

BUDGET COMMITTEE MINUTES

WASTEWATER TREATMENT PLANT

NEWBERG, OREGON

Members Present:

Charles Cox	Roger Currier
Bob Ficker	Lisa Helikson
Donna McCain	Bert Pennock
Donna Proctor	William Rosacker (arrived at 7:50 p.m.)
Robert Soppe	Damon Sump
Robert Weaver (left at 9:20 p.m.)	

Others Present:

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

The meeting was called to order by Committee Chair Chuck Cox at 7:00 p.m.

Minutes: Assistant Finance Director Debbie Smith-Wagar pointed out that the April 28, 1998 minutes said "Thursday". It should be "Tuesday". Bert Pennock moved to approve the minutes of the April 28, 1998 meeting as corrected. Bob Ficker seconded the motion. Motion passed unanimously.

Visitor's Center: Finance Director Kathy Tri reviewed a memo she developed with some options for the Visitor's Center funding. The options included no longer funding the Visitor's Center; staffing a City-operated Visitor's Center; continue funding the Chamber Visitor's Center; and/or reducing the motel collection rate from 15% to 5% (which would raise \$6,000 to \$8,000).

Bob Weaver said he thought a Visitor's Center was important, but if it has the word "Area" in the title, then Dundee and St. Paul should fund it as well.

Bob Ficker suggested changing the name to eliminate "Area" and provide the \$14,700.

Robert Soppe said the motel owners think funding the Visitor's Center is a good idea, so the funding should be tied to the motel tax.

Bob Weaver made a motion to ask the Chamber executive director to contact Dundee and St. Paul about contributing, and if those towns say yes then the City of Newberg will fund its share. The motion died for lack of a second.

Bob Ficker moved that the collection rate that the motels get to keep be reduced from 15% to 5%, and that

the City give the Visitor's Center \$14,700. Damon Sump seconded the motion. Bob Weaver moved to amend the motion by adding that the Visitor's Center would be get a five-year contract. Donna McCain seconded the amendment. The motion passed 4 to 3 with 2 abstentions.

Discussion on main motion: Roger Currier said he could not support the motion without talking to the motel owners.

The motion passed 6 to 2 with 1 abstention.

Police Department: Police Chief Bob Tardiff presented the Police department budget. He said there are not a lot of significant changes in the budget. Communications has been separated from the Police budget, and has been made a separate department. The budget does include another traffic officer, which will be partially funded by a COPS grant. The budget also includes moving 1/4 of a support person to Central Services since she is providing computer support to the whole City.

Chief Tardiff presented a graph showing the number of police officers per thousand population in the City over the past few years. Newberg is currently at about 1.4 officers per thousand. Then he showed a graph that showed the national average is 1.9, the western region average is 1.7, and Oregon's average is 1.6 officers per thousand.

Chief Tardiff also said traffic needs to be addressed. The number of accidents is up after declining for several years. Warnings and citations are up 17% over the prior year.

Chief Tardiff said the budget for capital is being restored after being cut last year, and the City will need to buy a new motorcycle. He said the new motorcycle will probably go to the current motorcycle officer, and the new traffic officer will get the old motorcycle to train on. Then next year the budget will probably include another motorcycle to replace the old one. This year Fund 51, the Police Levy Fund, was rolled into Fund 1, the General Fund, as provided for in Measure 50.

Damon Sump asked what happens to officers hired under the COPS grants when the grants expire. Chief Tardiff said the officers are then funded with other General Fund revenues.

Robert Soppe asked why the City is only accepting one COPS grant when it was offered three. Chief Tardiff said the City actually asked the Justice Department for one additional grant for each of the next three years, but instead the Justice Department gave the City all three in one year. Chief Tardiff said because of the matching funds requirement, he felt the money could be spent better elsewhere. He said the Justice Department has communicated to him that it is okay to turn down two grants this year...it shouldn't be a problem to get additional grants in the future.

Communications Department: Chief Tardiff said Dispatch has not added any additional FTE in years, but he is now proposing to add one full-time dispatcher, paid for by the 9-1-1 Fund. He said the additional FTE added to the 9-1-1 Fund in the last budget and this one will draw down reserves in that fund, but he said that the money can only be used for dispatchers, not for things like the CAD system. He is requesting \$75,000 from the General Fund to pay the other half of the CAD system (one-half was funded in the 97-98 fiscal year).

Chief Tardiff said Woodburn has asked Newberg to consider taking over the Northern Marion 9-1-1 Center.

He said the City will be reviewing the request.

Donna McCain asked about creating a regional 9-1-1 Center. Chief Tardiff said that was being considered. He said he doesn't want any of this to have an adverse impact on the services currently being provided to Newberg citizens.

Bob Weaver moved to approve the Police and Communications budgets as presented. Bert Pennock seconded the motion. The motion passed 8 to 0 with 1 abstention.

Fire Department: Fire Chief Michael Sherman presented the Fire department budget. He said the new fire substation is expected to open in April or May 1999, so a little money was plugged into the budget to operate the substation for about 2 months. He said he is moving one-half of the Fire secretary's salary back into the General Fund, and a .6 FTE secretary is being added to the EMS fund. This position will provide clerical support at the new station. He said this proposed budget also restores the capital budget that was cut last year.

Chief Sherman said the line item for Capital Outlay under Administration for the Fire department in the General Fund should show \$5,000. He said it is for miscellaneous equipment that may be required when the new substation opens.

(William Rosacker arrived at 7:50 p.m.)

Bob Weaver asked about a proposal from Dundee that Newberg administer its Fire department. Chief Sherman said the cost of that proposal is not reflected in this budget. He said the City hasn't decided if it wants to accept the proposal. He said even if the City does accept the proposal he doesn't want to hire people, find out the arrangement isn't going to work, and then lay people off.

Roger Currier had questions about some of the prior-year figures. Chief Sherman said that under Measure 50, the Fire Serial Levy Fund is rolled into the General Fund. That means some of the line item numbers are not comparable from year to year.

Robert Soppe asked about the "Miscellaneous" line item in Fund 33. Kathy Tri explained that the fund might have to borrow money to buy all of the necessary fire equipment. The fire fee on the utility bills would be used to pay back the loan.

Bob Weaver moved to approve the Fire department budget with the \$5,000 in Administration capital outlay. William Rosacker seconded the motion. The motion was approved 8 to 0 with 2 abstentions.

Community Development Department: Mike Soderquist presented the Community Development budget. He presented an organizational chart, but said it would be changing if the Permit Center is approved. Under the new plan, all permit-related functions would be consolidated into a Permit Center under City Planner Barton Brierley.

Mike Soderquist said the budget is similar in size to last year. Some shifting is taking place to get ready for the Permit Center. Kathy Tri said one increase in the budget is due to a plan to charge the utilities rent for space in City Hall if the building is remodeled. That increased the budget by \$120,000.

Mike Soderquist said permits fees are expected to increase, which would bring in about \$140,000 more than is currently budgeted.

Roger Currier asked about the lease on the Community Development building. Mike Soderquist said it is up for renewal this fall. He said he had discussed renewing the contract for less than the five years provided for in the current contract, but the only way the landlord had been willing to do that is if the City increases the rent it pays up to the current market value. The City currently pays about 51 cents a square foot, while the current market rate is about \$1.00 to \$1.10 a square foot.

William Rosacker pointed out that the cost should be less to the City because the landlord is getting a property tax break for leasing it to the City.

City Manager Duane Cole said he was thinking about moving some of utility engineers to the conference room at the Wastewater Treatment Plant.

Robert Soppe said he had a question about the permit software. Mike Soderquist said the budget contains \$40,000 for the software, but he has been told it will cost more than that. Robert Soppe said he was concerned about spending that much for software, and he thought the City has a staff member that could develop a program that would do what the City needed. Robert Soppe said he didn't want to hold up the budget over the one issue, but he did hope that someone would take a look at the software before it was purchased. Staff said the purchase would have to go out to bid and it would come back before the council before it was purchased.

William Rosacker said he was concerned that the permit revenue forecast was too high. He said he was concerned that there wasn't enough property available for developing, and that the process gets bogged down. Mike Soderquist said he thought there was enough land available and that the Permit Center should help move the process along.

Bert Pennock made a motion to accept the Community Development department budget as presented. Bob Weaver seconded the motion. The motion passed 8 to 0 with 2 abstentions.

Bob Weaver made a motion to add \$28,000 to the Library budget so it could be open more hours. Donna McCain seconded the motion. Duane Cole reviewed the total General Fund budget, showing cash carryover at June 30, 1998, adding in revenues and deducting expenditures, and showed what the ending cash carryover would be. He said the issue is where to find the money. Does the committee want to cut some other line, or reduce cash carryover?

Bob Weaver said he wanted to get the Library up where it should be. He called for the question. The motion passed 4 to 3 with 3 abstentions.

William Rosacker moved that the paralegal/assistant recorder be added to the Legal department's budget. Chuck Cox seconded the motion. The motion failed with a vote of 4 to 4 with 2 abstentions. Bob Ficker said he would change his vote to a "yes". Chuck Cox asked if the motion could be reinstated. City Attorney Terry Mahr said the motion could be reinstated, but if it was challenged then a vote must be taken on the challenge. Chuck Cox reinstated the motion, and Roger Currier challenged it. The challenge failed with a vote of 5 to 4 with 1 abstention.

The motion was reinstated. The motion passed with a vote of 5 to 4 with 1 abstention.

(Bob Weaver left at 9:20 p.m.)

Bob Ficker made a motion to approve the tax levy rate of \$4.3873 per \$1,000 assessed value and a Debt Service Levy of \$522,555. Damon Sump seconded the motion. The motion passed with a vote of 7 to 0 with 2 abstentions (Note: Staff has determined that under state budget law, 8 votes were needed to pass the tax levy).

Bob Ficker made a motion to accept all of the budget as amended, which included the additional Library and Legal funding, except the Finance department budget (Note: Robert Soppe has a conflict of interest because he is paid for computer support services out of the Finance department budget). The motion passed with a vote of 8 to 1.

Bob Ficker made a motion to accept the Finance department budget as presented. Donna McCain seconded the motion. The motion passed with a vote of 7 to 1 with 1 abstention, however Kathy Tri said state budget law required a majority of the budget committee (not just those present) have to approve the budget. That means it requires at least 8 "yes" votes. She said another budget meeting will be required in order to get the necessary votes.

Adjournment: The committee adjourned at 9:30 p.m.



Secretary