

**CITY OF MERRILL
BUDGET HEARING
JUNE 14, 2016**

6:00 PM

Matters for council consideration not scheduled on the Agenda can be addressed by the general public under the "Public Comment" section in the agenda. Testimony must be presented according to Council procedures. Items of non-emergency nature may be scheduled for future Council determination in order to provide sufficient time to analyze this issue.

MEETING CALLED TO ORDER at 6:05 PM.

A public hearing of the Common Council for the City of Merrill, of Klamath County Oregon was held to discuss the budget for the fiscal year FY 16/17: July 1, 2016 to June 30, 2017.

This was a public meeting where deliberation of the Common Council took place. Any person could appear at the meeting and discuss the proposed programs with the Common Council.

Roll Call:

Roll call was taken with the following members of Council being present:

Oma Rowley-City Recorder, Councilor Taylor, Councilor Carleton, Councilor Lesh, Councilor Smith

Absent: Mayor Saunders

With the absence of Mayor Saunders, Councilor Smith, as acting Council President, conducted the budget hearing.

Budget Discussion:

Councilor Smith stated that she disagreed with raising any rates and stated that she would like to wait one year before any type of increase. She indicated that is why she voted against the budget at the last budget committee meeting held.

Councilor Carleton responded to Councilor Smith by saying that the problem is that the City is behind and that the Water/Sewer Reserve fund is low. In the past, he thought monies were to be put into Reserves for debt service obligations. Councilor Carleton has specified that the combined \$5.00 utility increase: \$4 water rate increase March 1, of 2016 (FY 15/16 budget docs) + \$1 sewer rate increase July 1, 2016 (FY 16/17 budget docs) needs to be dedicated building the Water/Sewer Reserve Fund for debt service and capital improvements.

Lee Harris, citizen Budget Committee member, stated for the record that she would have liked to have heard the comments of both Councilor Smith and Carleton at the public budget meeting so that this could have been deliberated prior to the Council's budget hearing.

The City Recorder said that a letter will be mailed with the June water/sewer utility bills informing utility users that rates will increase \$1 monthly effective July 1, 2016.

The City Recorder will prepare a Resolution changing sewer rates that will be presented at the July 2016 Council meeting.

RESOLUTIONS:

#2016-749 Declaring the City's Election to Receive State Revenues

Councilor Carleton made a motion to approve Resolution 2015-749, Declaring the City's Election to Receive State Revenues with a 2nd by Councilor Lesh. All members voted Aye and the Motion carried.

#2016-750 Adopt Budget, Make Appropriations and Approve Property Tax Levy

- Adopt FY 2016-2017 Budget and approve the amount of \$881,308
- Make Appropriations totaling \$747,640
- Approve Tax Levy – Permanent Rate Levy Limit 3.1210 per \$1000 of assessed taxable property within the City of Merrill

Councilor Carleton made a motion to adopt the FY 2016-2017 budget amount of \$881,308 as per Resolution 2016-750. There was a 2nd by Councilor Lesh. All members voted Aye and the motion carried.

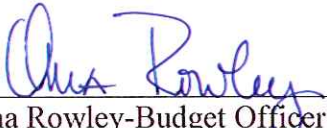
Councilor Taylor made a motion to make appropriations totaling \$747,640 as per Resolution 2016-750. There was a 2nd by Councilor Carleton. All members voted Aye and the motion carried.

Councilor Carleton made a motion to approve the Tax Levy – Permanent Rate Levy Limit of 3.1210 per \$1000 of assessed taxable property within the City of Merrill as per Resolution 2016-750. There was a 2nd by Councilor Lesh. All members voted Aye and the motion carried.

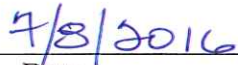
PUBLIC COMMENT – see above under Discussion

The meeting was adjourned at 6:23 pm.

Respectfully submitted.



Oma Rowley-Budget Officer



Date