

TUESDAY, 7:00 P.M.

Date May 9, 2006

## BUDGET COMMITTEE MINUTES

FIRE STATION 21

NEWBERG, OREGON

---

### Members Present:

Darlyn Adams  
Bart Rierson  
Robert Soppe  
Jack Reardon

Mike Boyes  
Lon Wall  
Bob Andrews

Robert Larson  
Ernie Amundson  
Sally Dallas

**Absent:** Bob Stewart, Mayor, Roger Currier and Dawn Nelson

### Others Present:

Jim Bennett, City Manager  
Kathy Tri, City Finance Director  
Dave Brooks, IT Director  
Terry Mahr, City Attorney  
Howard Hamilton, Operations Div  
Russ Thomas, Public Works Div  
Al Blodgett, Fire Division Chief

Dan Danicic, Public Works Director  
Janelle Nordyke, Ass't Finance Director  
Leah Griffith, Librarian  
Barton Brierley, Planning Division  
Michael Sherman, Fire Chief  
Brian Casey, Deputy Chief of Police

**Absent:** Bob Tardiff, Police Chief

---

### 1. Call to Order

Chairman Sally Dallas called the meeting to order at 7:05PM

### 2. Roll Call

Roll call was noted by Kathy Tri.

### 3. Approval of the April 27, 2006 Budget Meeting Minutes

The following additions were made to the minutes.

- Attendance: Roger Currier
- More non-city council members than city council members

The following deletions were made to the minutes.

- City code due.

|                                                                                                 |
|-------------------------------------------------------------------------------------------------|
| <b>MOTION:</b> It was moved and seconded to approve the minutes as amended. Passed unanimously. |
|-------------------------------------------------------------------------------------------------|

Ms. Tri informed the members of her retirement and expressed her appreciation for their dedication and support throughout the years.

#### **4. Capital Improvement Projects presented by Dan Danicic**

Copies of the power point presentation were provided to the members and are available for public review.

##### **Questions:**

It was asked for the number of miles street overlaying covers. Mr. Thomas stated that it will pay for approximately 200 feet and noted that the overlay budget is around \$100,000 and \$50,000 for pothole repairs.

It was verified that the money budgeted for Oak Knoll Traffic Circle did not include design and landscaping. Mr. Danicic agreed noting that the improvements to the circle are being made. The homeowners association will pay for the landscaping.

It was asked if the Illinois\Main\Hwy 240 intersection was being replaced. Mr. Danicic stated that has not been identified and that it would be 5+ years before improvements were made.

Mr. Danicic informed members that the Northern Arterial-S Curve project will begin this year and that ODOT will contribute funds over and above this \$3.2 million that is budgeted. He noted that the project would overlap with water and sewer improvements. Ms. Tri noted that all three projects were funded by system development charges.

It was asked how many property owners would be affected by the Main Street project. Mr. Danicic stated that approximately 70% of the property owners have a waiver of remonstrance in place; however it could reach 50% of the project value. He noted that the funds would need to be available if City Council declines a Local Improvement District.

It was verified that system development charges were being used for the Wastewater Treatment Plant study. It was asked if bonds were always backed by rates. Ms. Tri stated that future bond payments would come from the rates.

Mr. Soppe requested footnotes be placed on the documentation indicating where the funds come from that support a bonded project. It was asked if this was a revenue bond and how does the debt service fit into the project. Ms. Tri stated that the water system resources back the revenue bond and that the bond is similar to a mortgage and will be paid by the rates and SDC's.

It was asked what the life capacity was of the piping for the river crossing. Mr. Danicic stated physically it should last 100 years; however another crossing would be needed based on City growth.

It was noted that the figure \$355,600 periodically appeared throughout the budget documentation. Ms. Tri stated that the system created the error and that a corrected version would be provided to council by the adoption of the budget.

**5. Administration presented by Jim Bennett**

**Questions:**

Discussion was held on how much the city expected to spend out of the cable scholarship fund. Mr. Bennett stated that no money is spent until the Public Broadcasting System over expends in training and invoices the City for reimbursement.

Discussion was held regarding the Chehalem Valley local transit services. Mr. Soppe stated he had heard that the cost per ride was around \$7.00 and asked that the correct figure be provided at the next budget meeting.

**6. Legal presented by Terry Mahr**

Copies of the power point presentation were provided to the members and are available for public review.

**Questions:**

It was asked if Mr. Mahr believed Yamhill Community Mediators was beneficial for the City. Mr. Mahr stated that they have been successful in the past for endless legal issues. It was asked if \$5,000 was appropriate to budget for mediation. Mr. Mahr stated that mediation does relieve the police department and gave examples of neighbor disputes and barking dog issues. Mr. Bennett reminded members that this was a larger request than in the past because they have lost one of their major funding sources. It was noted that Yamhill Community Mediators does not charge for services. Mr. Bennett agreed he would discuss a revenue neutral source with them.

**7. Debt Services presented by Kathy Tri**

**Questions:**

It was verified that all existing debt obligation bonds would be retired by the year 2028, including the pension bond.

**8. Deliberations**

Mr. Wall recommended that discussions be held before the members rendered into a decision.

Mr. Soppe expressed his concerns that the General Fund is being depleted and that Capital Reserves are not funded adequately. He expressed his concerns regarding the following areas:

- Capital Reserves are not being funded
- The liabilities accumulating in capital equipment that needs to be replaced.
- Finding other funding for Mayfield's position in the fire department.
- \$500.00 in the cable fund to be reallocated.

Mr. Bennett stated that the General Fund has the same issues no matter how much the property taxes increase each year and that this would continue until the City finds another revenue resource.

Discussion continued regarding capital reserves and noted by Mr. Soppe that the members did not have the figures to make an intelligent decision.

Mr. Wall believed the City should fund a Forensic Detective.

Discussion was held regarding street replacements. Mr. Bennett stated that the Gas Tax is used to repair the streets; however the members could discuss optional fees to set into place to free up gas tax dollars for other areas.

#### **Staffing of Station 21 presented by Chief Sherman**

Chief. Sherman's recommendation for the committee member's was a revised 5-year staffing plan. Instead of adding a Division Chief, the City could promote three existing firefighters/paramedics to lieutenant status as of January 2007, transfer funding from the Building Inspection Fund to support 50% of the Fire Marshal's salary position; reduce suppression costs; and add three beginning step firefighters.

#### **Tax Levy presented by Kathy Tri**

Ms Tri stated that the tax levy proposed debt service at \$483,516 and a general property tax levy of \$4.3827 per \$1,000 assessed value would need to be approved.

Mr. Wall believed that with the new findings, the committee members were not ready to adopt the budget and suggested another meeting be held. Mr. Soppe agreed and stated certain areas within the budget would need to be resolved before a decision could be made.

Mr. Soppe would like the following resolved before approval of the budget.

- 1 Depletion of the General Fund estimates
- 2 Capital Reserve estimates
- 3 Remove \$500.00 from the wireless project in the Cable Fund and charge it elsewhere.
- 4 Capital Project pages reprinted (detailed)

- 5 Transfer 50% wages for Mayfield to the Building Inspection Fund.
- 6 Actual cost per ride for the local bus service
- 7 Accounting for dedicated fees for public safety.

Mr. Reardon would like information on how SDC's are to be used.

Mr. Rierson would like to know if Yamhill Community Mediators would charge a fee.

**9. Adjourn**

|                                                                                                 |
|-------------------------------------------------------------------------------------------------|
| <b>MOTION:</b> It was moved and seconded to adjourn the meeting at 9:24 PM. Passed unanimously. |
|-------------------------------------------------------------------------------------------------|

**Next Meeting:**            **Tuesday, May 16, 2006**  
                                 **7:00 PM**  
                                 **Station 21 Building**  
  
                                 **Topic: Budget Approval**

Mr. Wall expressed his appreciation to Mr. Brierly on how he runs his departments successfully.

- **Public Works presented by Dan Danicic**

Copies of the power point presentation were provided to the members and available for public review.

### **Questions**

It was asked how the reuse program (irrigation) was being utilized. Mr. Danicic stated that the water is by DEQ's standards and currently only being used at the golf course.

It was verified that the public works staff conducts a citywide water line flushing once per year.

It was asked why certain areas in town had new street signs. Mr. Thomas stated that ODOT failed to maintain them therefore ODOT replaced them with larger font size.

It was asked why printing and advertising expenses increase. Mr. Danicic stated that the city is required to mail out an annual water quality report. He noted that the department would like to expand the mailing by providing water conservation documents and other vital information to better inform the customers.

It was asked why lease payments increased. Mr. Hamilton stated that in past budgets, a 5 year lease was taken out of vehicle expenses. The city wishes to continue to lease the equipment therefore moved the funds to the appropriate line item.

It was verified that the travel and training expenses were due to training regulations they must follow for new and current employees.

### **5. Adjourn**

|                                                                                                |
|------------------------------------------------------------------------------------------------|
| <b>MOTION:</b> It was moved and seconded to adjourn the meeting at 8:55 PM Passed unanimously. |
|------------------------------------------------------------------------------------------------|

**Next Meeting:**                    **Tuesday, May 9, 2006**  
                                         **7:00 PM**  
                                         **Public Safety Building**

**Topic: Capital Projects**  
                                         **Administration**  
                                         **Legal**  
                                         **Budget Approval**

Mr. Rierson recommend the City Attorney be present to explain how mediations are beneficial to the city. It was also requested that Your Community Mediators provide a copy of their budget to support their request.

### **Questions**

It was asked what the difference was between mediation and arbitration. Mr. Francis stated that decisions are made with arbitrations and no decisions are made with mediators.

Ms. Tri asked where they receive their funding sources. It was noted they receive ½ of their funding from the State through small claims fee processed, ¼ of the funding is received from cities, county and donations and remainder is received from manufacture dwellings, which is minimal.

#### **4. Library presented by Leah Griffith**

Copies of the power point presentation were provided to the members and available for public review.

### **Questions**

Discussion was held regarding the use and monitoring of the library computers. Ms. Griffith stated that they are stationed in work areas to be monitored however. It was asked if computer records could be retrieved with a court order since the location is on public property. Mr. Brooks stated that the computer would need to be seized.

It was asked for clarification of the Capital Outlay fund. Ms. Griffith stated that it was a gift fund that will not expended unless funding is there to off set it.

- **Planning and Building Inspection presented by Barton Brierly**

Copies of the power point presentation were provided to the members and available for public review.

### **Questions**

It was asked if the growth of building would remain the same in upcoming years. Mr. Brierly did not foresee building to slow down. He stated that the revenues in this fund exceed expenditures and supports the General Fund and supported by a community development fee. Mr. Brierly noted that the building permits were to increase to help balance the General Fund and pay for needed improvements.

It was verified that the Building and Planning Funds were separate and that the Building Fund was a dedicated fund and not part of the General Fund.

THURSDAY, 7:00 P.M.

Date May 4, 2006

## BUDGET COMMITTEE MINUTES

FIRE STATION 21

NEWBERG, OREGON

---

### Members Present:

Mike Boyes  
Lon Wall  
Jack Reardon

Bart Rierson  
Ernie Amundson  
Darlyn Adams

Sally Dallas  
Dawn Nelson

**Absent:** Bob Stewart, Mayor, Robert Larson, Robert Soppe, Bob Andrews and Roger Currier

### Others Present:

Jim Bennett, City Manager  
Kathy Tri, City Finance Director  
Dave Brooks, IT Director  
Terry Mahr, City Attorney  
Robert Tardiff, Police Chief  
Russ Thomas, Public Works Div.

Dan Danicic, Public Works Director  
Janelle Nordyke, Ass't Finance Director  
Leah Griffith, Librarian  
Barton Brierley, Planning Director  
Howard Hamilton, Operations Div

**Absent:** Michael Sherman, Fire Chief, Terry Mahr, City Attorney

---

### 1. Call to Order

Chairman Sally Dallas called the meeting to order at 7:05 PM.

### 2. Roll Call

Roll call was noted by Kathy Tri.

Memorandum from Bob Tardiff dated 05/03/06 "Response to Presentation Questions and Comments" was provided to the members and is available for public review.

### 3. Your Community Mediators of Yamhill County presented by John Francis

Handout material was provided to the members and available for public review.

Mr. Francis informed the members of the services they provide and stated that 38 out of 100 mediations handled were from Newberg. He stated that the organization recently lost their largest community-housing supporter and is asking for the city's support for a donation of \$3,000. Mr. Bennett informed the members that he recently received a letter from John Bridges Attorney at Law in Newberg asking the members to give serious consideration of the request.