

Tuesday, 7:00 p.m.

April 30, 1991

CITY OF NEWBERG
BUDGET COMMITTEE MINUTES

Fire Station

Newberg, Oregon

The meeting was called to order by Chairman Eldon McIntosh.

ROLL CALL:

Members Present:	Brian Love	Melinda Newland
	Fred LaBonte	David P. James
	Gary Hay (7:15)	Jack Nulsen
	Roger Gano	Donna McCain
	Eldon McIntosh	Donna Proctor
	Marty McIntosh (7:30)	

Others Present:

- Elvern Hall, Mayor
- Duane R. Cole, City Manager
- Katherine Tri, Finance Director
- Terrence D. Mahr, City Attorney
- Elmer Christensen, Fire Chief
- Stan Newland, Police Lieutenant
- Doreen Turpen, Library Director
- Denny Egner, Planning Director
- Mike Hailey, Building Official
- Diane Padilla, Asst. Finance Director

OLD BUSINESS:

Duane Cole began by presenting a chart on the budget process. He explained that staff developed needs and desires which are fed to the department heads. The department heads prepare their budgets and present them to him, the Budget Officer. He weighs their requests with what is fair for the City to provide balanced financing. Department heads bring out what needs to be funded, not what is funded. Further, the City Manager solicits input from the public and other agencies. The City Manager prepares his proposed budget and presents it to the Budget Committee. Staff is prepared to present and gather any information that the Budget Committee wishes to receive to help them understand what is being presented. He hopes to build a consensus on the 1991-92 budget and to elicit and develop issues and options. Finally, the Budget Committee makes one recommendation to the City Council. It should be understood that the City Council can change, within certain limits as set out by State law, the recommended budget.

Next Mr. Cole presented a chart reviewing the process. He explained that the Budget Committee would review base budget proposals, identify issues, assign to staff to research, identify resources, identify additional expenditures, and decide funding packages (two which have been handed out this evening). He also handed out a comparative budget analysis which compared General Fund department budgets for 1989-90, 1990-91 and 1991-92. He explained that departmental allocations were consistent with the prior year and that any changes were within 1%.

Budget Committee Minutes
April 30, 1991

Fred LaBonte asked what the impact was of shifting expenditures to other funds. Mr. Cole explained that those impacts would be explained as we review those funds.

Fire Department Budget:

The City Manager, Duane Cole went through the enhanced Fire Department budget decision package that was suggested at the previous meeting. His package recommends two fees: the Fire Inspection Fee (\$8,000) and a Fire Rescue Fee (\$1,500). He explained that the fire inspection fee had already been initially presented to the Ordinance/Legislative Committee of the Council. The expenditures included volunteer travel and training (\$1,080), 24-hour life insurance for volunteers (\$1,525), new boots, helmets and hoods for volunteers (\$1,440) and replacement of boots, helmets and hoods (\$1,850) for a total of \$5,895. In addition, the Fire Department is asking for summer help at the cost of \$2,643 and the staff included collection costs for the two fees at \$950 for a total package of \$9,488.

Jack Nulsen asked if the City Manager had discussed this package with Roger Gano. Mr. Cole responded that he had not. Roger Gano said that he was in a difficult position and deferred to the City Attorney, Terry Mahr on whether he could discuss this matter or if he had a conflict of interest. Mr. Mahr responded that the volunteer fire fighters on the Budget Committee had a right to discuss the package but they needed to declare their conflict. Roger Gano and Brian Love declared their conflict and would not be voting on the package, but would be voting on the entire budget. Mr. Gano further expressed that he was surprised to see summer help included in the volunteer fire fighter proposal. He felt that keeping the clerical help in the office during the summer was more important than summer help. The Fire Department can use volunteers or community service people for those summer jobs. He felt the City should look at the \$5,000 of uncommitted funds in the Council budget or cash carryover as funding sources and not necessarily rely on new fees.

Gary Hay said that he had been looking through the rest of the budget. There is approximately \$72,000 in carryover in the 9-1-1 Fund that could be used to pay for dispatchers salaries. He recommended that one dispatcher's salary and benefits be paid for from the 9-1-1 Fund and those relief funds in the General Fund could pay for fire and police reserve needs and Fire Department clerical staff. Duane Cole explained the reasons for not using 9-1-1 funds. He expressed that it is important that the City build reserves to improve or replace the existing 9-1-1 system and that at some point, the system will have to go from a low band to a high band system and expand to an enhanced 9-1-1 system. Jack Nulsen asked if the volunteers were happy with the proposal.

Chris Mayfield said that he thought the proposal looked fine. Tom Ryles responded that when the volunteers were asked as a group what would make them happy, Chief Christensen had not put dollar amounts with it and he did not feel that they were qualified to do that. But, he felt that police and fire were the

Budget Committee Minutes
April 30, 1991

two main priorities for the City and should be funded.

MOTION: Nulsen/M. McIntosh moved to increase the Fire Department budget by \$5,895.00 which included volunteer training and travel (\$1,080), 24-hour life insurance for volunteers (\$1,525), new boots, helmets and hoods (\$1,440) and replacement boots, helmets and hoods (\$1,850). Discussion of motion - \$1,340 was added for additional clerical summer help. Vote on the Motion: Passed (Gano, Love abstained).

Fred LaBonte asked about how these additions would be funded. Jack Nulsen felt that the City Manager should balance the budget later.

MOTION: Nulsen/Proctor moved to adopt the Fire Department budget as amended. Vote on the Motion: Passed (Gano, Love abstained).

SOCIAL SERVICE AGENCIES:

Duane Cole began by explaining that the social service agencies are budgeted at the same level as in the current year. He indicated that he solicited information from the Newberg Human Resource Center, Chehalem Valley Senior Citizens Council, and Henderson House.

Joe Riley, Chairman of the Henderson House Board, spoke regarding the needs for Henderson House. He said that 18% of those using Henderson House come from the Newberg area and in 1990 that amount increased to 33%. Total expenses for the House were \$93,000 and that they received some funds from CSD, United Way, FEMA, and other programs and donations. The Board will be pursuing help from the other cities. He explained that McMinnville provides indirect support through fixing sidewalks, driveways, fence repairs and so forth, otherwise they provide no direct support.

MOTION: Proctor/Gano moved to adopt the Social Services budget. Vote on the motion: Ayes 9; Nays - 2 (Nulsen and McCain).

Kate Stokes from NHRC asked to speak. She explained that NHRC did request \$18,000 primarily because they have added two new programs - the Shelter and Great Expectations which has also resulted in an increase in staff. She indicated that NHRC brought back seventeen times what the City contributed in funds to NHRC.

MOTION: Proctor/Nulsen moved to reconsider the motion on the Social Services budget. Donna Proctor asked why the City Manager did not include the \$18,000 in his proposal. Duane Cole responded that he based his recommendation on what the City has been contributing in the past. He indicated that Newberg provides more to its social service agencies than cities of 40,000 population in this state. He recognized that there are lots of needs in the community, but that the City is not a social service agency. Vote on the motion: Ayes - 7; Nays - 4 (M. McIntosh, Gano, Newland, James).

Budget Committee Minutes
April 30, 1991

Roger Gano suggested waiving the water fees for the social service agencies. He also added that the Council asked itself several years ago if the City should be in the social service agency business. They decided at that time to stay at the current level of contributions and that the City should not be a permanent source of revenue if other cities are not contributing.

Chuck Krugel from Chehalem Valley Senior Citizen Council addressed his requests. He explained that when he began the CVSCC budget equaled \$54,000 of which \$18,000 came from the City. The budget now equals \$630,000 and the City is still only contributing \$18,000 or 2.9% of the total. He explained that the transportation system is funded from a variety of sources including a County transportation levy which expires in one year. His service provides twice a day service between Dundee and Newberg and Dial-A-Ride. Newberg needs to realize that people from Dundee are coming to Newberg to do their shopping. He could approach Dundee but hasn't as of this time. He indicated also that the funds given to CVSCC goes not just for transportation but also for meal sites, senior center and for other senior activities and assistance.

MOTION: Nulsen/Gano moved to increase the contribution to NHRC from \$16,000 to \$18,000 or waiver of water fees whichever is the lesser of the two amounts, if NHRC can receive \$1,000 from the City of Dundee.

Roger Gano clarified that the reduction in water fees would be for all facilities. Jack Nulsen said yes. Vote on the motion: Ayes - 8; Nays - 3 (M. McIntosh, E. McIntosh and LaBonte).

MOTION: Nulsen/Hay moved to adopt the Social Services budget as amended. Vote on the Motion: Passed unanimously.

Fred LaBonte asked that the Committee seems to be getting bogged down on small details and isn't it possible for minor changes to be made to the budget and adjusted during the fiscal year. Mr. Cole responded yes and that at any time during the year staff can come to Council to ask for changes in the budget.

LIBRARY:

Doreen Turpen, Library Director, began her presentation by summarizing factual information about the library. She indicated that since the new building has opened, annual circulation has increased 60%. In addition, inter-library loan activity has also increased substantially with the addition of the Oregon State Library and CCRLS added to the cataloging systems. There is an additional increase of 60% in the number of reference questions answered and an increase in questions referred. She explained that the library is a heavy user of volunteers. She explained that the volunteers help keep the library afloat and their hours run approximately 4,700 to 5,000 per year. Jack Nulsen asked if the Library has any idea if the major increases are in the youth programs or in the adult and young adult programs. Doreen Turpen responded that the increase is in both areas. Additional questions were asked about use of the library by George

Budget Committee Minutes
April 30, 1991

Fox students and school district students.

Doreen Turpen explained that her budget is divided into three service components: support services, adult/young adult/reference which is primarily on the upper floor and involves cataloging, programs, 60% of the circulation costs and purchasing, and the Children's Library which includes a half time Children's Librarian, 40% of the circulation costs and some acquisition costs of materials and programs.

Her main objectives in developing her budget were to meet the City Manager's allocation, maintain basic services, improve benefits for part-time employees, and define staff training needs. She is working on seeking outside funding sources for programs through gifts and donations, cooperating with other libraries for improved availability of materials, modifying the check-out desk for improved efficiency and to modify the reference area. She explained that there is a gentle erosion in services and they are starting to see some negative comments. Finally, there are sufficient funds available only for minimum building maintenance to manage emergency situations. Gary Hay asked about the shift in janitorial services from staff to a contract. He also asked about the one FTE in children services. Doreen Turpen explained that this was two one-half time employees. The overtime account funds are used to pay for coverage during vacation and sick leave times.

Mayor Hall explained that the reduction in the book budget was more than just a reduction in fewer books but also a reduction due to inflation. Doreen Turpen agreed.

Roger Gano questioned the number of titles to be added to the collection for next year. Doreen Turpen explained that the number represents hard and paperback books and gifts. Donna McCain asked if we were setting a precedent with part-time staff by providing them some benefits. Doreen Turpen explained that other government agencies do provide benefits to part-time employees. Further, the library is totally reliant on part-time employees and that the City needs to acknowledge their contribution and longevity. Donna McCain asked why the City keeps using part-time employees and not full-time employees. Doreen Turpen responded that this was a historical precedent and that the City has been restricted by the amount of dollars available for staffing the library.

MOTION: Nulsen/Gano moved to adopt the library budget as submitted. Vote on the motion: Passed unanimously.

MOTION: Nulsen/Gano moved to adjourn at 9:00 p.m.