TUESDAY, 7:00 P.M. MAY 2, 2000

BUDGET COMMITTEE MINUTES

PUBLIC SAFETY BUILDING NEWBERG, OREGON

Members Present:

Tomina Carter	Roger Currier	Ron Fulham
Lisa Helikson	Don Holland	Nancy Jiosa
Robert Larson	Donna McCain	Robert Soppe
Robert Weaver		

Members Absent:

Bret Veatch	Noele Wilson

Others Present:

Duane Cole, City Manager	Robert Tardiff, Police Chief
Kathy Tri, Finance Director	Michael Sherman, Fire Chief
Barton Brierley, City Planner	Leah Griffith, Librarian
Debbie Smith-Wagar, Asst. Fin. Dir.	Bob Nipper, Administrative Intern

1. Call to Order

The meeting was called to order by Chair Robert Soppe at 7:00 p.m.

2. Roll Call

Roll call was noted by Kathy Tri.

3. Continued Business

Finance Director Kathy Tri went over information requested at the last meeting that was included in the agenda packet. There was a memo on Nap's expenses showing the breakdown of which departments had spent money there so far this fiscal year. The memo also detailed three months chosen at random showing what was purchased. The Committee discussed the amount of time employees spent going to Naps, and whether money could be saved by planning ahead and ordering the items elsewhere. Donna McCain said Naps was a community-minded business that the City should be supporting. Roger Currier said that since he had brought the issue up the number of trips to Naps has decreased. Kathy Tri also described the process for employees to purchase items at businesses in Newberg where the City issues monthly purchase orders.

Robert Soppe requested that the rest of the agenda packet be reviewed between now and the next meeting and questions could be addressed then. The rest of the packet included a memo from City Manager Duane Cole regarding educational reimbursement, a list of City investments, Department Head phone numbers and e-mails, and activity on the Special Public Works Fund loan from the state. City Planner Barton Brierley also presented a handout regarding a pavement roller that Roger Currier had asked about at the last meeting. The roller was purchased last fiscal year (98-99). The handout contained the purchase order and budget page showing authorization for the expenditure. Kathy Tri also reported that the City was only leasing two vehicles at this time - a car for the Police Chief and one for the Community Development Director. Police Chief Bob Tardiff reported that the program through which the City used to lease police vehicles is no longer available, so the City is buying four cars through a lease/purchase program. The cars will replace the four detectives' cars that the City has been leasing. The City will own the cars at the end of the lease/purchase agreement.

4. New Business

Budget Presentation Ron Fulham asked about the page in the budget detailing the Ending Fund Balance. He asked why the Cable TV Trust Fund is budgeted to end with a zero fund balance. Duane Cole said negotiations with AT&T are not finished. At this time it appears likely that AT&T will provide the City with a lump sum which will be used to connect the I-net, and most likely will not provide money to be used for cable access operations. Duane Cole said that will be a Council decision. The money already in the fund has been used for cable negotiations and the cost of taping City Council meetings, including the cost of tapes. Staff will provide detail of the fund at the next meeting.

Ron Fulham also asked about other funds ending with zero balances. Kathy Tri said all of the capital project funds end with zero balances. Some of the funds are finished or expected to be finished, like the ones for the police building, the new fire station, and City Hall. Others, like the Capital Projects Fund, only have money transferred in when it is spent, so it should always balance out to near zero. One exception is this current year because the money from the composter settlement is in that fund. The Vehicles and Equipment Replacement Fund is also budgeted to end in zero because all of the available money is budgeted in case it is needed. However not all of the money will be spent.

Committee members asked if the City could borrow money internally. Kathy Tri said yes, but there are restrictions. Money for operations is limited to one year and money for capital purchases is limited to five years.

Police Department/Communications Budget Police Chief Bob Tardiff presented a short history of department staffing over the past five years. He reported that in the early '90s crime rates were increasing significantly, so the City decided to add police officers using federal funds. Currently, when comparing police officers per thousand population, Newberg is about eight officers below the national average. In 1995 Newberg created a youth crimes detective position because the department had been arresting more youths than adults for Part I crimes. In the years since the federal funds became available Chief Tardiff said the City has added a property crimes detective and joined YCINT (Yamhill County Interagency Narcotics Team). Newberg police have found a mobile drug lab in a car and another drug lab in a garage one block from Edwards Elementary School. The annual charge to belong to YCINT is $15,000. Chief Tardiff said forfeiture funds received from YCINT are expected to cover this cost. Federal funds have also allowed Newberg to add a traffic officer and a truancy officer. Bob Tardiff said weapons crimes started dropping in 1995, and disorderly conduct is down as well. He said the school district is showing similar statistics.

Bob Tardiff said the new budget assumes the police levy passes. One position will now handle code enforcement and support services. This one person will now manage evidence and provide significantly reduced code enforcement. The budget for next year eliminates the workstudy student position, and the department is hoping for more volunteers to pick up the slack. Peer court funding is reduced from the current-year level of $15,000 to $10,000. Revenues from peer court are $10,000, so the City is just returning what it generates. Vehicle replacement costs are being moved from the Forfeiture Fund to the General Fund because cash is running out in the Forfeiture Fund.

Bob Tardiff said for the Communications budget that three dispatchers remain in the 9-1-1 Fund for next year, but there is only enough revenue coming in to fund two positions, so the additional person is using up cash in that fund. The 800 MHz radios have been paid off, so that loan payment is now being set aside for future upgrades and/or replacement of radios.

Ron Fulham asked what would happen if the levy doesn't pass due to low voter turnout. Bob Tardiff said the budget process will start over for his department. He will be meeting with Duane Cole and Kathy Tri this week to discuss alternatives. Duane Cole would have to bring changes back to the Budget Committee.

Tomina Carter asked why ammunition went up from prior years. Bob Tardiff said the department usually doesn't spend all of its budget. He said ammunition will cost more because the department can't use lead bullets for practice anymore because the practice range is inside and lead bullets leave a dust behind. Tomina Carter said she was concerned about cutting $5,000 out of peer court when some of the line items appear to be a little higher than what has actually been spent in prior years.

Duane Cole added that while the budget presented shows only about a one percent increase, it does not include personnel costs which will be rolled into the budget once negotiations with the police union are complete.

<u>Fire Department/Emergency Medical Services Budget</u> Fire Chief Michael Sherman presented the Fire and EMS budgets. He said the budget anticipates passage of the fire levy, but all of the levy is in a separate fund that will just go away if the levy doesn't pass. He went through the line item budget for the Fire Department. The only increase in administration was due to an increase in Central Services. In suppression there was a decrease due to the purchase of turnouts this current fiscal year. The one-time increase doubled the number of turnouts so that all firefighters could respond from either fire station. Volunteer training was reduced in the General Fund but was moved to the EMS Fund.

Ron Fulham asked what billing services was in the EMS budget. Michael Sherman said the City pays Springfield to do ambulance billing. Springfield bills for several agencies and so has enough volume to hire several experts. Chief Sherman said because of Springfield's expertise Newberg benefits from a higher collection rate than most other ambulance services.

Tomina Carter asked why vehicle maintenance is increasing so much. Michael Sherman said the Fire Department now has more vehicles, and the ambulances are getting older.

Michael Sherman presented the EMS Fund budget. He said the increase in rates last year has increased cash in the fund, but in this next budget expenditures are higher than revenues. This is also the first year that the EMS Fund will pay the General Fund for some dispatching services. The amount budgeted is about $3,000. Michael Sherman also said this fund will be affected if the initiative to roll back fees passes in November. It would mean refunds totaling about $30,000.

5. Adjournment

The committee adjourned at 9:15 p.m.

Donna M. McCain

Secretary