

BUDGET COMMITTEE MINUTES

WASTEWATER TREATMENT PLANT

NEWBERG, OREGON

Members Present:

Charles Cox	Bob Ficker
Fred Howe	Robert Larson
Donna McCain	Bert Pennock
Donna Proctor	William Rosacker
Robert Soppe	Damon Sump
Robert Weaver	

Others Present:

Duane Cole, City Manager	Terry Mahr, City Attorney
Kathy Tri, Finance Director	Robert Tardiff, Police Chief
Michael Sherman, Fire Chief	Leah Griffith, Librarian
Debbie Smith-Wagar, Asst. Fin. Dir.	

The meeting was called to order by Mayor Donna Proctor at 7:00 p.m.

Election of Officers: Donna McCain nominated Chuck Cox to chair the committee. Damon Sump seconded the nomination. The nominations were closed and Chuck Cox was elected chair. Chuck Cox then nominated Bob Ficker to be vice-chair/secretary. Bert Pennock seconded the nomination. The nominations were closed and Bob Ficker was elected vice-chair/secretary. Donna McCain questioned whether the secretary should be a separate position. Finance Director Kathy Tri said Oregon Budget Law only requires a chair and a secretary, and that the secretary would preside in the absence of the chair. Therefore only two officers were necessary.

Minutes: Bert Pennock moved to approve the minutes of the May 1, 1997 meeting. Bob Ficker seconded the motion. Motion passed unanimously.

Budget Message: Budget Officer Duane Cole presented the budget message (Note: see attached copies of presentation). He went over the council goals and how they are addressed in this budget. He said this is primarily a budget of restoration; for the time being the City has some stability under the rate-based tax system implemented by Ballot Measure 50.

Duane also outlined a plan to move the Finance and Court departments to the new public safety building in order to provide handicapped access to these high-traffic departments. This will allow Court to once again come under the Finance department, and allow the City Attorney to concentrate on providing legal advice to the City rather than being concerned with overseeing personnel. As part of this reorganization the Legal department would move into City Hall. The building currently housing Legal and Court could be

closed, saving approximately \$7,000 a year. An architect is scheduled to look at City Hall and make a recommendation on what should be done with the building. Duane Cole said that will allow the City Council to put a bond measure on the November ballot for City Hall restoration. He said if the bond measure passes, whoever is in City Hall would probably move to the current Legal building until the restoration was complete.

Robert Weaver asked why the plans changed for how the space in the public safety building would be used. Duane Cole said the Fire department administration was originally going to move into the building, but since the fire bonds passed that won't be necessary. So he started looking at the services provided at City Hall and the barriers that exist within the building and decided that it would be best to move Finance. Moving Court to the new building made sense because municipal court proceedings will now be held at that location.

Bert Pennock asked about a utility rate increase for the treatment of storm water. Duane Cole said the rate had not been calculated yet, but the City will likely be forced to treat storm water runoff if it doesn't do so voluntarily. The State of Oregon is focusing a lot of attention on the Willamette River, especially in the Newberg area.

Citizen Input: Tricia Crawford from Yamhill County Mediators addressed the committee. She was accompanied by Marge Weesner. She said her organization provides mediation services in three areas:

- 1) Neighborhood issues; consumer complaints; landlord-tenant disputes
- 2) Victim/Offender services, which usually involve a first-time juvenile offender and his/her victim
- 3) Parent/Adolescent services, which are family services.

Tricia Crawford said she wanted the committee to help make the services more widely known, and she wanted to request funding from the City. She said Newberg was a large source of clients, with many of the referrals coming from the police department.

Robert Soppe asked how long the agency had been around and what was its major source of funding. Tricia Crawford said the agency was formed in 1989 and that most of its money came from the Yamhill County juvenile court and the Oregon Dispute Resolution Commission.

Bob Larson asked if there was a budget available. Tricia Crawford said yes, but she didn't have it with her. She said last year's budget was about \$28,000.

Bob Weaver said he didn't believe the City should be funding social services. He believes that is being done by the federal, state and county governments. However he said he would be interested in learning more about the agency.

State Revenue Sharing Public Hearing: The public hearing on state revenue sharing was opened. Finance Director Kathy Tri said she has estimated \$105,000 in state revenue sharing for the 1998-99 fiscal year. No one spoke at the public hearing and it was closed.

Before getting into department budgets several committee members had other questions. Robert Soppe asked why estimated uncollectible property taxes were so much lower this year than last. Kathy Tri said last year the recommendation was to levy the full amount of property taxes and then list as uncollectible the difference between the levy and what was expected to be received under Measure 47. This year the City has a much better estimate of what it will be receiving under Measure 50.

Fred Howe asked why there was \$14,000 budgeted for Senior Services when the budget committee had said that the 1997-98 fiscal year was the last time the Chehalem Valley Senior Services would receive money from the City. Duane Cole said the money was requested, and the budget officer chose to include the same amount as was provided last year.

Bob Ficker asked if the City was providing garage services and insurance as had been discussed last year. Duane Cole said the City is providing garage services, although the City does bill the agency. However the City charges a lower rate than the agency would pay to a commercial mechanic. He said the City looked at including the transportation program under its insurance, but the program has had some losses, and the City's insurance company did not think it would be a good idea.

Bob Weaver read a letter he received from a senior citizen who wanted the City's contribution restored to \$19,000. He wants to know if there is a more appropriate place for the money to come from.

Fred Howe said the senior transportation system will not fold without the City's contribution, and since transportation is a regional issue, he would like to see a regional solution.

Robert Soppe expressed concern that senior transportation might have an advantage because the City had funded it by tradition, and perhaps the City should look at other social service agencies to see if others should be funded instead.

Kathy Tri said she would contact Barbara Brown with the Chehalem Valle Senior Citizen Council and see if she would attend the next budget committee meeting.

Department Budgets - General Government: Duane Cole presented the General Government (Council) budget. Changes included restoring the dues and meetings and training budgets. The budget also includes \$10,000 for elections, which, in the case of annexations, would be reimbursed by the annexation applicant. The General Projects line includes \$14,700 for the Chamber of Commerce Visitor's Center, \$3,750 for the Old Fashioned Festival fireworks, and \$1,550 for other items such as the hanging baskets the City has purchased in the past.

Bert Pennock said he thought the Chamber was going to take care of itself after last year. Donna Proctor said she specifically remembered a meeting in which Warren Hunt, last year's Chamber president, assured her that the Chamber would not ask for money from the City. Robert Soppe asked if the Chamber requested the money this year. Duane Cole said there was a request, but not in writing.

Donna McCain said people do get information about the City from the Chamber, and she said the City does get the motel tax.

Fred Howe asked how much motel tax the City is getting. Kathy Tri said she was estimating that it will have doubled by next year since the two new motels have been added. Fred Howe said he sees the money spent on the Visitor's Center as an investment opportunity for the City, and that the Chamber does a lot of City PR.

Robert Soppe said this and the senior transportation issue come up every year with the committee split on the issues. He would like to see these two issues put before the voters at an election.

Bert Pennock moved that the Chamber funding be tabled until Thursday. Robert Soppe seconded the motion. It passed unanimously.

City Manager Department: Duane Cole presented the City Manager's department budget. It includes one-half of the new Economic Development Coordinator. The professional services line item includes money for a compensation survey to be conducted next fall/winter and money should it become necessary to hire outside assistance for the upcoming union negotiations. The cost of testing newly hired employees for drugs has been moved to the Human Resources section of the budget, though other drug testing, such as for the Oregon Commercial Drivers Licenses will still be funded in other departments. The wellness program has been restored to the Human Resources budget.

Finance Department: The big increase in the Finance department budget is due to two software upgrades/changes necessary due to the Year 2000 issue. The Springbrook financial software and the Itron meter-reading software and hardware will not work beginning in the year 2000. In Central Services the Finance department gained .25 FTE, but it isn't a new employee. The Police department's Susan Galecki is providing computer support to other areas of the City, and so one-fourth of her salary and benefits have been moved to Central Services. Postage is a new item added to Central Services to reduce the burden of tracking mail that is stamped by the central postage machine. Phones are also increasing.

Chuck Cox asked if any cell phone abuse has been found in the City. Staff reported there has been none detected.

Legal Department: City Attorney Terry Mahr reported that although this is being referred to as a "restoration" budget, he did not restore the paralegal or workstudy that was cut from his budget for the 1997-98 fiscal year. He said the increase in his line item for professional services was \$20,000 for codification of the City's ordinances.

In Municipal Court, the budget was increased to allow the part-time assistant court clerk to work more hours due to increased workload. Terry Mahr said the change in judges went smoothly, and he believes the City did well to only incur an additional \$2,000 for the new judges. However he also said the new judges are more willing to appoint court-appointed attorneys, which will increase the City's cost in that area. He also said he expects increased work due to an additional traffic officer being hired.

Fred Howe asked about the violations bureau. Terry Mahr said that is going on now.

Robert Soppe asked about the line item for "Court Improvements". Terry Mahr said a \$2 surcharge is imposed on each ticket. The money is used for training and education.

Library Department: Librarian Leah Griffith presented the library's budget. She said the library does more than check out books, and she presented a chart showing the great increase in library users. Leah Griffith also handed out a list of unusual questions that the reference desk has answered. And although hours were cut back last year, Leah Griffith said just as many people are coming to the library, but they are condensing the use into the hours available. She said that is putting a strain on staff and available parking. Under the proposed budget, the library would be open at 10:00 a.m. Tuesday through Sunday and close at 5:00 p.m. except on Tuesday and Thursday, when it would close at 8:30 p.m.

Leah Griffith was asked about the supplemental budget. She said that restored an hour each Saturday. She was also asked about the library's Internet services. She said they are self-supporting.

Leah Griffith said the proposed budget includes two grants. One, for \$60,000, is called the Learning Web Center, and would provide money for computers and a half-time person to train people to use Internet services. The second grant is a Community Development Block Grant (CDBG) for \$63,000 that would provide Americans with Disabilities Act (ADA) improvements to the library.

Chuck Cox asked what it would cost to add more hours to the library schedule. Leah Griffith said, as an example, adding 3½ hours to Wednesday evening would cost approximately \$28,000.

William Rosacker asked about miscellaneous benefits, specifically longevity and sick leave incentive. Kathy Tri explained those are City-wide programs. Longevity provides additional money to employees who have worked at the City for a certain number of years. The money goes into the employees deferred compensation plan. Sick leave incentive is a plan for encouraging employees not to use sick leave. Once a year employees who have worked for the City for a certain number of years are paid for a portion of their unused sick leave.

Donna Proctor asked if there was a local match for the grants. Leah Griffith said the local match for the CDBG is about \$6,000. The local match for the Learning Web Center is just Leah's time and the overhead costs like electricity for the computers.

Donna McCain asked about the Senior Outreach Grant the library used to receive. Leah Griffith said the City no longer gets that grant, although some of the items provided by the grant are still funded in the library budget.

Adjournment: The committee adjourned at 9:15 p.m.

A handwritten signature in cursive script, appearing to read "Bob Palmer", is written above a solid horizontal line.

Secretary