

**CITY OF ROSEBURG/ROSEBURG URBAN RENEWAL AGENCY
BUDGET COMMITTEE AGENDA – MAY 10, 2022 – 6:00 PM**

Meetings may continue on May 11 and 12 until the Budget is adopted.

City Hall Council Chambers, 900 SE Douglas Avenue

Public Access:

City website at <https://www.cityofroseburg.org/your-government/commissions/budget-committee/budget-committee-videos>.

Facebook Live at www.Facebook.com/CityofRoseburg

Comments on Agenda Items and Audience Participation can be provided in person or electronically via Zoom. See last page for instructions on how to participate in meetings.



5-3-2022

CALL TO ORDER 2021 Chair Mike Baker

ROLL CALL

Mike Baker	Shelley Briggs Loosley	Beverly Cole	Bob Cotterell
Stephen Krimetz	Sheri Moothart	Kelly Peter	Brian Prawitz
Bob Scott	Patrice Sipos	Jerry Smead	Bryan Sykes
Knut Torvik	Jeffrey Weller	Andrea Zielinski	

1. **ELECTION OF OFFICERS – CHAIR AND VICE-CHAIR**
2. **APPROVAL OF MINUTES – May 11, 2021**
3. **PUBLIC HEARING – POSSIBLE USES OF STATE REVENUE SHARING FUNDS**
4. **PRESENTATION OF BUDGET MESSAGE**
5. **STAFF PRESENTATIONS - FUND BUDGET REVIEW**
 - A. General Fund
 1. Revenues (35) Finance Director Ron Harker
 2. City Administration (41) ACM/City Recorder Amy L. Sowa
 3. Finance (43) Finance Director Ron Harker
 4. I.T. (45)
 5. Community Development (47) Community Develop Director Stuart Cowie
 6. Library (49) Library Director Kris Wiley
 7. Public Works (51) Public Works Director Brice Perkins
 - A. Engineering (51)
 - B. Administration (53)
 - C. Facility Maintenance (55)
 - D. Street Maintenance (57)
 - E. Streetlights (59)
 - F. Parks and Recreation (61)
 8. Municipal Court (65) Finance Director Ron Harker
 9. Police (67) Police Chief Gary Klopfenstein
 10. Fire (69) Fire Chief Monte Bryan
 11. Non-Departmental (71) Finance Director Ron Harker

Tentative Approval of the General Fund

- B. Special Revenue Funds
 1. Grant Special Revenue (73) Finance Director Ron Harker
 2. Hotel/Motel Tax (76)

- 3. Economic Development (85)
- 4. American Rescue Plan Act (89)
- 5. Assessment Improvement Fund (91)
- 6. Streetlights and Sidewalk (78) Public Works Director Brice Perkins
- 7. Bike Trail (81)
- 8. Golf (83)
- 9. Stewart Trust (93)
- 10. Library (87) Library Director Kris Wiley

Tentative Approval of the Special Revenue Funds

- C. Debt Service Funds Finance Director Ron Harker
 - 1. Pension Obligation Debt Service Fund (95)

Tentative Approval of the Debt Service Fund

- D. Capital Projects Funds
 - 1. Equipment Replacement (104) Finance Director Ron Harker
 - 2. Transportation Fund (97) Public Works Director Brice Perkins
 - 3. Park Improvement (101)
 - 4. Facilities Replacement (109)

Tentative Approval of the Capital Projects Funds

- E. Enterprise Funds
 - 1. Airport (117) City Manager Nikki Messenger
 - 2. Water Service (122) Public Works Director Brice Perkins
 - 3. Storm Drainage (112)
 - 4. Off-Street Parking (115) Finance Director Ron Harker

Tentative Approval of the Enterprise Funds

- F. Internal Service Fund (136) Human Resources Director John VanWinkle

Tentative Approval of the Internal Service Fund

6. AUDIENCE PARTICIPATION

7. APPROVAL OF CITY OF ROSEBURG BUDGET & APPROVAL OF TAX RATE
Suggested motions: I move to approve and recommend City Council adoption of the budget for the 2022/2023 fiscal year in the amount of \$99,820,184. I move to approve and recommend City Council adoption of property taxes for the 2022/2023 fiscal year at the rate of \$8.4774 per \$1,000 of assessed value for the permanent rate tax levy.

8. PRESENTATION OF URBAN RENEWAL BUDGET

- A. General Fund (4) Finance Director Ron Harker
- B. Capital Projects (6)

9. APPROVAL OF URBAN RENEWAL AGENCY BUDGET

Suggested motion: I move to approve and recommend Urban Renewal Agency Board adoption of the Urban Renewal Agency budget for the 2022/2023 fiscal year in the amount of \$2,236,688.

10. GOOD OF THE ORDER

11. ADJOURNMENT

AUDIENCE PARTICIPATION INFORMATION

The Roseburg City Budget Committee welcomes and encourages participation by citizens at all our meetings. To allow the Budget Committee to deal with business on the agenda in a timely fashion, we ask that anyone wishing to address the Committee follow these simple guidelines:

Comments may be provided in one of three ways:

- **In person during the meeting in the Council Chambers, Roseburg City Hall, 900 SE Douglas Ave.**
- **Email by sending an email by 2:00 p.m. the day of the meeting to info@cityofroseburg.org**
- **Virtually during the meeting. Contact the City Recorder by phone (541) 492-6866 or email (info@cityofroseburg.org) by 2:00 p.m. the day of the meeting to get a link to the meeting.**

Provide your name, address, phone number and which item on the agenda you wish to speak.

When participating virtually, log or call in prior to the start of the meeting using the link or phone number provided.

- **When accessing the meeting through the ZOOM link, click “Join Webinar” to join the meeting as an attendee.**
- **When accessing the meeting through the phone, call the number provided.**
- **All attendees will be held in a “waiting room” until called on to speak.**

Persons addressing the Budget Committee must state their name and address for the record, including whether or not they are a resident of the City of Roseburg. All remarks shall be directed to the entire Budget Committee. The Budget Committee reserves the right to delay any action requested until they are fully informed on the matter.

TIME LIMITATIONS

With the exception of public hearings, each speaker will be allotted a total of 6 minutes. At the 4-minute mark, a warning bell will sound at which point the Chair will remind the speaker there are only 2 minutes left. All testimony given shall be new and not have been previously presented to the Budget Committee.

A total of 30 minutes shall be allocated for the “Audience Participation” portion of the meeting.

CITIZEN PARTICIPATION

- **Anyone wishing to speak regarding an item on the agenda may do so when the Budget Committee addresses that item.**
- **Anyone wishing to speak regarding an item not on the evening’s agenda, may do so under “Audience Participation.”**

PROVIDING COMMENTS

For each item in which speakers have requested to speak, the order will be as follows:

1. **Speakers who attend in person will be called up to speak by the Chair in the order in which they signed up.**
2. **Speakers on Zoom (video or phone only) will be called on to speak by the Chair in the order in which they signed up. Each speaker will be brought in from the “waiting room” into the meeting to provide comments, then moved back to the “waiting room” after comments are provided.**
3. **Emailed comments to be read by the Chair**

The Budget Committee reserves the right to respond to audience comments after the audience participation portion of the meeting has been closed.

The Budget Committee meetings are on Facebook Live and available to view on the City website the next day at: <https://www.cityofroseburg.org/your-government/commissions/budget-committee/budget-committee-videos>.

The full agenda packet is available on the City’s website at: <https://www.cityofroseburg.org/your-government/commissions/budget-committee>.

**MINUTES OF THE MEETING OF THE CITY OF ROSEBURG/ROSEBURG
URBAN RENEWAL AGENCY BUDGET COMMITTEE
MAY 11, 2021**



Vice Chair Mike Baker called the City of Roseburg/Roseburg Urban Renewal Agency Budget Committee meeting to order at 6:00 p.m. on Tuesday, May 11, 2021, electronically via Zoom in Roseburg, Oregon.

ROLL CALL

Committee Members Present: Mike Baker, Bob Cotterell, Alison Eggers, Steve Krimetz, Sheri Moothart, Kelly Peter, Brian Prawitz, Bob Scott, Patrice Sipos, Jerry Smead, Bryan Sykes, Jeffrey Weller and Andrea Zielinski.

Committee Members Absent: Beverly Cole and Knut Torvik

Others Present: City Manager Nikki Messenger, Finance Director Ron Harker, Assistant City Manager/City Recorder Amy Sowa, Police Chief Gary Klopfenstein, Human Resources Director John VanWinkle, Community Development Director Stuart Cowie, Fire Chief Monte Bryan, Library Director Kris Wiley, Public Works Director Brice Perkins and Management Assistant Koree Tate.

ELECTION OF OFFICERS

Committee Member Prawitz nominated Committee Member Baker to serve as Chair. Motion was seconded by Committee Member Sykes and approved with the following vote: Committee Members Baker, Cotterell, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes and Zielinski voted yes. No one voted no.

Committee Member Eggers nominated Committee Member Torvik to serve as Vice-Chair. Motion was seconded by Committee Member Cotterell and approved with the following vote: Committee Members Baker, Cotterell, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes and Zielinski voted yes. No one voted no.

Committee Member Weller arrived after the election of officers and was not part of the vote.

APPROVAL OF MINUTES

Committee Member Scott moved to approve the minutes of the May 12, 2020 Budget Committee meeting. The motion was seconded by Committee Member Sykes and approved with the following vote: Committee Members Baker, Cotterell, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes, Weller and Zielinski voted yes. No one voted no.

PUBLIC HEARING - POSSIBLE USES OF STATE REVENUE SHARING FUNDS

At 6:06 p.m., Chair Baker opened the public hearing to take testimony regarding possible uses for State Revenue Sharing funds. Mr. Harker reported the liquor taxes came in two amounts and was shared with other communities based on a complex formula. The City should receive \$290,000 which would go to the general fund. As no one else wished to speak, Committee Chair Baker closed the public hearing at 6:07 p.m.

PRESENTATION OF CITY OF ROSEBURG BUDGET MESSAGE AND FUND BUDGET REVIEW

Ms. Messenger noted the challenging situation with being in the second year of a pandemic, but operationally it was smoother than the last year. Long-term effects were not known, but the City anticipated a little more than \$4 million state funds that would come in two phases. That money was not in the current budget because guidance was just released and the proposed budget document had been in the making since January 2021. Ms. Messenger knew there would be changes to the budget, but they would have until 2024 to spend state funds received. This was a status quo budget while providing the same level of service. The proposed budget was based on maintaining existing service levels and advancing work on Council goals that included:

1. Develop and implement policies to enhance housing opportunities.
2. Implement transportation funding policies to meet identified community needs.
3. Enhance community livability and public safety.
4. Take a proactive role in community economic development and revitalization.
5. Update and implement the City's Emergency Preparedness Plan.
6. Explore strategies to address issues related to unhoused individuals within the community.

Ms. Messenger explained the general fund was for city services and most employees, and taxes were estimated to come in a little higher. Staff budgeted conservatively, but there were new factors to consider such as reduction in court fines, state revenues, and Measure 110 impacted marijuana taxes. A 4.5% increase was projected for the General Fund with 70% of the cost going to personnel. Almost all departments were impacted by personnel increases from healthcare, PERS and merit increases.

Committee Member Krimetz wanted to know when step increases might taper off and discontinue being an issue for rising personnel costs. Ms. Messenger explained there were three union contracts and non-represented personnel that all had a different number of steps to complete before being at their top level. In addition, if someone was promoted, step increases would start over at the new level. Mr. Harker added if the City were to experience very little turnover then they would see more employees reach their top step. For the last year, the City had many employees retire and there was some turnover. He did not have a general trend on when all employees would be at their top level and stay there for a long period.

Ms. Messenger noted the City had been keeping an ending fund balance at or above 20% of reserve expenditures and were currently at 23%. Departments were cognizant each year of their funding and typically spent 91-94% on average. Because they underspend, that kept the six-year forecast moving out each year. This was the closest they had been to the minimum, but some state funds were coming in that could be used for revenue replacement. As the city continued to grow and housing was added, the legislature had been putting more requirements on the City. Staff was being stretched thin on levels of services that were currently provided. With further work for the unhoused, law enforcement and site reviews increasing, Ms. Messenger wanted to alert the committee she may need to look at staffing to continue to meet requirements. It was not something she was asking for this year, but could see a future need.

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In response to Committee Member Krimetz, Mr. Harker confirmed the City currently had 170.85 employees. Ms. Messenger added that she had not made decisions on how many were needed, but the Community Development Department would need another person, Fire Marshal's office may need another person and the Police Department records staff was shorthanded. In response to Committee Member Peter and Chair Baker, Ms. Messenger explained she did have ideas for the state funds that were expected to enhance programs for crisis intervention, mobile crisis, a grant for the Police Department to hire another person, summer reading program grant for the Library, and then the separate \$1.5 million from the state for a Navigation Center and Shelter. She might need to hire one person to assist with the Navigation Center and Shelter to help get the program started. Funds would depend on whether that was a short-term employee or someone to fulfill long-term needs.

Mr. Harker discussed insurance changes. Property insurance was going to increase by 25%, liability insurance by 15%, dental insurance was not going to experience a change, and health and vision insurance was going to increase 20%. Typically, health insurance costs could be negotiated to a lesser amount and he anticipated just under a 10% increase when it was final.

With salary changes, the Fire Union was currently under negotiations, but the Police Association would have a 3% COLA increase per contract, IBEW a 3% COLA per contract and non-union a 3% increase to keep pace with the union employees. Even though they budgeted merit step increases, it did not guarantee the increase and it was subject to annual evaluation.

PERS rates were slightly higher this year:

- Tier 1/Tier 2 – 37.94%
- OPSRP Police and Fire – 35.11%
- OPSRP General Services – 30.75%

The reported rates included the 4% internal charge to fund the debt service on the City's pension obligation bonds. The City had a floor for reserve fund balance. As he grafted out the fund balance he showed that in the future, the City would be above 20%. As he looked further out, it was less predictable. The City was currently in very good shape.

Mr. Harker discussed the General Fund revenues:

- \$17,232,000 Property taxes
- \$2.142 billion - Estimated assessed value – at a 3.4% increase
- \$450,000 - Other taxes
- \$365,000 - Fines, forfeitures and penalties
- \$3,337,427 - Interdepartmental charges
- \$466,141 - User charges
- \$1,143,237 - Intergovernmental revenue
- \$90,000 – Interest
- \$3,140,320 – Permits, licenses and fees
- \$15,000 - Miscellaneous

General fund revenues totaled \$34,959,594.00

STAFF PRESENTATIONS – FUND BUDGET REVIEW

2. APPROVAL OF MINUTES

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City Administration Office - Ms. Sowa reviewed the City Administration Department budget showing a 4.6% overall increase. The largest increase was in Personnel Services at 6% due to salary adjustments, step increases, COLA and increased benefit cost. Materials and services were being reduced by 1%. Some accomplishments for the department included:

- Transitioned to Zoom platform for Council and Commission meetings
- Updated policies and procedures to comply with State COVID-19 guidelines
- Distributed \$520,000 in federal CARES Act funds to community partners
- Assisted Council with establishing a Homeless Commission with the Mayor as the Chair
- Entered into an agreement with Rogue Retreat to conduct a Community Homelessness Needs Assessment
- Updated new workflow process for business registrations

Finance Department – Mr. Harker provided department information showing a 6.2% decrease for the department. The largest decrease was in Personnel Services. Due to current automations of programs and changes in their finance system, the Payroll Technician position was going to be absolved with certain functions going to the accountant. Some accomplishments for the department included:

- 28th consecutive GFOA award for Excellence in Financial Reporting
- 6th consecutive GFOA award for Outstanding Achievement in Popular Annual Financial Reporting
- Enhanced online payment solutions for utility accounts
- Updated the 6-year financial forecast
- Preparatory work with implementation of GASB Statement No. 87 “Leases”

In response to Committee Member Krimetz, Mr. Harker explained the GASB 87 and 84 were from the Governmental Accounting Standards Board that set standards for what could be done in reporting. They had the authority and ability to determine what the City had to do when developing financial reports, what was in them and how to comply and adhere to them. All agencies across Canada and the United States had to comply with them. Committee Member Prawitz acknowledged the Finance Department handled the parking enforcement issues without a change in the budget; he appreciated them handling the parking program. Mr. Harker said his department absorbed any costs and he handled the forms and processing as part of his duties.

IT Department – Mr. Harker explained the department was operated by 2.5 FTE and had a 1.3% budget increase. That department had experienced increased workload and needed to have the half time employee changed to full time, which was the main driver for the increase in budget. They handled behind the scenes work and supported a wide and diversified list for users. Some accomplishments for the department included:

- Replaced and installed security cameras and DVR at Fulton Shop and City Hall lobby.
- Ubiquiti radio updated to provide connectivity for citywide communication needs.
- Established redundant wireless communication between City Hall and the Public Safety Center
- Performed server Operating System upgrades
- Upgrades of Cisco phones throughout City for compliance with upgraded servers and to enhance network speed
- Support work on the Water system’s telemetry upgrade project

Committee Member Krimetz questioned if the shelter on Reservoir hill was going to be safe enough for the new equipment. Mr. Harker said it was constructed out of concrete and they would have surveillance cameras. In response to Committee Member Peter, Mr. Harker confirmed there was only one IT Department that handled services for all city departments. Committee Members Prawitz and Krimetz asked about staff training and budget for the department. Mr. Harker explained he encouraged training. The two technicians were recent Umpqua Community College graduates, and the IT Manager had certifications and training as well. The training budget was for ongoing training.

Chair Baker asked if the PEG Channel was still used. Mr. Harker explained the equipment was so old it could no longer be maintained. They could invest in upgrading all the equipment, but with Facebook live meetings, Council decided to wait to see if it would be necessary to spend money to make it operational. PEG was a cable service and not everyone had Charter cable, but most had streaming services or satellite. It was cost effective to continue using the social media platform. The PEG operator was under contract with the City and not an employee.

Community Development Department – Mr. Cowie discussed the department budget that included six employees. They processed 385 site review applications over the course of the year. Some accomplishments for the department included:

- Updated the Land Use Development Regulations involving sidewalk improvements, severe event shelters and mobility standards
- Developed a complete streets policy, business use of right-of-way permit program, and vehicle pilot program
- Completed and approved the Downtown and Laurelwood parking assessment.
- Secured a TGM grant to establish a new bike route plan
- Finalized Community Development Block Grant COVID-19 Emergency Small Business and Microenterprise Assistance and applied for a second round

Mr. Cowie said he was in the process of obtaining an AmeriCorps RARE participant to serve as an intern for the next year. They had a number of projects for that person to help assist. In response to Committee Member Cotterell, Mr. Cowie explained that to be in compliance with HB2001 for middle housing, he received a grant from Land Conservation and Development to update the code regarding duplexes. In the next year, he planned to prepare code updates for the triplexes, cottage clusters and more. The City needed to provide the ability to build these types of homes, which would provide builders with different housing options. Committee Member Krimetz said that the City of Davis did not have enough housing so they started to allow homeowners to build a room over the garage to have a tenant to ease the housing shortage. Mr. Cowie confirmed that was not part of the house bill, but it was implemented a year ago and called accessory dwelling units. That revision took place to provide more flexibility for family members or someone else to utilize for supplemental income. Options could also be detached in the yard or with a separate driveway. In response to Committee Chair Baker, Mr. Cowie said they were still looking at an Urban Growth Boundary Swap. It was part of the housing needs analysis, and they were preparing the application. They were continuing to move forward and wrap up the transportation implementation study and storm water study to have something in the fall.

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Library Department – Ms. Wiley provided information about the Library budget and the 10.3% increase. She had been working on transitioning the AmeriCorps RARE position to the UCAN program. They helped many patrons with technology needs and ESD provided support for many of their technology needs in the building. Some accomplishments for the department included:

- Phase II renovations to renovate the Ford Room
- Drive-up services with grab and go kids for children
- Strategic Plan
- Library Services Technology Art Grant to purchase laptops

Many initiatives revolved around the youth services and were trying to peak interest in science and technology careers. The pandemic shifted things and they had to be creative and think differently on how to reach others since they could not come in the building. They started to venture out more and provide reading materials. Chair Baker said he frequently used Stewart Park path and enjoyed seeing the story walk and how other families interacted with the storyboards. Ms. Wiley said she would continue the outreach after things were back to some type of normal. Another successful program was the lunch box express to help young people unable to access the building itself. In response to Committee Member Prawitz, Ms. Wiley confirmed they had the same number of staff that included 3.5 full time employees and 4 library aids that worked 10 hours a week. The increase in the budget for personnel was from benefit changes that occurred from new marriages. To watch the bottom line, she streamlined the building and grounds maintenance into one line item.

In response to Committee Member Eggers, Ms. Wiley said they planned to reopen soon and the reason for the latest Tuesday traffic jam was from people picking up Lego kits that were from a grant she received. They handed out 80 kits in an hour and ten minutes. Ms. Messenger said they were working on a hybrid reopening schedule with limited capacity. Committee Member Smead asked if Ms. Wiley was looking at other programs for kids to get laptops for the library and suggested contacting the Gates Foundation to see if they would be interested in helping. Ms. Wiley said there would be some funding from the State Library in Oregon, which previously paid for Wi-Fi hotspots. In response to Committee Chair Baker, Ms. Wiley explained that because Douglas ESD shared the building, they had an agreement where they pay for custodial services, the Library pays for utilities and maintenance, and at the end of the year they reconcile costs.

Public Works – Mr. Perkins stated the department's mission statement was to provide quality public infrastructure at the lowest life cycle cost. The total Public Works general fund was projected to increase 2.93% and Parks general fund to increase 2.64%. The breakdown was as follows:

- Engineering – 3.88% increase
- Administration – 4.11% increase
- Building Maintenance – 0.03% Decrease
- Street Maintenance – 3.57% increase
- Streetlights – no increase
- Parks Administration – 3.25% increase
- Parks Maintenance – 2.53% increase

Some accomplishments from the year included:

- Replaced water main on Lincoln Street from Malheur to Beulah
- Replaced approximately 500 water meters
- Completed Strategic Energy Management Program and saving 11% on Water Treatment Plant energy bill
- Design and installation of educational kiosk at Stewart Park Nature Area
- Installation of wayfinding signs for the Umpqua River Trail
- Renovation of the Stewart Park pavilion
- Beulah Park Renovation project
- Complied with COVID-19 mandates for parks facilities
- Installed new irrigation in Thompson Park
- Began work on deferred maintenance of Park Shop
- Installed approximately 30 new streetlights in recently annexed areas
- Replaced ADA ramps and repaved Winchester Street
- Repaved Beulah Drive
- Completed approximately 34,000 SY of slurry seal on various streets
- Completed 1500 feet of storm drain pipe rehab using cured in place pipe
- Replaced 600 feet of water main on Peggy Avenue
- Constructed paved parking lot at the airport
- Replaced runway end identifier lights and edge lighting at the airport
- Completed Phase II of the library renovations

Mr. Perkins explained that boots on the ground maintaining assets meant things would last longer. Slurry seals were an example to extend the life of pavement for 5-7 years at a smaller cost. He had seventeen different Public Works funds to manage which was 30% of the budget and 40% of that was contracted out. In response to Committee Member Krimetz, Mr. Perkins explained a few years back they purchased a CarteGraph program for asset management that was modular. They could obtain different modules to use for different asset management. They were setting it up for the Water Treatment Plant and would be implementing it in other areas as well. The increase is to expand the use of the modules over the next several years. For pavement, they did not use a software program; the city had a street-cut moratorium. Residents were notified six months in advance of any paving to their neighborhood so any future work could be handled prior. They did not like cutting up freshly paved roads.

Committee Member Krimetz wanted to know what held up the process for the Park Shop Building. Mr. Perkins explained fund availability was a factor so the employees were doing small parts of it at a time. In response to Committee Member Smead, Ms. Messenger confirmed the committee for Music on the Half Shell still planned to move forward with their concerts in the park since outdoor guidance had been lightened from the previous year. The Summer Arts Festival and Graffiti Cruise also planned to come back in the summer. Chair Baker discussed the six adopted Council goals and that he had not seen much for the implementation of transportation funding policies and an emergency preparedness plan. Mr. Perkins explained they were letting the new Fire Chief get acclimated to his position before beginning the work to proceed for the emergency preparedness plan. It would involve Police, Fire and Public Works. For Transportation, they did not have enough sustainable funding. There were different ways to support it such as a local gas tax or street utility fees. Ms.

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Messenger added there were bullet items under each goal. Studies were going to happen, the bottleneck study for I-5, IAMP process, and updating the pavement management program were some notable ones to mention. A gas tax looked like a great idea, but the new push was for electric vehicles. During the pandemic, it was hard to look at raising fees. Committee Member Weller congratulated them on their accomplishments.

Municipal Court – Mr. Harker discussed the department budget would see a 3.8% increase in personnel services. The prosecuting contract would expire soon and would need renegotiated with a possible increase. Some accomplishments for the year included:

- Finalized payment agreement procedures to allow enhanced collections
- Transferred court records to LaserFiche for ongoing maintenance and retrieval with integration with Court software
- Implemented new online payment solution system to allow payment of fines 24/7
- Enhanced collections utilizing Department of Revenue arrangements

Committee Member Prawitz noted that one accomplishment not noted in the budget was putting someone from Compass in the Municipal Court room to assist frequent offenders on how to access mental healthcare. That was something behind the scenes that was very important. Mr. Harker added there was a cost for Mental Health Court of \$25,000 annually. Ms. Messenger explained the program Committee Member Prawitz discussed was newer. In response to Committee Member Cotterell, Mr. Harker said he recently met with the DEA Office to discuss how mental health court was working. There were some successes, failures, and some made great strides. He was not given a success rate for which he could report. Committee Member Smead said at Mercy Medical Center, they were working on bringing back a behavioral health 12-bed unit. They were in process of obtaining permits and hoped to have it up and running by the end of the year.

Police Department – Mr. Klopfenstein reviewed the department budget showing a 7.72% increase that was part of dispatch services, fuel, personnel costs and benefits. Some accomplishments for the year included:

- Through robust recruiting, increased employment levels to get fully staffed, which would enable them to fill all TDY positions
- Further developed Criminal Investigations Division capabilities by pursuing specific digital investigations training related to major crime incidents
- Developed continuity of operations planning so the police department was better prepared for emergency operations center activation due to major events, either natural or man-made
- Created and implemented Roseburg Transitional Court to work with the unhoused through Compass to better themselves

In response to Committee Member Krimetz, Mr. Klopfenstein explained that liability insurance was increasing, but that was common elsewhere. Mr. VanWinkle added that thirty years ago, many cities were unable to be insured because they were unique. The City belonged to a pool for City County Insurance services, a consortium for cities in the state. All of the member cities supported each other. If something were to happen in one part of the state, others would band together to help pay with premiums. He felt they were participating in the best option for what was needed. He analyzed fully insured options each year to make sure the City was getting

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the best service. In response to Committee Member Moothart, Mr. Klopfenstein confirmed they had several officers still certified to ride the bicycles and left it up to them if they wanted to patrol the downtown area on them. The drawback was if someone needed to haul equipment or transport someone to the jail. Committee Member Moothart thanked the Police Department for setting a great example and keeping the town safe.

Committee Chair Baker asked about the increased jail cost and if the fee would be under the normal amount for the next year. Mr. Klopfenstein explained the cost fluctuated, but was down during the pandemic when they were not accepting people in the jail. When working on the budget, he reviewed prior years to determine the best estimate. He anticipated a couple large months ahead when the jail reopened since they had not been able to enforce the consequence for offenders.

Fire Department – Mr. Bryan provided information for the department budget showing a 3.16% increase. Some accomplishments for the year included:

- Transitioned a new Fire Chief
- Hired two new firefighters and one new Fire Marshal
- Internal promotions of two Driver/Engineers, one Lieutenant, and one Battalion Chief
- Maintained a strong community presence through social media and programs during COVID
- Improved records management by implementing the Emergency medical Technical credentialing program
- Recertified thirty-six EMT's through Oregon Health Authority
- Firefighters received extensive training utilizing donated residential and commercial structures
- Participated in wildland fire deployments, including the Archie Creek fire, Star Mountain Fire and White River Fire
- Updated the Douglas County mutual aid agreement

Committee Member Scott referenced his questions sent prior to the meeting and made the statement that someday in the future there would be a need for growth in the department and another fire station in the Costco area to reduce response times. He felt Station 2 staffing was subpar 60% of the time and would like to have it up to the normal four firefighters. In the facilities 30-year plan, he did not see provisions for a new fire station or 4th station. Mr. Bryan said that going forward he hoped to improve things and would work with City staff while using resources at hand. They planned to expand staff and would look at all options on what was needed. In response to Committee Member Smead, Mr. Bryan said they would receive a new wildland brush fire vehicle, response vehicle and hazmat vehicle. Committee Member Sipes questioned if citations would be given to those with brush or tall grass that could be a fire danger. Mr. Bryan explained that would be handled by the Compliance Officer in the Community Development Department. Committee Member Weller congratulated Mr. Bryan on his new appointment as Fire Chief.

Non-Departmental – Mr. Harker discussed capital outlay, transfers and other requirements. Capital outlay showed a 200% increase for capital improvements with citywide benefits. That increase amounts to \$50,000 for a new backup piece of equipment for the Information Technology department. Transfers showed a 2.2% increase due to a transfer to the park

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improvement fund, equipment replacement fund and facilities improvement fund. Other requirements showed a -16% decrease. This was a new section where costs were previously within the City Manager's Department that included annual contributions. Insurance deductibles, Sobering Center contribution, and the 4th of July contribution did not change. The decrease was from projects that did not require funds.

Committee Member Eggers moved to tentatively approve the General Fund. The motion was seconded by Committee Member Weller and approved with the following vote: Committee Members Baker, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes, Weller and Zielinski voted yes. No one voted no. Committee Member Cotterell had to leave the meeting at 8:28 p.m. and therefore was not present during this vote.

SPECIAL REVENUE FUNDS

Grant Special Revenue – Mr. Harker provided information regarding grant funds used for projects, including those for library improvements. A General Fund transfer was not proposed for this year. Current grants included:

- \$1.5 million State – Navigation Center for unhoused
- \$50,00 Federal – HUD (CDBG) – Business Education program
- \$12,500 State Historic Office (SHPO) – Certified Local Government
- \$500,000 Federal Department of Justice – Mobile Crisis Intervention
- \$5,000 Cow Creek Tribe – Police Training Equipment
- \$2,000 Federal Department of Justice – Police bullet proof vests

Committee Member Sykes declared a conflict for this section of the budget review since he worked on many of the grant programs mentioned. He recused himself for this portion.

Hotel/Motel Tax – Mr. Harker discussed the Hotel/Motel Tax Fund that was set for 8%. Mr. Harker spoke about the impact of the COVID-19 pandemic. Changes would be seen during the next quarter and would reflect the time in which stay at home orders were in place. Tax revenue projected at \$1.25 million was based on current trends prior to the COVID-19 restrictions. Mr. Harker reminded the Committee the budget was a plan not set in stone and was a guiding principle to work on throughout the year. If the City modified the account and reduced it too much, it could make it impossible to allocate properly; therefore, to avoid that and not knowing the impact from the pandemic, it was decided to leave everything as is knowing transfers could be allowed provided by Municipal Code.

Revenue allocation was established by ordinance where 57.25% was to be used for tourism, 32.89% for streetlights, signals and sidewalks, and 9.86% for economic development. For the first quarter of the year, receipts were below pre-pandemic levels, but the second quarter was up showing a quicker than expected recovery. The City had a contract with Anvil Northwest to continue handling destination marketing for the area.

Economic Development – Mr. Harker discussed this was supported by transfers from the hotel/motel tax fund. He expected state grants totaling \$100,000 for wayfinding. He discussed several projects and contracted services with the Downtown Roseburg Association (DRA), The Partnership, and MedEd. Committee Member Krimetz asked if the Economic Development fund included funds for restaurants to come to town. Mr. Harker explained the City did not have

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programs to help jumpstart small businesses and had not participated in that in the past. Ms. Messenger added that the City contracted with the Umpqua Economic Development Partnership (UEDP) to recruit, solicit and work with interested businesses to come to Roseburg.

Committee Member Prawitz declared a conflict of interest in relation to UEDP for utilizing them for Umpqua Growth Talks.

Public Works Special Revenue Funds – Mr. Perkins discussed the funds, which included:

- Streetlight and Sidewalk Fund – 10.85% decrease
- Bike Trail Fund – 39.38% decrease
- Golf Fund – 8.26% increase
- Stewart Trust Fund – 45.45% decrease

Lower dollars were spent on projects as revenue for this fund came from the state gas tax and with the pandemic; fewer people were out driving and spending money on gas. Committee Chair Baker asked about the sidewalk rehabilitation program the City had to assist property owners to replace broken or dilapidated sidewalks. Mr. Perkins explained the owner would pay for the concrete and the City would handle the rest. They did not have many funds for the program, but it was available if needed. Ms. Messenger added that the Engineering Department had not been fully staffed so it was not a program being fully utilized.

Library Special Revenue Fund – Ms. Wiley thanked all grant providers including the Friends of the Roseburg Public Library. Grants and donations were received on a weekly basis to help with programs. Ms. Wiley had been working on options for funding to purchase a new microfilm printer/reader and worked with the Horizons Foster Care program to provide young adults with books to read. They had a lot of opportunities to work on projects and balance with staff to provide some great activities. Several programs moved to an online platform, they provided thirty-seven Wi-Fi hotspots and gave out eighty books for the Roseburg Reads program that recently wrapped up. They were always seeking new opportunities for grants to continue the programs they provide to the community.

Committee Member Smead moved to tentatively approve the special revenue funds. The motion was seconded by Committee Member Krimetz and approved with the following vote: Committee Members Baker, Eggers, Krimetz, Moothart, Peter, Scott, Sipos, Smead, Weller and Zielinski voted yes. No one voted no. Committee Members Prawitz and Sykes abstained.

DEBT SERVICE FUNDS

Mr. Harker explained that in 2013, Pension Obligation Bonds were issued as part of a strategy to provide long-term operational stability and sustainability. By replacing a portion of the City's unfunded actuarial liability with the bonds, there was a gross savings of more than \$1.041 million which would be realized over 15 years. The principal interest due in 2020-21 was \$509,330. In response to Committee Member Krimetz, Mr. Harker said they could look at issuing a new Pension Obligation Bond. There would be cost incurred around a bond and would take Council approval. Ms. Messenger added they had done one for the airport debt a couple years prior that saved them money and could look at that again.

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Committee Member Scott moved to tentatively approve the Debt Service Fund. The motion was seconded by Committee Member Krimetz and approved with the following vote: Committee Members Baker, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes, Weller and Zielinski voted yes. No one voted no.

CAPITAL PROJECTS FUNDS

Equipment Replacement Fund - Mr. Harker discussed items scheduled for equipment replacement, noting a 5-year replacement schedule, minimized budget fluctuations. Departments that would benefit from this fund included Fire, Police, Public Works and Parks, but the year was considered a lighter one for expenditures. In response to Committee Member Scott, Mr. Bryan said he would need to research the cost for the thermal imaging camera to determine why the price may have seemed expensive. Committee Member Krimetz asked if the City kept old equipment as backup for service or replacement. Ms. Messenger explained each department would go to a third party for maintenance and at times, would keep older equipment for purposes he mentioned. The City now had an online bidding process that was streamlined and allowed departments to auction off old equipment no longer needed rather than waiting for a once yearly large sale.

Assessment Improvement Fund – Mr. Harker reported this fund helped finance construction of Local Improvement Districts, eliminated bank financing costs and benefited property owners share in project costs. This fund had a \$1.695M beginning fund balance and a new item for use was \$100,000 potential for derelict building mitigation and foreclosure activities.

Public Works Fund (Transportation/Park/Facilities Replacement – Mr. Perkins discussed the 2.64% increase for the Transportation Fund. Projects that were within the fund included: Stewart Parkway Bridge end panels, overlays and pavement maintenance. 60% of the revenue came from the State gas tax. With the Governor's stay at home order; people were not out driving and using as much fuel. Because of that change, the department may need to scale back some of the projects.

The Parks Fund would include upgrades to Beulah Park and a new Stewart Park Pavilion roof. With the Facilities Fund, some projects would include: Library Phase II renovations, Reservoir Hill Communications Building and Parks Maintenance Shop Building Deferred Maintenance. The Facility Replacement Fund was significantly down and was driven by fewer capital projects. They were continuing to work on maintenance of the shop building. Committee Member Scott expressed frustration that within the thirty-year plan, nothing was mentioned about building a new fire station in the northeast section of the city. Ms. Messenger added that a fourth fire station would take a bond sale and not piggyback within the fund. It would need a separate type of funding and grants.

Committee Member Krimetz moved to tentatively approve the Capital Projects Funds. The motion was seconded by Committee Member Prawitz and approved with the following vote: Committee Members Baker, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes, Weller and Zielinski voted yes. No one voted no.

ENTERPRISE FUNDS

Airport Fund – Ms. Messenger said there would be a 46.56% decrease in the budget based on capital projects. There was a healthy beginning fund balance. They had a lot of grant activity

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that included four received from the FAA. They had a lot of work over the last few years that included the PAPI project and runway lighting. The next project was to extend the taxiway to meet the same length as the runway and would be 90% funded by the FAA. Another project was to have standby power for the taxiway and fuel station, which was part of the Oregon Resiliency Plan if the Cascadia event were to happen. They planned to review options to determine if that generator would be battery, gas or a combination.

Water Fund – Mr. Perkins explained this fund was broken into four sections to include:

- Water – Beginning fund balance of \$12,038,812 and projected revenues of \$7,481,500.
- Production – 2.17% increase
- Transmission and Distribution – 2.68% increase
- Administration – 6.24% increase

The total fund would have a 20% increase. Mr. Perkins said it was time to invest in the system. Projects for the year included:

- Main replacements for the Washington Street Bridge Bore Crossing
- Plant improvements for the standby power generator and flow meter and pump replacement
- Transmission main on West Avenue
- 24-inch transmission main for Hooker Road to Isabell Avenue
- Fulton Shop roof

Storm Drainage – Mr. Perkins stated there would be an 11.93% decrease. Projects planned included the cured in place piping, TMDL implementation and Fulton Shop roof. Committee Member Smead asked if there were any plans to have a commercial airport. Ms. Messenger explained the current location could not support commercial air service. In response to Committee Chair Baker, Mr. Perkins said the water main replacement on Hooker Road was not coordinated with RUSA because it was not in their area.

Off-Street Parking Fund – Mr. Harker reported the City owned off-street parking facilities and worked with a third party for a contract to handle parking enforcement services. The current parking enforcement contract was in transition and the City was exploring new options and models to provide the service. They recently completed a parking study and were working to outsource parking once again with a third party vendor. Committee Member Krimetz asked when the last time was that the City was profitable for parking services. Mr. Harker said it had been some time ago when the City operated the program itself. With the new study, the consultants provided great insight, recommendations and hoped to have it be more sustainable. In response to Committee Member Smead, Mr. Harker explained the City had not repaired vandalized and inoperable meters because many were too old to find necessary parts. Ms. Messenger said an option discussed was to a time limit option or pay stations.

Committee Member Smead moved to tentatively approve the Enterprise Funds. The motion was seconded by Committee Member Eggers. The motion was approved with the following vote: Committee Members Baker, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes, Weller and Zielinski voted yes. No one voted no.

INTERNAL SERVICE FUND

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Mr. VanWinkle discussed workers compensation and how the City was self-insured. The purpose for the fund was to cover on the job injuries with a cost of \$500,000 per occurrence. The City tried to prevent injuries by providing education, a Safety Committee that reviewed investigations and using lost control consultants. The City recently earned the League of Oregon Cities Safety award and had done so for the last sixteen of seventeen years. An actuarial study was completed every other year, so Mr. VanWinkle noted the City was currently funded for their exposures.

Committee Member Scott moved to tentatively approve the Internal Service Fund. The motion was seconded by Committee Member Krimetz and approved with the following vote: Committee Members Baker, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes, Weller and Zielinski voted yes. No one voted no.

AUDIENCE PARTICIPATION

No one asked prior to the meeting to participate.

APPROVAL OF CITY OF ROSEBURG BUDGET AND TAX RATE

Committee Member Prawitz moved to approve the budget for the 2021-2022 fiscal year in the amount of \$80,302,808. The motion was seconded by Committee Member Smead and approved with the following vote: Committee Members Baker, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes, Weller and Zielinski voted yes. No one voted no.

Committee Member Sykes moved to approve property taxes for the 2021-2022 fiscal year at the rate of \$8.4774 per \$1,000 of assessed value for the permanent rate tax levy. The motion was seconded by Committee Member Krimetz and approved with the following vote: Baker, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes, Weller and Zielinski voted yes. No one voted no.

URBAN RENEWAL BUDGET

Mr. Harker reported the Urban Renewal fund's primary revenue source was from tax increment revenues. \$418,650 was anticipated to be received during the next year, transferring \$400,000 to the UR capital improvement fund. The downtown Urban Renewal area had sunset with the East Diamond Lake Urban Renewal area beginning. In response to Committee Member Krimetz, Mr. Harker explained the tax increment revenue came from property taxes. He explained further. Committee Member Smead questioned the plans for the new Urban Renewal area. Ms. Messenger noted that area was still being planned. The district was a thirty-year plan and it would take a while to build up financing and then they would sell bonds to do capital projects. The first project was the system development charge (SDC) buydown for new housing. Many projects were currently underway for new apartments, which would eventually increase property values. An example was that nearly everything a person sees on Stewart Parkway to Garden Valley Boulevard was part of a previous Urban Renewal District. The districts typically had a lot of infrastructure that happened. In response to Committee Chair Peter, Ms. Messenger explained the new housing was not in conjuncture with the House Bill 2001, but the bill did eliminate single-family lots to allow two units on a single-family lot.

APPROVAL OF URBAN RENEWAL AGENCY BUDGET

Committee Member Eggers moved to approve the Urban Renewal budget for the 2021-2022 fiscal year in the amount of \$1,457,836. The motion was seconded by Committee Member

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Weller and approved with the following vote: Committee Members Baker, Eggers, Krimetz, Moothart, Peter, Prawitz, Scott, Sipos, Smead, Sykes, Weller and Zielinski voted yes. No one voted no. Committee Member Prawitz said it was a great shift from the west to east and the Urban Renewal Districts were a great tool with incentives that were significant for the city.

GOOD OF THE ORDER

Committee Chair Baker thanked Mr. Harker and Staff for another great presentation and all the work it took to complete the budget.

ADJOURN

Meeting adjourned at 9:51 p.m.



Koree Tate
Management Assistant