

DRAFT FOR COUNCIL CONSIDERATION, JANUARY 6, 2022

CITY OF YACHATS ORDINANCE NO. 355 (AMENDED ____)

AN ORDINANCE AMENDING THE YACHATS MUNICIPAL CODE CHAPTER 3.10

WHEREAS, the procedure used to develop the Capital Improvement Plan has become a function of the Finance Committee; and

NOW THEREFORE, the City of Yachats ordains that Chapter 3.10 – Capital Improvement Planning shall be amended to read as follows:

Chapter 3.10 – Finance Committee and Capital Improvement Planning

Sections:

- 3.10.010 Membership
- 3.10.020 Powers and Duties
- 3.10.030 Capital Improvement Program - Annual Report to City Council
- 3.10.040 Capital Improvement Program - Adoption and Appropriations
- 3.10.050 Capital Improvement Program - Public Report

Section 3.10.010 Membership

The City Council shall establish and appoint a Finance Committee that shall also serve as the Capital Improvement Planning Committee (CIP Committee). The Finance Committee will work with the Commissions and serves in an advisory role to the City Council.

The City Manager shall serve as the Chair of the Finance Committee.

The size and composition of the Finance Committee may vary over time, with a target size of five to eight members. It is highly desirable that the Committee include a member of City Council, a member of the Budget Committee who is not also a member of the City Council, and a member of the Public Works and Streets Commission or other individual who is very familiar with Public Works. If the Committee does not include a member of the Public Works and Streets Commission, or the Parks and Commons Commission, or the Library Commission, it should designate one of its members as a liaison to that Commission. It is very helpful that the Committee includes community members who possess relevant knowledge and experience, along with the ability to be actively-engaged members of the Committee.

Nomination for membership will be made jointly by the Mayor, the Council President, and the City Manager. Each representative will be appointed by the City Council for a specified term. Members can be removed from the Committee by City Council for cause.

(Ord. 248, Add, 12/10/2004, Add 1/16/2019)

Section 3.10.020 Powers and Duties

The Finance Committee's mission is to address the City's long-term financial planning. This may include complex organizational issues that impact Capital Improvement Planning, reserve generation, and other long-term financial planning.

The Finance Committee, at public meetings, shall:

- 1) Provide financial analysis as requested by the City Manager.
- 2) Provide a long-term horizon for fund balance projections (3-5 years) including revenue, capital expenditures, and reserves.

- 3) Provide a "state of the City" financial report to the City Council – This would be a snapshot of how the financial long-term picture looks given certain assumptions.
- 4) Without becoming bogged down with operational issues, assist the City Manager on special projects including, but not limited to:
 - a. Review and recommend changes to the City Budget document by the Supplemental Budget process
 - b. Provide project updates, changes, and substitutions for projects in City's CIP plan
 - c. Advise whether system development charges provide for an equitable share of infrastructure and operational costs
 - d. If requested by the City Manager, advise on how City Manager organizes the Financial Staff
 - e. Advise on creation and maintenance of City's Financial reporting.
- 5) Study proposed capital projects and improvements involving major non-recurring tangible assets and projects which:
 - a. are purchased or undertaken at intervals of not less than five years;
 - b. have a useful life of at least five years; and
 - c. cost over \$5,000; and
- 6) Other projects assigned by the City Council.

Each year, commission chairs, boards, and department heads, shall submit capital project requests to the Finance Committee including information for all anticipated projects requiring Council action during the ensuing five to ten years. Submissions shall be on the proscribed forms provided by the City's budget officer. The Finance Committee shall consider the relative need, impact, timing and cost of these expenditures and the effect each will have on the financial position of the city. (Ord. 248, Add, 12/10/2004 Add 1/16/2019)

Section 3.10.030 Capital Improvement Program - Annual Report to City Council

The Finance Committee shall prepare an annual report recommending a Capital Improvement Budget for the next fiscal year, and a Capital Improvement Program including recommended capital improvements for the following four fiscal years. The report shall be submitted to the City Council for its consideration and approval. Following Council approval, the first year amounts shall be included in the proposed budget for the next year for consideration by the Budget Committee. (Ord. 248, Add, 12/10/2004 Add 1/16/2019)

Section 3.10.040 Capital Improvement Program - Adoption and Appropriations

Adoption of the City's budget, shall permit the expenditure on Capital Improvement Projects included therein of sums from departmental budgets for surveys, architectural or engineering advice, options or appraisals and the like; but no such expenditure shall be incurred on projects which have not been so approved by the city through the appropriation of sums in the current year or in prior years, or for preliminary planning for projects to be undertaken more than five years in the future. (Ord. 248, Add, 12/10/2004 Add 1/16/2019)

Section 3.10.050 Capital Improvement Program - Public Report

The Finance Committee's report and the City Council's recommended Capital Budget shall be published and made available to the public. The Finance Committee shall deposit its original report with the City Manager's Office. (Ord. 248, Add, 12/10/2004 Add 1/16/2019)

PASSED AND ADOPTED by the City Council of the City of Yachats on this _____ day of _____.

Ayes: _____ Nays: _____ Abstentions: _____ Absent: _

APPROVED by the Mayor this ____ day of _____.

Attest:

Leslie Vaaler, Mayor

Katherine Guenther, City Manager

