

**CITY OF CORVALLIS
BUDGET COMMISSION MEETING
MAY 13, 2010
DRAFT**

The City of Corvallis Budget Commission meeting was called to order at 7:00 p.m. on May 13, 2010, in the Fire Station Main Meeting Room, 400 NW Harrison Boulevard, Corvallis, Oregon, with Chair Jacque Schreck presiding.

ROLL CALL

Present: Commissioners Mike Beilstein, Hal Brauner, Dan Brown, Barbara Bull, Karyl Butcher, Tim Cadman, Rich Carone, Patricia Daniels, John Davis, Elizabeth French, David Hamby, Guy Hendrix, Richard Hervey, Joel Hirsch, Mark O'Brien, Jeanne Raymond, Barbara Ross, and Jacque Schreck

SUMMARY OF DISCUSSION

Agenda Item	Information only	Held for Further Review	Action/Recommendations
FY 10-11 Proposed Budget Deliberations			1) Recommend the City Council levy a property tax rate of \$5.1067 per \$1,000 of assessed value to levy \$1,948,720 for general obligation debt service. 2) Recommend the City Council adopt the FY 10-11 Proposed Budget.
Adjournment			The meeting was adjourned at 7:15 p.m.

CONTENT OF DISCUSSION

I. FY 10-11 PROPOSED BUDGET DELIBERATIONS

Chair Schreck said that two Commissioners will be leaving the Budget Commission after this year: Guy Hendrix and Tim Cadman. She said that both Commissioners were conscientious in their work for the citizens of Corvallis; she led a round of applause in their honor.

The Chair drew attention to several items of written testimony at Commissioners' places.

Finance Director Nancy Brewer drew attention to the agenda and to the proposed motions. Regarding the first motion, the Budget Commission must recommend a property tax levy to the City Council. It could choose to under-levy and reduce revenues, but the Proposed Budget assumes the full levy would be in place. The second motion deals with the expenditure part of

the budget. The Proposed Budget is balanced on a narrow margin and there is no room for enhancements or add backs without removal of some other expenditure. The Proposed Budget includes the Capital Improvement Program that was proposed through the CIP process and it includes the expectation that the City would borrow money to fund some capital projects, as previously discussed.

Chair Schreck added that she expects that any motion to amend the Proposed Budget will include a corresponding action to preserve the fund balance.

City Manager Jon Nelson said that it was very difficult to come up with a methodology and develop a proposed budget with a \$2.5 million shortfall. We got to where we are today, he said, due to the good work the Budget Commission and Chair Schreck's able facilitation of meetings. He said that City staff and the boards and commissions appreciate the Commissioners' hard work on behalf of the community.

MOTION: Commissioner Hendrix moved to recommend the City Council levy a property tax rate of \$5.1067 per \$1,000 of assessed value to levy \$1,948,720 for general obligation debt service. Commissioner Hamby seconded the motion.

In response to an inquiry from Commissioner Daniels, Finance Director Brewer said this does not include the Library Bond which will be paid off this year.

The motion **passed** unanimously.

MOTION: Commissioner Davis moved to recommend the City Council adopt the FY 10-11 Proposed Budget. Commissioner Cadman seconded the motion.

Commissioner Davis said he made the motion for two reasons: 1) He has a high degree of confidence that the City Manager and the budget office, working with the department directors, have developed a budget that is the most equitable, realistic and accommodating possible. He feels that staff worked diligently and intelligently to bring forward this budget. 2) Based on the public testimony, one of the areas that affects everyone is that of public safety. Although there are some cuts, public safety will be less affected than some of the others services. The basis of any community is the well being and peace of mind of its citizens.

The motion **passed** unanimously.

Commissioner Schreck said she has heard from many people in the community over the last several months who have expressed appreciation to the Budget Commission for doing this hard work. She thanked the Commissioners, as well as the other City boards and commissions, and said that she feels everyone did their best. She said that she hopes the City Council will call upon members of the Budget Commission to help as it looks toward future years; these are caring and knowledgeable people who are willing and interested in helping the City to go forward and not backward.

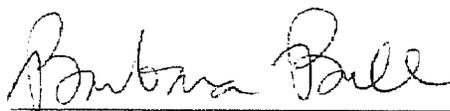
Commissioner Ross said she agrees that the City staff did an admirable job of putting this Proposed Budget together; it has not been easy. As a member of the Budget Commission, she said that she hopes the City Council and citizen groups will consider putting out a levy next year. She said the City cannot afford more cuts in public safety and does not want to afford more cuts in its livability programs. She said that a levy would take a period of time and the work of a consolidating group of citizen advocates; she hopes that this will be done to avoid deeper cuts in the future.

Commissioner Brown said that this Proposed Budget is labeled as a transition budget; it is expected that the City will be in a similar situation next year. Everybody should be thinking about how to adjust to the future.

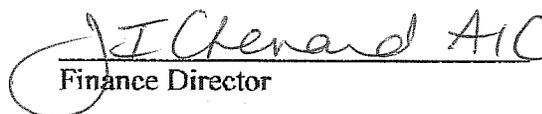
II. ADJOURNMENT

The meeting was adjourned at 7:15 p.m.

Respectfully Submitted:



Budget Commission Secretary



Finance Director