



**AGENDA**  
**CITY OF ROSEBURG/ROSEBURG URBAN RENEWAL AGENCY BUDGET COMMITTEE**  
**CITY HALL COUNCIL CHAMBERS**  
**900 SE DOUGLAS AVENUE, ROSEBURG**

**MAY 14, 2019 - 7:00 P.M.**

*Meetings will continue on May 15 and 16, 2019 as necessary.*

**Please advise the City Administration Office (492-6866) if you will not be able to attend.**

**CALL TO ORDER**                      Chair Knut Torvik

**ROLL CALL**

Mike Baker	Hannah Duncan	Beverly Cole	Bob Cotterell
Ken Fazio	Nick Marshall	Alison Eggers	Linda Fisher-Fowler
Bob Scott	Patrice Sipos	Ashley Hicks	Brian Prawitz
Bryan Sykes	Knut Torvik	Tom Ryan	Andrea Zielinski

1.     **APPROVAL OF MINUTES** – May 7, 2019

2.     **STAFF PRESENTATIONS - FUND BUDGET REVIEW**

A.     General Fund

- |                                   |                                       |
|-----------------------------------|---------------------------------------|
| 1.     Revenues (39)              |                                       |
| 2.     City Manager (41)          | City Recorder Amy L. Sowa             |
| Finance (43)                      | Finance Director Ron Harker           |
| 3.     I.T. (45)                  |                                       |
| 4.     Community Development (47) | Community Develop Dir Stuart Cowie    |
| 5.     Library (49)               | Library Director Kris Wiley           |
| 6.     Public Works (51)          | Public Works Director Nikki Messenger |
| A.     Engineering (51)           |                                       |
| B.     Administration (53)        |                                       |
| C.     Facility Maintenance (55)  |                                       |
| D.     Street Maintenance (57)    |                                       |
| E.     Streetlights (59)          |                                       |
| F.     Parks and Recreation (61)  |                                       |
| 7.     Municipal Court (65)       | Finance Director Ron Harker           |
| 8.     Police (67)                | Police Chief Gary Klopfenstein        |
| 9.     Fire (69)                  | Fire Chief Gary Garrisi               |
| 10.    Non-Departmental (71)      | Finance Director Ron Harker           |

***Tentative Approval of the General Fund***

B.     Special Revenue Funds

- |                                       |                                       |
|---------------------------------------|---------------------------------------|
| 1.     Streetlights and Sidewalk (78) | Public Works Director Nikki Messenger |
| 2.     Bike Trail (81)                |                                       |
| 3.     Golf (83)                      |                                       |
| 4.     Stewart Trust (89)             |                                       |
| 5.     Grant Special Revenue (73)     | Finance Director Ron Harker           |
| 6.     Hotel/Motel Tax (76)           |                                       |
| 7.     Economic Development (85)      |                                       |
| 8.     Library (87)                   | Library Director Kris Wiley           |

***Tentative Approval of the Special Revenue Funds***

- C. Debt Service Funds Finance Director Ron Harker
  - 1. Debt Retirement Fund (91)
  - 2. Pension Obligation Debt Service Fund (93)

***Tentative Approval of the Debt Service Fund***

- D. Capital Projects Funds
  - 1. Equipment Replacement (102) Finance Director Ron Harker
  - 2. Assessment Improvement (107)
  - 3. Transportation Fund (95) Public Works Director Nikki Messenger
  - 4. Park Improvement (99)
  - 5. Facilities Replacement (109)

***Tentative Approval of the Capital Projects Funds***

- E. Enterprise Funds
  - 1. Storm Drainage (112) Public Works Director Nikki Messenger
  - 2. Airport (118)
  - 3. Water Service (123)
  - 4. Off-Street Parking (116) Finance Director Ron Harker

***Tentative Approval of the Enterprise Funds***

- F. Internal Service Fund (137) Human Resources Dir John VanWinkle
- Tentative Approval of the Internal Service Fund***

3. **AUDIENCE PARTICIPATION**

4. **APPROVAL OF CITY OF ROSEBURG BUDGET & APPROVAL OF TAX RATE**  
*Suggested motion: I move to approve and recommend City Council adoption of the proposed 2019/2020 City budget in the amount of \$73,631,621 and approval of the tax rate at \$8.4774 per thousand.*

5. **PRESENTATION OF URBAN RENEWAL BUDGET**

- A. General Fund (5) Finance Director Ron Harker
- B. Capital Projects (7)

6. **APPROVAL OF URBAN RENEWAL AGENCY BUDGET**

*Suggested motion: I move to approve the Urban Renewal budget for the 2019/2020 fiscal year in the amount of \$2,528,782.*

7. **GOOD OF THE ORDER**

8. **ADJOURNMENT**

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**\*\* AMERICANS WITH DISABILITIES ACT NOTICE \*\***

Please contact the City Recorder, Roseburg City Hall, 900 SE Douglas, Roseburg, OR 97470-3397 (phone 541-492-6866), at least 48 hours prior to the scheduled meeting time if you need an accommodation. TDD users please call Oregon Telecommunications Relay Services at 1-800-735-2900.

**MINUTES OF THE MEETING OF THE CITY OF ROSEBURG/ROSEBURG  
URBAN RENEWAL AGENCY BUDGET COMMITTEE  
MAY 7, 2018**



Chair Knut Torvik called the City of Roseburg/Roseburg Urban Renewal Agency Budget Committee meeting to order at 7:00 p.m. on Tuesday, May 7, 2018, in the Roseburg City Hall Council Chambers, 900 SE Douglas, Roseburg, Oregon.

**ROLL CALL**

**Committee Members Present:** Mike Baker, Hannah Duncan, Alison Eggers, Linda Fisher-Fowler, Bob Scott, Patrice Sipos, Bryan Sykes, Knut Torvik and Andrea Zielinski.

**Committee Members Absent:** Beverly Cole, Bob Cotterell, Ken Fazio, Ashley Hicks, Nick Marshall, Brian Prawitz and Tom Ryan.

**Others Present:** City Manager Pro-Tem Nikki Messenger, Finance Director Ron Harker, City Recorder Amy Sowa, Police Chief Gary Klopfenstein, Human Resources Director John VanWinkle, Community Development Director Stuart Cowie, Mayor Larry Rich, Fire Chief Gary Garrisi, Library Director Kris Wiley and Management Assistant Koree Tate.

**ELECTION OF OFFICERS**

Committee Member Baker nominated Committee Member Torvik to serve as Chair. Motion was seconded by Committee Member Sykes and approved with the following vote: Committee Members Baker, Duncan, Eggers, Fisher-Fowler, Scott, Sipos, Sykes, Torvik and Zielinski voted yes. No one voted no. Committee Member Baker nominated Committee Member Sykes to serve as Vice-Chair. Motion was seconded by Committee Member Zielinski and approved with the following vote: Committee Members Baker, Duncan, Eggers, Fisher-Fowler, Scott, Sipos, Sykes, Torvik and Zielinski voted yes. No one voted no.

**APPROVAL OF MINUTES**

Committee Vice-Chair Sykes moved to approve the minutes of the May 15, 2018 Budget Committee meeting. Motion was seconded by Committee Member Baker and approved with the following vote: Committee Members Baker, Duncan, Eggers, Fisher-Fowler, Scott, Sipos, Sykes, Torvik and Zielinski voted yes. No one voted no.

**PUBLIC HEARING - POSSIBLE USES OF STATE REVENUE SHARING FUNDS**

At 7:03 p.m., Committee Chair Torvik opened the public hearing to take testimony regarding possible uses for State Revenue Sharing funds. Mr. Harker reported that the City was expected to receive approximately \$257,500 in unrestricted revenue sharing funds, which were currently allocated to offset General Fund expenses. In response to Committee Vice-Chair Sykes, Mr. Harker reviewed previous year totals for state revenue sharing explaining this next year would reflect a slight increase. Committee Member Sipos asked if funds were not used, would they remain in the fund and if funds could be used for a specific item. Mr. Harker explained unused fund would go to the General Fund. This type of fund was not intended for specific items and would need to go to the General Fund to be properly receipted for a specific purpose. As no one else wished to speak, the hearing was closed at 7:07 p.m.

## **PRESENTATION OF CITY OF ROSEBURG BUDGET DOCUMENT AND MESSAGE**

Mr. Harker presented the 2019-2020 proposed budget and Budget Message. Mr. Harker requested that Committee members e-mail him prior to the May 14, 2019 meeting with any questions that arise during their review of the document. The budget proposes spending more money than is received in revenues. However, the six-year forecast shows this was sustainable because upon conclusion of the Urban Renewal District in September 2019, an additional \$2+ million would come to the General Fund.

The proposed budget was a result of a collaborative leadership team effort. With the North Roseburg Urban Renewal District expiration in September, the City will have almost \$300 million in assessed value returned to the tax rolls. City property values were rising again and should exceed historical levels over the next few years. The City has begun to see some new commercial construction, and housing starts have increased considerably in the last thirty-six months.

Mr. Harker reviewed the City goals and objectives Council adopted that continue to provide direction to Staff as the budget was developed. The four goals for the next fiscal year are as follows:

1. Develop and implement transportation funding policies to meet identified community needs.
2. Support and adopt policy development and implementation to enhance housing and community development.
3. Take a proactive role in community economic development and revitalization.
4. Develop programs and policies to enhance community livability and public safety.

The proposed General Fund budget ending balance (combined with the operating contingency) will be about 26.03% of expenditures, still well above the General Fund Reserve policy. Planned expenditures will exceed revenues by less than 0.5% this fiscal year.

There is one major service level change in the General Fund that has carried over from the prior year and there continues to be budget pressure that is beyond control relating to some personnel costs. For a second year, the General Fund budget includes a Library Department. Douglas County closed the countywide system due to funding restrictions in 2016. During that process, City Council tasked staff with putting together a business plan and budget to reopen the facility in Roseburg as the Roseburg Public Library, a stand-alone library that meets state statutory standards. A full-time Librarian was hired at the start of fiscal year 2018-19. During the past year, under experienced library leadership, library services and programs were developed and implemented. As services were fine-tuned, staffing levels were finalized resulting in a couple changes in the 2019-20 budget, which provides funding to move the Youth Services Librarian from part-time to full-time, and to add four Library Aides that combined added to one full time employee. A part-time IT Helpdesk position that was funded in the 2018-19 budget through contracted services was now funded through personnel services. Expanded Park services over the past several years (such as the addition of the Spray Park) had necessitated the addition of a new Park Maintenance II position. In an effort to maximize sworn officers time out in the community, two part-time (one FTE) Community Service Officers (CSO) are added to handle low-level crimes that are not in progress and to provide victim outreach. The Fire Department Secretary moves from three-quarter time to full-time. Each of these additions will be evaluated over time as baseline service levels are provided to compare to long-term resources for sustainability. The additional positions were



evaluated and included in the General Fund six-year forecast and were considered sustainable given current assumptions.

The primary reason expenditure increases outstrip resource increases has been the continued increase in PERS rates and the overall impact of personnel costs (including the increase of 4.25 FTE). Over 87% of the projected increases in cost in the proposed budget relates to Personnel Service costs. The six-year forecast model continues to indicate that operations will be sustainable and within Council policy because of the inclusion of a projected additional \$2.5 million in property tax revenues beginning in 2019-20 at the end of the Urban Renewal plan area designation.

The total FY 2019-20 proposed budget, including General Fund and all other fund expenditures, is proposed at \$73.73 million compared to the current year adopted budget of \$70.54 million. This represents an increase of approximately 4.5%, most of which relates to the increases in the General Fund resources and the Water Fund. Outside of the grant and externally funded projects, the projections for all funds continue to be sustainable. There are significant capital expenditures (\$12.99 million) included in the overall budget, about \$2.25 in the Transportation Fund, over \$4.9 million in the Water Enterprise Fund, \$1 million in the Airport Fund, almost \$800,000 in the Equipment Replacement Fund and almost \$1.6 million in the Storm Drainage Fund. Each of these fund expenditures represents scheduled projects and acquisitions from the five-year Capital Improvement Plan, which is an important planning document that is updated every two years.

The General Fund total operating revenues were proposed at \$25,870,080. This was a 14.81% increase from the total operating revenues budgeted last year. The most significant General Fund resource continues to be current and prior year property taxes. Property taxes were estimated to increase \$3.07 million or almost 22% from the 2018-19 adopted budget to a total of \$17.089 million. Over \$2.5 million of the increase in property taxes is a result of the scheduled closure of the North Roseburg Urban Renewal District, which as mentioned earlier, added back almost \$300 million in assessed value to the general City tax base. These two enterprise funds and the Transportation capital projects fund budgets total over \$22 million and comprise 30% of the City's total expenditures.

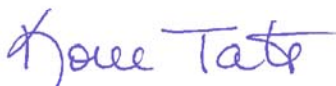
Mr. Harker closed by saying that each of the remaining funds are provided to carry out important community services and functions and when taken together, the overall \$73.73 million budget allows the City to carry out both operational and infrastructure related projects and services on behalf of the community.

**GOOD OF THE ORDER**

No discussion took place.

**ADJOURN**

Meeting adjourned at 7:36 p.m.



Koree Tate  
Management Assistant