

**CITY OF ROSEBURG/ROSEBURG URBAN RENEWAL AGENCY  
BUDGET COMMITTEE AGENDA – MAY 9, 2023 – 6:00 PM  
City Council Chambers, City Hall  
900 SE Douglas Avenue, Roseburg, Oregon 97470**

*Meetings may continue on May 10 and 11 until the Budget is adopted.*

**Public Online Access:**

City website at <https://www.cityofroseburg.org/your-government/commissions/budget-committee/budget-committee-videos> / Facebook Live at [www.Facebook.com/CityofRoseburg](http://www.Facebook.com/CityofRoseburg)

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



*UK  
5-2-2023*

**CALL TO ORDER** 2022 Chair Mike Baker

**ROLL CALL**

Mike Baker	Shelley Briggs Loosley	Stephen Krimetz	David Mohr
Kelly Peter	Ellen Porter	Brian Prawitz	Kylee Rummel
Bob Scott	Patrice Sipos	Jerry Smead	Ruth Smith
Bryan Sykes	Knut Torvik	Jeffrey Weller	Andrea Zielinski

**1. ELECTION OF OFFICERS – CHAIR AND VICE-CHAIR**

**2. APPROVAL OF MINUTES – May 10, 2022**

**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)              | City Manager Nikki Messenger            |
| 2. City Administration (41)   | City Manager Nikki Messenger            |
| 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 Dawn Easley       |
| 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 Tyler Christopherson         |
| 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 Dawn Easley
- 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 Dawn Easley
  - 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 Dawn Easley
  - 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 2023-2024 fiscal year in the amount of \$104,307,207. I move to approve and recommend City Council adoption of property taxes for the 2023-2024 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 2023-2024 fiscal year in the amount of \$2,890,918.***

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 12:00 p.m. the day of the meeting to [info@cityofroseburg.org](mailto:info@cityofroseburg.org)**
- **Virtually during the meeting. Contact the City Recorder by phone (541) 492-6866 or email ([info@cityofroseburg.org](mailto:info@cityofroseburg.org)) by 12:00 p.m. the day of the meeting to get a link to the meeting.**

**When providing comments in person, each speaker must provide their name, address, phone number and which item on the agenda they wish to speak on the Audience Participation Sign-in Sheet.**

**When providing comments virtually or by email, each speaker must provide their name, address, phone number and which item on the agenda they wish to speak in an email to [info@cityofroseburg.org](mailto:info@cityofroseburg.org).**

**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 city of residence 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 10, 2022**

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 10, 2022, in the City Hall Council Chambers, 900 SE Douglas Avenue, Roseburg, Oregon.

**ROLL CALL**

Committee Members Present: Mike Baker, Shelley Briggs Loosley, Beverly Cole, Bob Cotterell, Steve Krimetz, Kelly Peter, Brian Prawitz, Kylee Rummel, Bob Scott, Patrice Sipos, Jerry Smead, Knut Torvik, Jeffrey Weller and Andrea Zielinski.

Committee Members Absent: Committee Members Bryan Sykes and Sheri Moothart.

Others Present: City Manager Nikki Messenger, Finance Director Ron Harker, Assistant City Manager/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, Management Assistant Koree Tate and Communications Specialist Suzanne Hurt.

**ELECTION OF OFFICERS**

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

Committee Member Prawitz nominated Committee Member Torvik to serve as Vice-Chair. The motion was seconded by Committee Member Zielinski and approved with the following vote: Chair Baker; Committee Members Briggs Loosley, Cole, Cotterell, Krimetz, Peter, Prawitz, Scott, Sipos, Smead, Weller and Zielinski voted yes. No one voted no.

**APPROVAL OF MINUTES**

Committee Member Cotterell moved to approve the minutes of the May 11, 2021 Budget Committee meeting. The motion was seconded by Committee Member Krimetz and approved with the following vote: Chair Baker; Committee Members Briggs Loosley, Cole, Cotterell, Eggers, Krimetz, Peter, Prawitz, Scott, Sipos, Smead, Weller and Zielinski voted yes. No one voted no.

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

At 6:04 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, Chair Baker closed the public hearing at 6:05 p.m.

**PRESENTATION OF CITY OF ROSEBURG BUDGET MESSAGE AND FUND BUDGET REVIEW**

Ms. Messenger reported the 2022-23 budget was put together as a team from all the Department Heads. One concept she worked towards was dropping the silos. The City was an organization to deliver services to the citizens of Roseburg. The City had always been about customer service, but in the past, each department would advocate for their own funds. Now, they worked together to make decisions as a group. As a management team, they had the whole community in mind, looked at workforce needs, and how to best attract a workforce to keep the community thriving. Those seeking a new community look at the vitality of the area, the schools, and neighborhoods. The City works with partners to stay focused in the same direction. Ms. Messenger was proud of the work they accomplished and knew there was more to come.

This was a status quo budget which provided 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.

The budget was separated into different types of funds, but the General Fund was the one they spent the most time on each year because it housed personnel with the exception of water employees. General Fund revenues were projected to increase by slightly over a million dollars from the previous year to just under \$27.47 million. That was an increase of 3.8% over the current year budget. Property tax growth was estimated to increase 5.4% over the previous year estimate and accounted for the majority of the budgeted increase. Expenditures were up 3.66% over last fiscal year, and were coming in just under \$29.27 million. The increase was largely by expected increases in utilities, insurance, and fuel costs which was out of the city's control. The City experienced trouble hiring engineers in Public Works and filling vacant positions in the Police Department. Ms. Messenger noted they had funds for a Navigation Center and planned to receive funds from the State for the Southern Oregon Medical Workforce Development Center.

Ms. Messenger explained new to the budget document this year was the American Rescue Plan Special Revenue fund that was added mid last fiscal year to accurately reflect the revenues and expenditures of \$5.2 million in federal funding. 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. Ms. Messenger noted the City had been keeping an ending fund balance at or above 20% of reserve expenditures and was currently at 23%. Departments were cognizant each year of their funding and typically spent 91-94% on average. Because they underspent, that kept the six-year forecast moving out each

## 2. APPROVAL OF MINUTES

05/10/2023

year. This was the closest they had been to the minimum, but some state funds were expected that could be used for revenue replacement. As the city continued to grow and housing was added, the legislature had been placing 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 increased staffing to continue to meet requirements. It was not something she requested for this year, but could see a future need.

Committee Member Weller said he liked moving away from the silo aspect. Mr. Harker explained there was an amendment to the grant fund that went from \$400,000 to \$1 million and was updated in the provided summary sheets. Staffing increased by 1 FTE for a community service officer. Property insurance was going to increase by 5%, liability insurance by 5%, dental insurance was going to increase by 2.6%, and health and vision insurance was going to increase 15%. 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 would have a 3% COLA per contract that was recently ratified, the Police Association was currently under negotiation, 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 the same as the previous 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 Mr. Harker 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 large increase was from the Roseburg Urban Renewal District that had sunset. The City was currently in good financial standing.

Mr. Harker discussed the General Fund revenues:

- \$18,164,100 Property taxes
- \$2.217 billion - Estimated assessed value – at a 3.89% increase
- \$500,000 - Other taxes
- \$452,500 - Fines, forfeitures and penalties
- \$3,433,478 - Interdepartmental charges
- \$426,000 - User charges
- \$1,100,402 - Intergovernmental revenue
- \$55,000 – Interest
- \$3,276,350 – Permits, licenses and fees
- \$10,000 - Miscellaneous

General fund revenues totaled \$37,548,595.00.

Committee Member Krimetz questioned if there was a formula used to predict the General Fund stability. Mr. Harker explained he used a model to break down the different revenue

categories and used an average of the last three to four years to watch for anomalies. He tracked personnel and projected forward based on historical performance; it was an extensive model. In response to Chair Baker, Mr. Harker explained in relation to inflation, he asked departments to be cognizant and factor in higher costs when determining their budgets for the year.

### **STAFF PRESENTATIONS – FUND BUDGET REVIEW**

City Administration Office - Ms. Sowa reviewed the City Administration Department budget showing a 10% overall increase. The largest increase was due to an addition of a new line item to capture costs for homeless camp cleanups, towing and removal/demolition of unlawful or abandoned RV's. This was previously under the Police and Community Development Departments. Personnel Services increased by 5% due to a 3% wage adjustment, step increases and increased benefit costs.

Some department accomplishments included:

- Enhanced Zoom format allowing for smoother audience participation in both virtual and in-person meetings as required by new state statute.
- Continually updated policies and procedures to comply with State COVID-19 guidelines.
- Searched, located and purchased a site for a Navigation Center and contracted with UCAN to operate the Center.
- Signed a memorandum of understanding with Umpqua Valley Development Corporation regarding the Southern Oregon Medical Workforce Center.
- Assisted in setting up and funding both a cooling and warming center.
- Processed employee transitions including 20 new hires, 9 promotions and 23 separations.

Ms. Sowa noted a few goals for the department included the implementation of City Council goals in conjunction with all departments, continuing expansion of the Navigation Center with additional beds once remodel of the site was complete, and working with the City Charter Committee to identify potential charter amendments. In response to Committee Member Peter, Ms. Sowa explained the new line item used to come from the Community Development Department from their abatement line item and with the Police Department from their jail and contracted services line item. Ms. Messenger added City Council had recently adopted an ordinance on how the City processes the RVs and determined having one department carry the funds to make it easier to manage and review. At one point there were 15-18 RVs in the parks that would not move. Once the ordinance was adopted and notices were posted, the Police Department only had to take one RV for disposal.

Committee Member Krimetz asked if people that were illegally camping would be allowed to just move from one place to another. Ms. Messenger explained if an RV was out of compliance, they had 24-hours to move outside city limits for thirty days. Those in RVs were all informed about the rules. In response to Chair Baker and Committee Member Scott, Ms. Messenger said there was not a legal place in town that RVs could go so it was an ongoing challenge for the Police Department. There were different statutes and required notice postings for those camping in tents. Chair Baker questioned if the fund would be large enough to handle the continued process. Ms. Messenger noted it was more money than what was previously spent,

but hoped the new Navigation Center would help alleviate some of the issues and give people the chance to work with the program for stability and housing options.

Finance Department – Mr. Harker provided department information showing a 3.4% increase for the department. The increase was in Personnel Services and Materials and Services, but was a status quo budget.

Some accomplishments for the department included:

- 29<sup>th</sup> consecutive GFOA award for Excellence in Financial Reporting
- 7<sup>th</sup> consecutive GFOA award for Outstanding Achievement in Popular Annual Financial Reporting
- Updated the 6-year financial forecast
- Implementation of GASB Statement No. 87 “Leases”
- Implementation of GASB Statement No. 98 “Annual Comprehensive Finance Report (ACFR)”

Mr. Harker explained a couple department goals included the submittal of the Annual Comprehensive Financial Report (ACFR), GFOA financial reporting certification program, and submitting the Popular Annual Financial Report (PAFR) and GFOA award program.

IT Department – Mr. Harker explained the department was operated by 3 FTE and had a 10.25% budget increase. There was a change in the personnel services, but it was smaller than previous years for step changes and COLAs. For Materials and Services they had a large increase for equipment due to supply chain shortages. The department planned to replace many computers during the next fiscal year.

Some accomplishments for the department included:

- Installation of new backup system for enterprise backups and recovery
- Increased security items such as hardening wireless infrastructure, firewall, 3<sup>rd</sup> party connections, and switching infrastructure
- Upgrade domain controllers and infrastructure virtual servers to latest OS builds
- Install new equipment in shelter on reservoir hill

Mr. Harker noted some of the department’s goals included an upgrade to desktop computers across several departments, continuation of hardening the network infrastructure against cyber and malicious attacks, and continuing to upgrade of wireless ubiquity network and network access to remote locations. During COVID-19, many employees worked from home which increased vulnerability to the systems, but the IT department did a great job keeping everyone and everything safe. In response to Committee Member Krimetz, Mr. Harker explained the department handled all networks and department to oversee operations. They did not use a particular security company, but created their own rules, monitored virtual access and protected systems from viruses and malware. Committee Member Scott questioned if there were any known breaches. Mr. Harker stated there were no breaches at this point. They recently experienced several attempts to access the email box server from overseas, but a rule was quickly implemented that only allowed access in the United States to stop further attempts. Based on Committee Member Peter’s question, Mr. Harker confirmed the City did not contract



## 2. APPROVAL OF MINUTES

05/10/2023

with external providers. In response to Chair Baker, Mr. Harker explained electric vehicles would be handled through Public Works and not the IT Department.

Community Development Department – Mr. Cowie discussed the department budget increased by 3.5%. They processed roughly 400 site review applications over the course of the year. Some accomplishments for the department included:

- Adopted new land use development regulations surrounding duplexes and requirements contained in HB 2001.
- Developed a new floodplain map centered around elevation certificates and letter of map amendments, and developed a new business lands map indicating commercial and industrial land available to develop.
- Helped to implement a new parking enforcement program in downtown Laurelwood neighborhood.
- Working with private firm Parametrix to establish a new Bike Route Plan through TGM grant.
- With assistance from CCD have helped to administer two separate Community Development Block Grants (CDBG) in order to provide COVID-19 Emergency Small Business and Microenterprise Assistance.
- Secured RARE AmeriCorps member Kate Bentz.
- Processed roughly 400 site review applications, land use actions and other permit actions.

Mr. Cowie said some department goals he wanted to achieve included submitting legislative amendment action to approve an Urban Growth Boundary Swap, submitting legislation amendment action to approve an Urban Growth Boundary Expansion at Sunshine Park, adopting a Bike Routes Plan, and securing another RARE AmeriCorps member. Committee Member Cotterell said he liked seeing the number of site reviews increasing and wanted to know the percentage of ones that came to fruition. Mr. Cowie said at least 90-95% of site reviews go through the process to obtain permits. In response to Committee Member Krimetz, Mr. Cowie explained an Urban Growth boundary swap was in response to the annual average growth rate to warrant an expansion. There were areas that were difficult to establish a pattern of development so the idea was to take those areas in the UGB and swap them for more flat or usable areas of vacant land for development.

Library Department – Ms. Wiley provided information about the department budget and the 7.1% increase. The increase was related to building maintenance, repairs, utilities, insurance, contract for the AmeriCorps participant, collection materials and software for operations. She had worked on transitioning the AmeriCorps RARE position to the UCAN program.

Some accomplishments for the department included:

- From the K12 Summer Learning Grant, they provided outreach services, a winter reading program brand and created a logo.

Ms. Wiley continued that some of their goals included restarting the in-person programming, expanding the summer reading program and partnerships in the community.

Public Works – Mr. Perkins stated the department’s mission statement was to provide quality public infrastructure at the lowest life cycle cost. Public Works was a collection of six core functions: transportation, parks and recreation, storm drainage, airport, water and building maintenance. The engineering division consisted of 7 FTE’s and they provided site plan reviews, delivered capital improvements and construction contract administration. The various operations and maintenance teams were the boots on the ground folks out there taking care of the city. Quality maintenance contributed to lowest life cycle cost. The total Public Works general fund budget was broken down into seventeen different funds in four broad categories of funds. Approximately 40% of the budget was contracted out and projected to increase 1.38% and Parks general fund to increase 2.75%.

The breakdown was as follows:

- Engineering – 2.58% increase
- Administration – 2.88% decrease
- Building Maintenance – 5.19% increase
- Street Maintenance – 3.88% increase
- Streetlights – 9.77% decrease
- Parks Administration – 11.05% decrease
- Parks Maintenance – 5.23% increase

Some accomplishments from the year included:

- Replaced one 35 hp submersible pump at WTP
- Installed an emulsion polymer feed system at WTP
- Inspection/replacement of 37 valve actuators at WTP
- Secured grant funding for the Sunshine Trails project
- Completed phase II of the Umpqua River Trail Signage project
- Partnered with Cal Ripken to renovate Gaddis fields
- Installed new waste oil recycling equipment at park shop
- Complied with COVID-19 mandates for parks facilities
- Continued work on deferred maintenance of Park Shop
- Installed 12” water main under the South Umpqua River at Washington Ave. Bridge
- Installed 1,600 ft. of 24” transmission main from West Ave. to Reservoir Hill
- Replaced 3,000 ft. of 24” transmission main from Hooker Rd. to Isabell Ave.
- Completed 880 ft. of storm drain pipe rehab using cured in place pipe
- Replaced the concrete end panels on the Stewart Parkway bridge
- Replaced 11 ADA ramps
- Completed grind/inlay project on Lincoln St.
- Completed 43,000 sq. yds. of slurry seal
- Completed city-wide leaf pick up.
- Installed 100 “Drains to River” emblems on storm drains.

Mr. Perkins explained that boots on the ground maintaining assets meant things would last longer. Chair Baker thanked Mr. Perkins and all his staff for their service to the community because it affected everyone.

## 2. APPROVAL OF MINUTES

05/10/2023

Municipal Court – Mr. Harker discussed the department budget would see a 0.82% increase in personnel services.

Some accomplishments for the year included:

- Managed and reduced backlog of cases that increased significantly during the pandemic restrictions.
- Transferred court records to Laserfiche for ongoing maintenance and retrieval with integration with court software.

Mr. Harker added the department planned to continue management and reduction of backlogged cases that increased during the pandemic and continue transferring court records to LaserFiche. This was a status quo budget. In response to Committee Member Kelly, Mr. Harker explained the banking fees increased due to court fine payments by credit card and utilizing the online payment system on the City's website. The vendor did add a fee to use the online service.

Police Department – Mr. Klopfenstein reviewed the department budget showing a 3.79% increase from personnel costs and benefits. K9 Axel retired on February 11, 2022 after giving six years of service and was living his golden years with his last handler, Officer Chris Bonebrake.

Some accomplishments for the year included:

- Fully trained Criminal detectives to conduct focused digital investigations into those who intend to commit crimes against children.
- Finalized and began implementing lethality risk assessments for domestic violence incidents.

Mr. Klopfenstein noted some department goals included increasing employment levels to be fully staffed and to continue evaluating and improving response to the unhoused and camp cleanups. In response to Committee Member Scott, Mr. Klopfenstein explained the Glide School Resource Officer position had stopped and they did not anticipate offering it while staff levels were short. When hiring new staff, it generally took another ten months to complete the academy and training before beginning solo patrols. Committee Member Kelly asked about the number of vacancies. Mr. Klopfenstein confirmed they just hired three new officers, but still needed another four. In response to Committee Member's Cotterell and Zielinski, Mr. Klopfenstein stated the jail fees increased 3%, but the department would have a long way to go before justifying their own City jail. The jail was reopening after going through risk management and COVID-19 protocols. Committee Member Scott questioned the increase for liability insurance and if the company used was the best option. VanWinkle explained the City had worked with the same provider for a number of years. City County Insurance was the best coverage for the City and was widely used by many other municipalities.

Fire Department – Mr. Bryan provided information for the department budget showing a 4.51% increase that was due to cost of living, increased overtime and a recently ratified IAFF Labor Contract. There was a decrease in equipment maintenance from having new SCBA's (self-contained breathing apparatus) that came with a warranty and maintenance agreement. The Fire Department was responsible for fire suppression, emergency medical services, fire

prevention, hazardous materials response, records management and emergency management and preparedness.

Some accomplishments for the year included:

- Completed succession planning and training for new administrative team members that included hiring a new Fire Marshal, Battalion Chief and Assistant Fire Chief.
- Enhanced citywide emergency preparedness by installing emergency power generators at Fire Department substations.
- Evaluated and updated existing policy and procedure manual.
- Purchased, received and placed in service a 2021 Pierce Impel pumper engine, welcoming it to the department with a traditional "Push-in" ceremony.
- Received and put into service two new Hazmat vehicles from the Oregon State Fire Marshal's Office.
- Conducted multi-company training with Douglas County Fire District No. 2 at Roseburg Marketplace.
- Trained and tested new firefighters on crucial skills.

Mr. Bryan shared some department goals to increase community preparedness for emergencies through collaborative training and planning with community partners, increase security of critical infrastructure by installing fencing and cameras at Fire Department substations, and enhance water rescue capabilities with training, equipment and policies. In response to Committee Member Scott, Mr. Bryan confirmed the \$7,000 increase for fuel was what they had budgeted and they continued to evaluate all calls for emergencies to ensure the best response. Committee Member Scott said he liked they were providing water training since the river flowed through the city. In response to Committee Member Smead, Committee Member Scott informed him the Douglas County Fire District No. 2 had marine rescue equipment and a boat. Chair Baker said he was grateful for the fire staff and wanted to know if they still offered an academy at the college. Mr. Bryan confirmed Umpqua Community College still had a great fire and prevention program.

Non-Departmental – Mr. Harker discussed capital outlay, transfers and other requirements. Capital outlay showed a 43.3% decrease for capital improvements with citywide benefits. Transfers showed a 0.0% increase due to a transfers to the park improvement fund, equipment replacement fund and facilities improvement fund that did not result in a change. Other requirements showed a 17.5% 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 4<sup>th</sup> of July contribution did not change. The decrease was from City Council projects, FSA Administrative Charges and \$5,000 for Thrive Umpqua.

Committee Member Scott suggested having the 4<sup>th</sup> of July event coordinated with the Graffiti Cruise for funding purposes. Mr. Harker explained there were grant opportunities through the Economic Development Commission. Ms. Messenger suggested speaking to Mr. Cowie because the City used to carry the 4<sup>th</sup> of July contribution, but had not been contacted about that for this year. It was a community event for which the City could participate. Committee Member Cotterell said Anvil NW had technology to receive information from cell phones and was curious as to how many tourists came to the events or the Music on the Half Shell.

Committee Member Cotterell moved to tentatively approve the General Fund. The motion was seconded by Committee Member Scott and approved with the following vote: Chair Baker; Committee Members Briggs Loosley, Cole, Cotterell, Krimetz, Peter, Prawitz, Scott, Sipos, Smead, Torvik, Weller and Zielinski voted yes. No one voted no.

### **SPECIAL REVENUE FUNDS**

Grant Special Revenue – Mr. Harker provided information regarding grant funds used for projects. The city received all operational grants in a separate revenue fund for the onetime projects so it can be stabilized and not have wild fluctuations. Not all grants are included in the fund. The proposed budget includes \$5,446 in matching funds. This was the one fund that was amended in the pack of materials provided. Current grants included:

- \$900,000 State – Navigation Center (carry over)
- \$300,000 UHA – Navigation Center (carry over)
- \$1 Million State – Navigation Center (new)
- \$500,000 HUD (CDBG) – Regional Housing Rehabilitation
- \$500,000 HUD (CDBG) – Emergency Small Business Assistance
- \$500,000 HUD (CDBG) – Regional Housing Rehabilitation
- \$5 Million State – Med Ed Grant
- \$10,891 Federal Department of Justice – Police bullet proof vests

In response to Vice-Chair Torvik, Ms. Messenger explained the Medical Education grant was originally a higher amount, but the new funds had less conditions and would be more flexible for use. She had not signed an agreement and was unaware of the final conditions.

Hotel/Motel Tax – Mr. Harker discussed the Hotel/Motel Tax Fund that was set for 8%. Mr. Harker spoke about recovering from the impact of the COVID-19 pandemic. Tax revenue projected at \$1.5 million was based on current historical trends. The current economy dictated the revenue, but locally, the hotels had been performing well. 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 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. The tourism portion allocated was \$500,000 for the tourism promotion and \$250,000 for the City Commission and other. The City had a contract with Anvil Northwest that would be expiring and needed negotiated. In response to Committee Member Prawitz, Ms. Messenger explained there was around \$50,000 a year for Economic Development grants and was a good opportunity to help funding projects and events.

Economic Development – Mr. Harker shared this was supported by transfers from the hotel/motel tax fund that was projected at \$144,509. He discussed several projects and contracted services with the Umpqua Economic Development Partnership (UEDP), Med Ed, capital economic development projects and participation in developing and expanding

## 2. APPROVAL OF MINUTES

05/10/2023

economic development partnerships. The Main Street Program needed a new provider and scope of work to be determined. The City also did not have a provider for the downtown operations and were waiting to see what could be accomplished and done with a new Main Street Program. In response to Chair Baker, Mr. Harker confirmed this was the area where funds were used to pay for UEDP.

American Rescue Plan Act (ARPA) – Mr. Harker reported ARPA was signed into law in March 2021. As the money trickled down from Federal to the State to local governments, the City planned to receive \$5.2 million in two portions, half in fiscal year 2021-22 and the second half in 2022-23. The funds needed to be fully committed by December 2024 and spent by December 2026. The City was working to identify the best use of ARPA funds and final decisions would be made in subsequent months. For fiscal year 2022-23, appropriations included \$1.05 million for materials and services, \$2 million for Capital outlay, and \$50,000 budgeted as a transfer to General Fund should the City incur personnel expenses from the pandemic surge. The latest purchase was a robot for the Police Department to use for tactical purposes.

In response to Committee Member Kelly, Ms. Messenger explained staff had reviewed options for spending the funds. Recommendations had not been provided to Council while they were working to set up the Navigation Center. Funds were used for smaller items, but she also wanted to wait to see if COVID-19 returned in case money was needed for that. Mr. Harker added there was a loss revenue change that now allowed them to use the funds differently with fewer restrictions.

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

- Streetlight and Sidewalk Fund – 0.35% decrease
- Bike Trail Fund – 84% increase
- Golf Fund – 2.13% increase
- Stewart Trust Fund – 0.0% increase

Mr. Perkins explained the streetlight/sidewalk fund was essentially flat year over year, but they had ADA improvements this time for \$227,500. The average cost per ADA ramp was \$12,500 but with an engineer, it was \$15,000. The Bike Trail fund was a large increase because they received \$149,000 grant funding for the Sunshine Trails project. Those revenues and expenses were included in the budget. The Golf Fund slightly increased due to anticipated utility costs and capital outlay. The Stewart Trust Fund was another fund that was flat year over year. In response to Vice-Chair Torvik, Ms. Messenger said the system development charges within the transportation, water and sewer funds. Chair Baker noted the Bike Fund had \$10,000 for trail maintenance and had not changed for many years. There were portions of the paths by the high school that were extremely rough, hard to ride and some cracks were too deep. Mr. Perkins explained the funding came from the transportation fund. Ms. Messenger further explained the transportation fund was under funded so the only other options were grants.

Chair Baker stated the bike paths were important and the funding set aside was not enough and needed addressed. Mr. Perkins noted the subject would need to go before Council as part of their goals to sustain transportation funding. Committee Member Kelly questioned if it was a liability issue for the path conditions if someone was to get hurt. Mr. VanWinkle said in

## 2. APPROVAL OF MINUTES

05/10/2023

general, when people use the parks they go to the facility that the City pays the cost of, and if injured, it would not be the fault of the City. Ms. Messenger said she could add this topic to the list of potential ARPA fund usage to see where it resided with Council priorities. It made sense to prioritize and put cost estimates together for the Parks and Recreation Commission to review, and the section by the high school was ODOT's jurisdiction. Committee Member Scott suggested using excess asphalt from road work to help patch sections of paths. Mr. Perkins said they did have an apparatus for asphalt patching, but they needed to be able to drive on the path without sinking and making it worse.

Library Special Revenue Fund – Ms. Wiley explained grants, donations and memorials were received on a regular basis to help with programs. Funding helped with the purchase of a new microfilm printer/reader, a Chincanx Literature Series, and purchase of new games and computers. Ms. Wiley said she was always seeking funding opportunities for reading programs, books, the maker space and more. They continued their Story Walk program in the parks, and they were able to expand the work they did due to generous grants and the Friends of the Library. Without grants or donations, they would not be able to proceed with projects.

Committee Member Zielinski moved to tentatively approve the special revenue funds. The motion was seconded by Vice-Chair Torvik and approved with the following vote: Chair Baker; Committee Members Briggs Loosley, Cole, Cotterell, Krimetz, Peter, Prawitz, Scott, Sipos, Smead, Torvik, Weller and Zielinski voted yes. No one voted no.

### **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 \$526,760. The way to repay the bonds was to charge ourselves 4% payroll that would go to that fund to pay for the principal and interest on the bonds. In response to Committee Members Krimetz and Cotterell, Mr. Harker discussed that the calculation for PERS was based on the end of the calendar year, and was a good year for PERS. With projecting forward, the numbers dropped significantly, but anticipated seeing an increase for the employer rate. It would be 2028 until the debt retired.

Committee Member Scott moved to tentatively approve the Debt Service Fund. The motion was seconded by Committee Member Weller and approved with the following vote: Chair Baker; Committee Members Briggs Loosley, Cole, Cotterell, Krimetz, Peter, Prawitz, Scott, Sipos, Smead, Torvik, 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 that minimized budget fluctuations. Departments that would benefit from this fund included Police, Public Works and Parks for a proposed expenditure of \$534,000. Transfers were made every year to this fund. It was best to project items to smooth out the transfers rather than trying to fund single items each year. Member Krimetz questioned if inflation was taken into consideration. Mr. Harker had asked departments to look at expenditures and factor in inflation costs to have a more accurate budget. Chair Baker said this was one of his favorite funds and noted it was nice the City

planned ahead to purchase items; while other cities noticeably struggled, Roseburg adjusted costs annually.

Public Works Fund (Transportation/Park/Facilities Replacement) – Mr. Perkins discussed the 6.78% decrease for the Transportation Fund. Revenue sources for the fund were from franchise fees, Surface Transportation Block Grant (STBG) funds and the gas tax. Plans were prepared for overlays to Stephens Street from 640 feet north of Diamond Lake Boulevard to Garden Valley Boulevard. The other project was for pavement maintenance that included crack sealing and slurry seals. In the current fiscal year, block grant funds were taken based on State guidelines. Vice-Chair Torvik and Committee Member Cotterell shared they did not like system development charges that were taxed today for future improvements that may not always come to fruition.

Public Works Capital Project Funds – Park Improvement – Mr. Perkins said they hoped to receive two grants for the Gaddis Park backstops and the Skate Park improvements. There was a 44.44% increase based on the two projects that were grant dependent. If the City did not receive the grants, the projects would not move forward.

Public Works Capital Project Funds – Facilities Replacement – Mr. Perkins explained the fund had a significant increase, 106.14%, due to proposed Capital projects. Revenues were from transfers from the General Fund and grants. The two biggest capital projects were new doors at the Roseburg Public Library and fencing at Fire Stations 2 and 3.

Committee Member Briggs Loosley moved to tentatively approve the Capital Projects Funds. The motion was seconded by Committee Member Krimetz and approved with the following vote: Chair Baker; Committee Members Briggs Loosley, Cole, Cotterell, Krimetz, Peter, Prawitz, Scott, Sipos, Smead, Torvik, Weller and Zielinski voted yes. No one voted no.

## **ENTERPRISE FUNDS**

Airport Fund – Ms. Messenger said there would be a 47.17% decrease in the budget based on capital projects. Projects for the airport included a standby power generator, taxiway extension design, north apron grading design and security upgrades. The Airport collected some fuel flowage fees, but the majority of money came from grants. The ODA had a program that helped pay 90% of the City's 10% match which kept costs to a minimum. They had plans to work on the taxiway extension and had funded backup power at the airport for the fuel station, runway lighting and navigation aids. Studies showed the airport as a likely location to survive a Cascadia event which made backup power even more significant. Ms. Messenger discussed other future projects that included a runway extension, vehicle connection to the north and south aprons, design to move mountain material on the north end and more. In response to Committee Member Kelly, Mr. Harker said the airport debt would be paid off in 2032. He was able to refinance the debt by taking advantage of low interest rates.

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

- Water – Beginning fund balance of \$10,346,471 and projected revenues of \$7,853,392.
- Production – 2.35% increase
- Transmission and Distribution – 5.37% increase
- Administration – 30.33% increase



The increase was primarily for personnel costs. Mr. Perkins said there was a network of pipes, reservoirs, and pump stations. The largest increase was primarily due to adding \$500,000 for the Water Master Plan update. They planned to wait until after the Urban Grown Boundary swap to ensure all areas were reviewed appropriately. Upcoming projects included:

- Main replacements – HWY 138, 18-inch Main
- Plant improvements – standby power generator
- Transmission main – 24-inch Isabell avenue to Newton Creek Drive
- Reservoir improvements – Rocky Ridge floor repair
- Fulton Shop roof replacement

Mr. Perkins noted inflation impacted costs, especially for fuel. The water piping project was due to new growth in the Diamond Lake Boulevard area and the Fulton Shop had not had a roof replacement since 1971.

Storm Drainage – Mr. Perkins stated there would be a 54.60% increase. Projects planned included the open cut pipe replacement, cured in place piping, TMDL implementation and a Calkins/Troost/Harvard project. They were approved for a grant from ARPA to help with the open cut pipe replacement. Committee Member Krimetz asked about improvements for the Rocky Ridge reservoir. Mr. Perkins explained there was a small leak that was under repair and did not pose a concern. Ms. Messenger discussed the City was continually submitting applications for grants to fund projects. Chair Baker noted that many Federal grants required a match and the ODOT fund exchange program was going to discontinue. Committee Member Rummel suggested using the City's ARPA funds to assist with grant matches.

Off-Street Parking Fund – Mr. Harker reported the City owned off-street parking facilities and had worked with a third party for a contract to handle parking enforcement services. The current parking enforcement contract was new for the area to provide the service. The contract was executed in January 2022 and was currently ramping up. Modifications may be warranted in the future to reflect actual performance. They had \$290,300 for operating revenues programmed at this time and \$279,568 in operating expenditures. This past month was the first month for ticket violations. Modifications may be warranted in a few months depending on the outcome, but this was the best projection based on the information at current time.

Committee Member Prawitz moved to tentatively approve the Enterprise Funds. The motion was seconded by Committee Member Cotterell and was approved with the following vote: Chair Baker; Committee Members Briggs Loosley, Cole, Cotterell, Krimetz, Peter, Prawitz, Scott, Sipos, Smead, Torvik, Weller and Zielinski voted yes. No one voted no.

### **INTERNAL SERVICE FUND**

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 for general services and \$750,000 for public safety. The City tried to prevent injuries by providing education, a Safety Committee that reviewed investigations, using lost control consultants, and having a Wellness program to help keep employees safe, healthy and informed. There was a proposed balance as of June 20, 2022 of \$927,091, and \$230,872 was

## 2. APPROVAL OF MINUTES

05/10/2023

in resources from other funds based on premium rates and current claim estimates, while \$420,700 was anticipated expenses based on activities and claim history.

Committee Member Scott moved to tentatively approve the Internal Service Fund. The motion was seconded by Committee Member Cotterell and approved with the following vote: Chair Baker; Committee Members Briggs Loosley, Cole, Cotterell, Krimetz, Peter, Prawitz, Scott, Sipos, Smead, Torvik, 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 Cotterell moved to approve and recommend City Council adoption of the budget for the 2022-2023 fiscal year in the amount of \$100,420,184, and 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. The motion was seconded by Committee Member Prawitz and approved with the following vote: Chair Baker; Committee Members Briggs Loosley, Cole, Cotterell, Krimetz, Peter, Prawitz, Scott, Sipos, Smead, Torvik, 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. \$579,359 was anticipated to be received during the next year, transferring \$600,000 to the UR capital improvement fund. The East Diamond Lake Urban Renewal area began and had a beginning fund balance of \$603,309 with \$390,000 for Capital and Non-Capital projects. Of those projects, \$190,000 was for contracted services for housing incentive programs and \$200,000 for Capital Improvements that were still to be determined.

There was a general fund for Urban Renewal designated to receive all the tax increment revenues for the current East Diamond Lake district. While taxes were frozen and coming to this fund, it encouraged growth for property value which generated more tax financing. There were two capital funds being presented, they had multiple dwelling units in the building phase, and were able to provide housing incentives to encourage further growth.

### **APPROVAL OF URBAN RENEWAL AGENCY BUDGET**

Committee Member Krimetz moved to approve the Urban Renewal budget for the 2022-2023 fiscal year in the amount of \$2,236,688. The motion was seconded by Committee Member Zielinski and approved with the following vote: Chair Baker; Committee Members Briggs Loosley, Cole, Cotterell, Krimetz, Peter, Prawitz, Scott, Sipos, Smead, Torvik, Weller and Zielinski voted yes. No one voted no.

### **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 9:33 p.m.



Koree Tate  
Management Assistant