

TUESDAY, 7:00 p.m.

APRIL 27, 1993

BUDGET COMMITTEE
MINUTES

WASTEWATER TREATMENT PLANT

NEWBERG, OREGON

The meeting was called to order by Chair Gary Hay at 7:05 p.m.

ROLL CALL:

Present:

Corrine Adams	Ellen Bailey (7:20 p.m.)
Roger Currier	Tracy Pinder
Gary Hay (Chair)	Barbara Secor
Donna McCain	David James
Martin McIntosh	Brain Love
Scott Reinhardt	Melinda Newland (7:50 p.m.)
Dale Welcome	

Others Present:

Duane Cole, City Manager	Katherine Tri, Finance Director
Donna Proctor, Mayor	Diane Padilla, Asst. Fin. Director
Michael Sherman, Fire Chief	Andy Pool
Dennis Egner, City Planner	Bert Pennock
Leah Griffith, Librarian	Elvern Hall
Michael Hailey, Building Official	Don Halbbrook
Bert Teitzel, Public Works Director	Roger Secor
Linda Lowe	

ELECTIONS OF OFFICERS:

MOTION: Martin McIntosh moved to appoint Gary Hay as chair of Budget Committee. Scott Reinhardt nominated Roger Currier. Gary Hay abstained. **VOTE ON THE MOTION:** Gary Hay-9. Roger Currier-1. Gary Hay was elected chair of the committee.

Marty McIntosh moved Scott Reinhardt to be Vice-Chair. Donna McCain moved to close the nominations. Scott Reinhardt was elected Vice-Chair.

Marty McIntosh moved to elect Roger Currier as Secretary. Scott Reinhardt moved Donna McCain as Secretary. Donna McCain 6/11. Roger Currier 5/11. Donna McCain was elected Secretary.

MINUTES: The minutes of the November 12, 1992, and December 10, 1992 meetings were reviewed. It was noted that the names of Dale Welcome and Tracy Pinter were incorrect in the minutes. **MOTION:** Donna McCain/Scott Reinhardt moved to accept the minutes as corrected. **VOTE ON THE MOTION:** Passed by those present.

BUDGET MESSAGE.

Duane Cole presented the Budget Message for the 1993-94 fiscal year. He indicated that the budget provides guidance and direction to approximately 90+ employees. The budget equals about \$40 million. He emphasized that this budget is the City government's budget, is the Budget Committee's budget, and is the citizens' budget. This committee has been brought together to decide what services will be provided to the citizens. The budget represents what your city is all about.

Mr. Cole said the City's motto is "Working Together for a Better Community" and "Serious about Service." He said department heads generated this service statement last December, and the staff has been using it ever since. He reviewed the mission statement and philosophy statement of the City. He indicated that the City follows a total quality management philosophy of continuous improvement, quality planning, quality results, employee empowerment, reduced cycle time, information management, and leadership. He indicated that the Budget Committee provides leadership and guidance. Leadership is also teamwork. There are eight elements to a team: 1) Who is a City team--it is the employees and the citizens;

2) There is a coach, who is the City Manager, Budget Committee chair, and/or Mayor; 3) There are written rules for the budget which is state law; 4) Everyone should know the score and penalties; 5) There is a need for a score board which includes finishing the budget review by a certain deadline; 6) There is a need for sidelines to rest. 7) We need substitutions; 8) We need a clear opponent.

He then reviewed some observations about the community that were brought out in the recent community survey. The city is a community of neighborhoods. There is an excellent quality of life and it is getting better. The citizens receive good to high services as indicated by the survey and the City Council is doing a good job meeting the needs of community and providing adequate opportunity for public input. Some of the high community issues at this point are transportation, growth, taxes and finances, and police and crime.

Next Mr. Cole outlined some of the budget changes. He indicated that there were a number of questions to be asked about the budget. These include: what is our business, what should our business be, what does it cost, are costs unreasonable or reasonable, what is confusing about the budget, and what should we fund that we are not funding now. He indicated that the next tax base election possibility is in 1994. He stated that the Budget Committee may wish to identify areas that the City could develop into a tax base proposal. He indicated with the increased growth of the community, that citizens may be willing to pay more for more services. Finally, he indicated that his budget message went through the various changes that were being proposed and they would be review individually in the different department reviews.

PUBLIC HEARING ON STATE REVENUE SHARING: Gary Hay opened the public hearing. Kathy Tri reviewed the requirements of Oregon State Revenue sharing. She indicated that the source of revenue is the Oregon liquor tax and that cities receive a proportional share based on a formula. The 1993-94 Budget includes \$30,000 for State revenue sharing which is a reduction from the anticipated \$60,000 for the 1992-93 fiscal year. The funds were reduced in anticipation of legislative action. Scott Reinhardt indicated that there are at least two bills before the State Legislature taking state revenue sharing funds away from the cities and giving it to other state programs. Gary Hay asked if anyone was interested in speaking on the topic. No one stepped forth. MOTION: Reinhardt/McIntosh moved to close the public hearing. VOTE ON THE MOTION: Passed by those present.

REVIEW OF BUDGET NOTEBOOKS AND BUDGET PROCESS: Gary Hay indicated that he liked the Budget notebook presentation. Kathy Tri reviewed the organization of the notebooks.

REVIEW OF DEPARTMENTAL BUDGETS.

PLANNING:

Duane Cole reviewed the changes that he included in the budget. The budget included the reorganization of the Planning, Building Inspection, and Public Works departments into the Community Development Department and moving Economic Development to the City Manager's office. Donna McCain asked about the department-generated dollars. Duane Cole indicated this was grants and fees. Denny Egner added that the LCDC budget is being stripped and it is unlikely that the City will receive any future grants. Donna McCain asked that this line be footnoted. Gary Hay asked about the shift in economic development. He indicated that the proposal of the City Manager should improve efficiency in planning, building, public works, engineering, and economic development. Duane Cole indicated that there was an organization chart on page four of the Budget notebook that showed how the new departments will fit together. He indicated that there's been a need to focus on planning, building and engineering activities with one person in charge. Newberg is a rapidly growing community, and by focusing control over these activities in one person, the City can become more efficient and effective. One of the difficulties in the current organizational structure is the lack of facilities where the staff can be together.

Tracy Pinter asked what Denny Egner's salary was. Gary Hay indicated that the Planning Directors position has been deleted and the department includes a Community Development Director and Senior Planner. Duane Cole indicated that he is beginning to recruit for a Community Development Director. One-fourth of the Community Development Director salary is budgeted in planning. The balance is in the street, water, and sewer funds. Andy Pool asked how salaries were determined. Duane Cole indicated that the City has a classification system that has been developed over the years. He also surveys other cities and some private corporations to determine comparability and cost of living adjustments. Mr. Pool asked if ability to pay was included in the comparability studies. Duane Cole indicated that he looks at the Metro cities of Lake Oswego, Forest Grove, Woodburn, West Linn, St. Helens, Tualatin, Tigard, and McMinnville, and other cities around the state between the ten- to twenty-thousand population. One of the problems is that not all positions are comparable in the private sector, such as police officers, water treatment plant operators. It is difficult for the City to recruit engineers. He indicated that the City is generally competitive, some positions were a little high, some positions were not high enough. The city does get sufficient applications for most positions the city advertises for. MOTION: Reinhardt/Bailey moved to approve the Planning Departments budget. VOTE ON THE MOTION: Passed by those present.

BUILDING INSPECTION:

Duane Cole indicated that the Building Inspection Department is supported by resources and actually returns funds to the General Fund. In the 1993-94 Budget, 8% of building revenues will go for administration. The rest is included in the budget for Mike Hailey to manage and react to community development needs. The professional services line item pays for plumbing inspection and/or other building inspection needs that may arise during the year. It is the staff's intent to come back to the Finance Committee, City Council, and/or Budget Committee to make an adjustment in this budget depending on development needs.

Scott Reinhardt said that he recently met with the State Building Officials and that the Washington County Officials were very impressed with the way the City staff responded to the earthquake.

The committee then discussed the addition of an code enforcement officer. Review the current procedures and discussed whether the city should hire a code enforcement officer. Donna McCain indicated that there were several areas where someone has needed to enforce code enforcement problems without waiting for complaints. Duane Cole indicated that the City was reviewing the Plumbing Inspector's contract and could look at either a part-time or contract employee to do code enforcement. Mike Hailey indicated that the complaints pull the staff away from services they're providing to developers and that it takes longer to provide the service. The committee also discussed a permitting system and its relationship to the GIS system. The committee discussed the pros and cons of adding a part-time employee or contract employee to handle both plumbing and code enforcement.

Don Halbrook stated that he was proud of the Building, Planning, and Public Works departments. He has found them very easy to work with, especially when compared to other communities. He has also heard a number of positive comments from other homebuilders. He felt that the code enforcement should not be given to the Building Department. He likes the City Manager's suggestion to evaluate the problem and have someone in each department responsible for their area of enforcement. He added that plumbing inspections are a hassle, especially in the winter when it is dark early and someone has to wait for the plumbing inspector to come by. Finally, he added that he thought Linda Lowe, the permit clerk, should be made full-time. The staff takes care of everything at the counter and would save other staff members time if she were more available.

MOTION: McIntosh/McCain moved to approve the Building Inspection Department's budget as presented, with later consideration for plumbing inspector, code enforcement officer, and permit clerk.

MOTION: Roger Carrier/Scott Reinhardt moved to amend the motion to include with correction in the building official's salary. VOTE ON THE MOTION: Passed by those present.

ADJOURNMENT: McIntosh/Reinhardt moved to adjourn. Adjournment was at 9:24 p.m.

Barbara Scott