

CITY OF NEWBERG BUDGET COMMITTEE MINUTES

May 25, 2010

7:00 P.M.

PUBLIC SAFETY BUILDING

401 E. Third Street, Newberg

Members

Present:

Councilors:

Bob Andrews, Mayor
Bart Rierson
Denise Bacon
Stephen McKinney
Marc Shelton

Citizens:

Darlyn Adams
Jack Reardon
Deanna Moore
Janet Irish
Ernie Amundson
Thomas Barnes
Lon Wall, Chair

Members

Absent:

Wade Witherspoon
District 6 Councilor – Vacant

Staff

Present:

Dan Danicic, City Manager
Janelle Nordyke, Finance Director
Caleb Lippard, Ass't Finance Director
Terrance Mahr, City Attorney
Howard Hamilton, Public Works Director
Leah Griffith, Library Director
Brian Casey, Police Chief
Les Hallman, Fire Chief
Dave Brooks, Information Technology Director
Barton Brierley, Planning & Building Director
Crystal Kelley, Recording Secretary

Public Present: Troop 293 was present from the Scouts to fulfill their merit badge for citizenship in the community. They needed to attend a city meeting as part of the requirements to earn the badge.

1. **Call to Order:** Chair Lon Wall called the meeting to order at 7:05 p.m.
2. **Public Comment:** There was no public comment offered.
3. **Street Fund**

Mr. Dan Danicic stated they discussed at the last meeting the desire to find a way to further provide for the transportation fund for the purpose of road repairs. They were able to find \$30,000 dollars from the budget which would allow them to begin some projects on the streets. Out of 136 lane miles they have identified 42 lane miles that need crack filling. There are also 26 lane miles that need to be re-ground and over laid with new asphalt. In addition, there are 6 lane miles that need complete reconstruction and 4 lane miles of gravel roads that need to be maintained. The City would contract out 100% of the crack repairs. Mrs. Janet Irish asked if \$30,000 dollars will cover the miles needed. Mr. Danicic stated they are hoping the \$30,000 dollars will cover about 6 lane miles of repairs. Mr. Jack Reardon asked what the \$30,000 dollar line item for transportation on the

budget is for. Mr. Danicic stated they have been using the funds for road over lays. Mr. Reardon asked what streets will be over laid by the stimulus money. Mr. Howard Hamilton stated 9th street and Villa Road. He does not have the specific details for all the roads on the list. Mrs. Janelle Nordyke will have to provide the information to the committee. Mr. Danicic stated he would like to repair some roads that are not a part of the planned repairs with the stimulus money. Major Bob Andrews asked Mr. Hamilton what the cost for over lays would be. Mr. Ernie Amundson stated it would be \$250,000 per lane mile.

Motion #1: Reardon/ Andrews moved to add the proposed change to the budget to allow \$30,000 to go to transportation for road repairs. (12 Yes / 0 No).

Councilor Stephen McKinney stated in the past a portion of the money from the business license fees and hotel taxes was used to clean up the lines of revenue on the budget. He would like to propose the City use the hotel taxes for the Visitor Center. This allows the City to use business license fees for business related activities. Some people have solicited the city to assign a percentage of the TRT's to support the Visitor Center. That stream of revenue will be unknown for a given number of years and can change from year to year. Some of the thinking has been to clean up the lines of revenue with an activity related to the assignment of the funds which would be good for the City. On a sub level they want to ensure they create a way to be accountable to each other for those funds. The funds may be more useful by creating a relationship with the Chamber to support the Visitor Center.

Motion #2: McKinney/ Barnes moved to clean up the budget by using business license fees for a business purpose and connect it directly to the TRT's and use a portion of the hotel and motel tax for the Visitor Center (2 Yes / 10 No).

Motion #3: Shelton/ Barnes moved to recommend the Budget Committee move the issue of the Hotel Tax being used for the Visitor Center to the City Council and to contract the services for the Visitor Center to the Chamber of Commerce (12 Yes / 0 No).

Mr. Danicic stated all business license fees are set aside for economic development loans. He is concerned about shifting the \$12,000 out of the economic development fund at this time. It is clear the Visitor Center funding was an important part of the funding for the Chamber. He would recommend they approach it at the City Council level since it is more than just funding for economic loans. Councilor Marc Shelton stated it gives the City Council the chance to look at the issue further. He would be in favor of pulling it out of the Budget Committee and put it as a priority for the City Council instead. Major Andrews asked when the business licensing fees were put in place. Mr. Danicic stated it was 2003. Mayor Andrews stated he thinks there needs to be some further work done with the City Council. He thinks this is a very viable discussion that will require more work.

Chair Lon Wall asked if the citizens on the Committee are okay with leaving the issue to the City Council. Mrs. Darlyn Adams stated she would like to see the issue go before City Council rather than the Budget Committee at this time. Mrs. Deanna Moore stated contracting with the Chamber to run the Visitor Center is a great idea. She is concerned with how it will affect this budget if they pull out the business tax. She would like to see it brought before the City Council. Councilor Rierson asked how much the business license fee is. Mrs. Nordyke stated it is \$50 for a full time business and \$25 for a home business.

4. Discussion and Questions: There were no questions stated.

5. Approval of Proposed Budget

Mr. Ernie Admundson asked if the tax rate is any different this year. Mrs. Nordyke stated it has remained the same for several years and will remain the same this year as well.

Motion #4: Rierson/ Barnes moved that the Budget Committee of the City of Newberg recommends to the City Council to approve the 2010-11 Budget as amended and to impose the taxes provided for in the approved budget at the rate of \$4.3827 per \$1,000 of assessed value for general operating purposes and \$450,000 for Debt service, and that these taxes are hereby imposed and categorized for the tax year 2010-11 upon the assessed value of all taxable property within the City. The amendment includes (1) \$5,500 for Your Community Mediators which will be included in Community Support under General Government (pg 116) and will be funded by a transfer from Contingency, and (2) the reallocation of \$30,000 for the crack repair for the streets. (12 Yes / 0 No)

6. Adjourn

The meeting adjourned at 7:41 p.m.

Approved by the Newberg Budget Committee on this 21st day of September 2010.

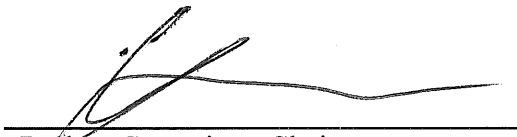
AYES: 13

NO: 0

ABSENT: 1 (Moore) ABSTAIN: 0



Recording Secretary



Budget Committee Chair