

Budget Committee Meeting and State Revenue Sharing Hearing

Wednesday, May 2 - 6:00 p.m.

51340 Highway 97

South County Building Meeting Room

1. Call to Order
2. Establish Quorum
3. Flag Salute
4. State Revenue Sharing Hearing Pursuant to ORS 221.770
5. Election of Chairperson
6. Budget Message
7. Fund Review
 - a. Comprehensive Plan and Land Use Regulations Fund
 - b. Tourism Fund
 - c. Street Fund
 - d. General Fund
 - e. New Funds
8. Public Comments and Questions

Members of the public will be offered an opportunity to ask questions about, and comment on, the budget document.
9. Budget Approval

If appropriate, the Budget Committee may approve and forward the budget document to the La Pine City Council for review at the May 23, 2012 Budget Hearing.
10. Adjourn

Pursuant to ORS 192.640, this notice includes a list of the principal subjects anticipated to be considered or discussed at the above-referenced meeting. This notice does not limit the ability of the City Council and Budget Committee to consider or discuss additional subjects. This meeting is subject to cancellation without notice. This meeting is open to the public and interested citizens are invited to attend. The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Patti Morgan at (541) 536-1432.

MINUTES
Budget Committee Meeting and State Revenue Sharing Hearing

Wednesday, May 2 - 6:00 p.m.

51340 Highway 97

South County Building Meeting Room

1. Call to Order

Mayor Mulenex called the meeting to order.

2. Establish Quorum

City Manager Steve Hasson

Mayor Ken Mulenex

Councilor Stu Martinez

Councilor Dan Varcoe

Councilor Don Greiner

Councilor Kathy Agan

City Recorder/Finance Officer Lori Martin

Admin Ass't Patricia Morgan

Budget Committee

Bob Steffens

Kitty Shields

Vivian Cooper

Rene Schifano

Tammy Doty

Quorum established.

3. Flag Salute

Bob Steffens led the Pledge of Allegiance.

City Manager Hasson reviewed the budget materials and also discussed the goals and priorities that had been set by the City Council. He also discussed the reasons for raising the tax rate to \$1.90 which would still be the lowest tax rate in the region. City Manager Hasson said the additional review could be used for grant matching funds. He also discussed the TRT monies and having a policy that an entity could only apply for either through the Visitors Center or through the City of La Pine but not both. City Manager Hasson also said there needs to be a policy for an individual or organization seeking monies from the City to complete a City financial application prior to submitting their financial request to the Council.

City Manager Hasson stated the amount of money provided to the City of La Pine on property tax statements is only about 10%. He said what is special with this year's budget is that they will fold in the budgets for the Water and Sewer Districts. City Manager Hasson stated that the Water and Sewer District budgets will be approved by the Districts prior to them being approved by the City.

City Manager Hasson said the budget has been constructed contemplating a \$1.90 tax base rate. He said that the County generally gets most of their property tax monies from property owners. City Manager Hasson said that when developing the budget they took a conservative approach to the

collection rate of taxes. He said that the budget picture is improving nationwide and the economy is starting to improve with building permits, etc. City Manager Hasson said that even at a \$1.90 tax rate it is the lowest in Central Oregon. He said that La Pine is fiscally prudent.

City Manager Hasson stated that the City has very little debt. He said the only indebtedness is for the new City Hall. City Manager Hasson stated that the City behaved very fiscally responsible prior to the economic downturn so was not affected much by it.

5. Election of Chairperson (this item was moved forward)

Kitty Shields nominated Dan Varcoe. Councilor Varcoe said he is reluctant to accept the nomination and declined it. Mayor Mulenex nominated Bob Steffens. Rene Schifano seconded the motion. Motion passed unanimously to elect Bob Steffens as Committee Chair.

4. State Revenue Sharing Hearing Pursuant to ORS 221.770

City Manager Hasson stated that the Budget Committee must approve the tax rate and submit it to the County Assessor. City Recorder Lori Martin said a Resolution and Hearing will need to be done in order for the City to participate in the State revenue sharing.

6. Budget Message

City Manager Hasson discussed some of the budget message at the beginning of the meeting.

The Budget Committee reviewed the various goals and priorities for the City. City Manager Hasson stated that the proposed BMX track will probably be on County property. He also discussed the fifty percent discount the City would receive for the lighting. City Manager Hasson said one of the lights would be used at the BMX track.

Review of Water and Sewer Districts Budgets

Donna Zigler, from the La Pine Water and Sewer Districts, gave a brief overview of the Districts proposed budgets. She said that there is only one fund, the General Fund. Ms. Zigler said LB 20 is their income page, where they anticipate the money coming in. She said that service fees have gone down from the previous year because they decided to lower the cost of service fees to accommodate customers. Ms. Zigler said septage dumping is an outside source of income from septic companies. She said Materials and Services is pretty much self-explanatory. Ms. Zigler said it includes everything it takes to run the office and process administrative duties. She also said that insurance for the Sewer District is very costly because of the liability issues associated with it. Ms. Zigler said that they are thinking about putting in a septage dumping center that would make the process safer. She also said the work vehicles need to be replaced as they are old and well used. Ms. Zigler stated that there will also be septic tanks that need to be replaced and that has been put in the budget. She said those septic tanks belong to the District.

Ms. Zigler stated that the Water District anticipates building an additional reservoir at the well site in the next five years. She said monies are being budgeted to begin saving for the new reservoir. She said it cost about \$1,000,000 for a new reservoir. Ms. Zigler said that they feel that the Fire

Department should have a numbering system for the fire hydrants that is satisfactory for them. She said the Districts supplied the numbering materials to the Fire Department.

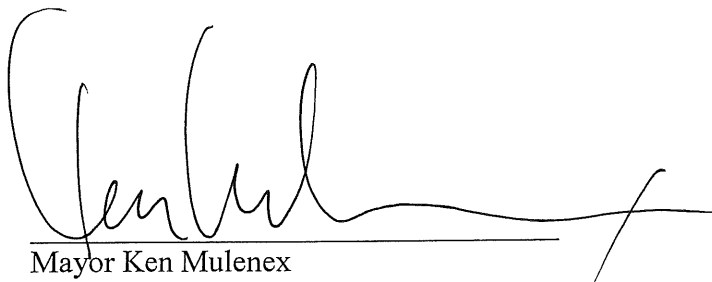
City Manager Hasson discussed the need to incorporate the Water and Sewer Districts budget into the City's budget at this time rather than doing a supplemental budget.

The Committee then reviewed the goals and priorities and approved the following:

- Acquire eight street lights
- Hire a part time Code Enforcement Officer
- Installation of a BMX track
- Initiate a Youth Employment Service
- Creation of a City Logo and Branding for the City of La Pine
- Environmental Assessment cost for the land transfer from BLM
- Consultant to Evaluate City's water supply and potable water reserves
- Community Sponsorship of various organizations
- Initiate construction of a lighted pathway along Hwy 97 on County lands
- Landscape and outside improvements to City Hall
- Development of a new design for the Highway 97 corridor
- Assist with business start-up or business expansion
- Finley Butte Field and Path Grant Application – Matching Grant
- Address road issues in particular with the Cagle subdivision & Huntington Rd.
- Council Operation
- Matching grant with La Pine Fire District for a Student Fire Coordinator

Councilor Greiner made a motion that the Budget Committee affirmed that they accepted these goals and priorities, motion was seconded by Rene Schifano. Motion passed unanimously.

At this point, the Budget Committee decided to continue the meeting to May 9th.



Mayor Ken Mulenex

Attest:



Lori Martin, City Recorder/Finance Officer