

TUESDAY, 7:00 P.M.

JANUARY 30, 2001

BUDGET COMMITTEE MINUTES

PUBLIC SAFETY BUILDING

NEWBERG, OREGON

Members Present:

Tomina Carter
Ron Fulham
Donna McCain

Roger Currier
Lisa Helikson
Robert Soppe

Sally Dallas
Bob Larson
Noelle Wilson

Members Absent:

Nancy Jiosa

Bret Veatch

Robert Weaver

Others Present:

Duane Cole, City Manager
Leah Griffith, Librarian
Mike Soderquist, Comm Dev. Dir.
Kathy Tri, Finance Director
Dawn Wilson, Legal Secretary

Chuck Cox, Mayor
Michael Sherman, Fire Chief
Robert Tardiff, Police Chief
Debbie Smith-Wagar, Asst. Fin. Dir.

1. Call to Order

The meeting was called to order by Chair Robert Soppe at 7:05 p.m.

2. Roll Call

Roll call was noted by Kathy Tri.

3. Election of Officers

Robert Soppe opened the nominations for Chair. Bob Larson nominated Robert Soppe. Lisa Helikson seconded the motion. Nominations were closed. Robert Soppe was elected unanimously.

Lisa Helikson nominated Bob Larson for Vice Chair. Sally Dallas seconded the nomination. Nominations were closed. Bob Larson was elected unanimously.

Donna McCain nominated Lisa Helikson for Secretary. Robert Soppe seconded the nomination. Nominations were closed. Lisa Helikson was elected unanimously.

4. Minutes

Lisa Helikson moved that the minutes from the May 25, 2000 meeting be approved as presented. Bob Larson seconded the motion. The motion passed unanimously.

5. New Business

City Manager Duane Cole reviewed core City services. He said some of the issues are not settled. For instance, Public Access to Cable TV falls under Administration, but it also involves the City of McMinnville, and McMinnville has not settled its franchise agreement with AT&T. The City Manager's office needs a City Recorder, but how to fund that position is unknown. In Public Safety, the Police Department lost four positions last year, including code enforcement. Also the School District is considering cutting the one-half officer for which it pays. The proposed Fire Department budget for next year includes money for a Length of Service Award Program (LOSAP), but does not include money to staff the second Fire Station full-time. In Communications there is still discussion of consolidation with Yamhill County. Duane Cole said residential growth alone will not support police and fire services. To do that, the City needs commercial and industrial growth.

In Community Development, transportation remains an important local issue, and as part of that Duane Cole said the City will need to consider a storm sewer fee as part of the solution. In addition, most cities the size of Newberg have three to five GIS engineers. Newberg has one. And, the permit center should have better software to make it more efficient.

In summary, Duane asked, where should services be? What are we missing?

Finance Director Kathy Tri said property taxes are getting harder to predict. Property taxes for the 2001-2002 tax year will be based on what was on the tax rolls at December 31, 2000. Also deregulation could affect franchise revenue, although the legislation enacting deregulation is supposed to be revenue neutral.

Kathy said salaries and benefits are 70 percent of expenditures. The City can maintain its current service level without any more cuts. She says this is possible because revenues came in \$113,000 higher than expected and departments did a good job of belt-tightening at the end of last fiscal year. She said it is hard to predict spring revenues, including franchises and building/planning fees.

Robert Soppe said he is worried that the City is spending down its cash. He asked about the impact on the City of a ballot measure that passed that will reduce state income taxes. Kathy said the state has not indicated it will cut revenue sharing. Police Chief Bob Tardiff was asked about the restrictions on the forfeiture law that passed. He said it will depend on what the county commissioners decide to do since the City was participating in the Yamhill County Interagency Narcotics Team (YCINT) and that agency is handling local forfeitures.

Staff was asked about the specific list of needs. Tomina Carter asked which of the needs could potentially increase revenues. Staff said a traffic officer would have the most impact on revenues. Tomina said the City needs to find a law student who would assist with prosecution services for free. Kathy Tri said the budget she is working on has some money to pay for prosecution help. It will also make the part-time court clerk full-time and will maintain collections.

Roger Currier suggested the City needed its own foundation to which citizens can contribute. He suggested one for Fire, one for Police, etc.

Lisa Helikson said she was concerned about the carryover amount. The City has only included \$1,000,000 for the next budget, yet it spent \$1,100,000 between July and November 2000.

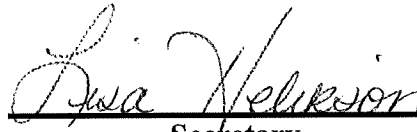
Ron Fulham asked why the projected increase in revenues is so small. Kathy Tri said the City isn't expecting much increase. Most revenues are flat, and some, such as some grants, have gone away.

Bob Larson asked about pursuing new grants. Duane Cole said David Beam is the employee who does that, and he has been getting new grants--more than a million dollars currently. But most grants don't help with operating costs. They are usually for specific projects.

Robert Soppe said he would like to see more public involvement. He would like to educate people and have some discussion on priorities. He wants to know if citizens want spending cut or revenues increased. Staff agreed to provide some feedback on options.

6. Adjournment

The committee adjourned at 9:00 p.m.


Secretary