit this matter to reflect current costs in the Budget. City Manager Taylor stated that the 10-11 budget has \$195,000 set aside for street improvements, but agreed that Public Works Director Siler and he could work on some updated information to bring to Council.

Motion was made by Salmon, seconded by Kozlowski to revisit the road improvement schedule and make amendments to cost figures, if needed. Motion passed unanimously.

Chair Dillon discussed the two draft memos he had circulated to the members of the Committee to document some of the concerns raised during the Committee's previous discussions. The first memo regarding the Water Operating Fund would recommend that a rate increase be implemented prior to the 2011-12 fiscal year. The Committee asked questions of Taylor regarding the wholesale costs and what others pay.

A motion was made by Salmon, seconded by Kozlowski to approve the budget memo as presented (attached Exhibit A) regarding a recommended rate increase for City water service. Motion carried unanimously

The second memo concerned the purpose of the Civic Improvement Reserve Fund, which the Committee had discussed in previous meetings.

After discussion, a motion was made by Heaman, seconded by Wolf to approve the budget memo as presented (attached as Exhibit B) recommending that the Council clarify the allowed uses of the Civic Improvement Fund. Motion carried unanimously.

Terry Staehnke stated his concerns with hiring a new Police Officer. He felt that other priorities should be addressed before funding and hiring the fourth Police Officer position. Taylor and Harth explained current patrol coverage and level of service and discussed the costs. A motion was made by Staehnke not to include the fourth Police Officer position in the budget. but the motion was not seconded.

SETTING OF PROPERTY TAX RATE FOR 2010/2011: A motion was made by Scott, seconded by Bullard to set the property tax rate at \$0.4233 per \$1,000 of assessed valuation for the 2010/2011 fiscal year. Motion carried unanimously.

APPROVAL OF 2010/2011 BUDGET (AMENDED AS NECESSARY): A motion was made by Kozlowski, seconded by Scott to approve the 2010/2011 budget as presented with the changes previously discussed and to recommend its adoption by the City Council. Motion passed on a vote of 9 to 1. (Staehnke -against.)

ADJOURNMENT: The meeting adjourned at 8:15 pm.

MINUTES APPROVED THIS
23RD DAY OF JUNE 2010

Leila N. Salmon, City Council President

ATTEST:

Jerald P. Taylor, City Manager/Recorder

BUDGET COMMITTEE
CITY OF MANZANITA
Manzanita, OR 97130

April 27, 2010

Mayor and City Council
City of Manzanita


Re: Water Operating Fund

The members of the Manzanita Budget Committee, recognizing a worrisome drawdown in the budgetary reserves for the city's Water Operating Fund, recommend the city council take the necessary steps to implement a rate increase for all users to go into effect no later than the beginning of the 2011-2012 fiscal year.

This would be the first rate increase since 2003.

The budget committee approved this recommendation unanimously (10-0) on April 26, 2010.

Very respectfully,



David L. Dillon
Chairman

BUDGET COMMITTEE
CITY OF MANZANITA
Manzanita, OR 97130

April 27, 2010

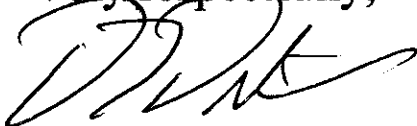
Mayor and City Council
City of Manzanita

Re: Civic Improvement Reserve Fund

The members of the Manzanita Budget Committee recommend the City Council revisit the Civic Improvement Fund to better define its purposes.

The budget committee approved this recommendation unanimously (10-0) on April 26, 2010

Very respectfully,

A handwritten signature in black ink, appearing to read "Dillon", written over the typed name.

David L. Dillon
Chairman