

CITY OF NEWBERG BUDGET COMMITTEE MINUTES
TUESDAY MAY 27, 2014
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

I. CALL MEETING TO ORDER

Chair Lon Wall called the meeting to order at 7:05PM.

II. ROLL CALL

Members Present:	Lon Wall, chair	Patrick Johnson, vice-chair	Beth Koschmann
	Anthony Pete	Helen Brown	Jack Reardon
	Megan Morris	Ryan Howard	Denise Bacon
	Stephen McKinney	Bart Rierson	Lesley Woodruff
	Mayor Bob Andrews		

Members Absent: Mike Corey (excused)

Staff Present:	Lee Elliott, city manager pro tem	Janelle Nordyke, finance director
	Truman Stone, city attorney	Nicole Tannler, minute recorder

III. PUBLIC COMMENT

Chair Lon Wall opened and closed the public testimony; no citizens appeared.

IV. CONTINUED BUSINESS

1. Budget Committee Deliberations

Mr. Jack Reardon asked about the revenue and said he knows we have been very conservative in the past. Yamhill County estimated and asked if they think they could up the revenue a little bit.

Councilor Ryan Howard stated this year from projections I have seen we are not conservative enough. I would be cautious about changing things and I am a fan of taking the cautious approach.

Mr. Lee Elliott stated we had our consultants come in and did our due-diligence. We predicted a 2.3% increase in taxes and I am comfortable with that. Ms. Janelle Nordyke said we try to walk a fine line being conservative and not too conservative. Mr. Lee Elliott said the best margin of error to go with would be the 2.3%, but keep in mind this is a deficit budget.

MOTION: Andrews/McKinney approving an increase in Judge Larry Blake's compensation to \$1,408.00 to include a 2% COLA and a 2% merit increase for a total 4% increase for the Judge. (13 Yes/ 0 No [1 absent Corey]) Motion carried.

Councilor Bart Rierson stated I will support the Mayors' motion because he does a good job at collecting fines that were otherwise uncollected and has a high collection rate. Councilor Stephen McKinney said I support the motion as well.

Councilor Ryan Howard asked Ms. Nordyke if she could tell them what needs to be included. Ms. Janelle Nordyke said items 1-6 need to be included.

MOTION: Howard/Morris approving items 1,2,3,5 and 6 on the adjustments to the proposed 2014-2015 budget. (13 Yes/ 0 No [1 absent Corey]) Motion carried.

Councilor Denise Bacon stated I do believe it is a liability not to have your HR (human resources) department staffed well. Councilor Bart Rierson said last year of two seems there has been a lot of HR issues which is painful and is probably because we don't have enough resources in the HR department. We are a business and I would rather pay a salary for HR than through lawyers and in the long run I don't think will cost us more.

Councilor Ryan Howard said I am concerned about this position because Dawn is new to the HR manager position. To double the size in such a short time seems difficult when we are cutting back so many other places.

Mr. Patrick Johnson stated when I looked at this budget and came into this I was fired up about this HR position. I don't have a grasp on how much HR issues cost us this year but I am assuming it is more than this position would pay. I worry about all the other places that need funding and the one thing I keep going back to is that that we did not prioritize what is important to us. We are not fixing the root problem and I would hope with the new city manager we can come in and set up priorities. I personally think we need to wait and see what the new city manager wants to do instead of changing all these things before she comes.

Mr. Lee Elliott reported the challenge we face is that these positions are needed and your first six months as city manager you watch how things are run. This is something mid-year she would have to look at. Mayor Andrews stated we are approving the budget not doing the hiring. There is nothing that directs the new city manager she has to hire for this position. Mr. Lee Elliott said this was decided outside of the budget process. Mayor Andrews said if we put it in we are giving the credibility we need the position.

Councilor Ryan Howard stated I agree with Mr. Elliott and don't want to be making decisions the new city manager will need to be making. By taking these actions now we are prioritizing for the new city manager. With that being said I will not be in support of these two new positions. We could go back and do a supplemental budget when it is needed.

MOTION: Bacon/Woodruff to consider funding one fulltime employee for Human Resources. (2 Yes [Bacon/Wall]/ 11 No [1 absent Corey]) Motion carried.

Councilor Stephen McKinney stated we have some acute needs and I hope out of a pool she would be able to do these things. I would support this 6 months from now and it is at moments like these maybe we all should have second thoughts on the funds that are appropriated. Perhaps the \$22,000.00 we have approved should be redeemed and may be better spent. I want to hear what others think about this.

Councilor Rierson stated I would not support that. Mr. Patrick Johnson said I justify approving it by it being brought over from last year. Councilor Howard stated most of those will be funded from the new TLT tax that has to be put toward tourism.

Ms. Helen Brown said I think that in the future the Old Fashioned Festival fireworks should be looked at reconsidered. Councilor Denise Bacon said it is a big deal to those that live here and feel it is our responsibility.

Councilor Lesley Woodruff stated the council has started working on council goals and how we want the city to operate. I understand those are supposed to help direct the budget and would it possibly be helpful to have a work session prior to the actual budget meetings.

Councilor Stephen McKinney said we are doing more with less and there will come a time that we are doing less with less. Do we need to meet an additional time or are we in a position where we can vote on this budget.

Chair Lon Wall asked if we should meet after January 1, 2015.

Mayor Andrews said one of the things that came out of the hiring process is a more frequent review of the budget, but I don't think that needs to preclude sharing that with the budget committee. With that in mind recognizing we will be looking at a significant change in council. If you are looking for participation can we ask for a timely review of the budget without setting a time limit.

Mr. Anthony Pete stated I would like to have information as an ongoing basis so that I can have information when voting on these things and not just be a rubber stamp. There is a cost when you have services provided.

Mr. Jack Reardon said the money is there and it needs to be spent and not sitting in a fund somewhere as a contingency. Mr. Lee Elliott stated we have allocated money where we need it and until you have a strategic plan of how you are going to allocate the funds you can get into trouble. They will be providing a plan on what to do with those plans.

Mr. Jack Reardon said I would be satisfied if we at least appropriated the money to do Springbrook Road North. I think some of that contingency should be put into a plan instead of sitting there as a contingency.

MOTION: Reardon moved to consider taking \$250,000.00 of contingency dollars and put it into the appropriation of street maintenance funds. Failed for lack of second

Mr. Jack Reardon asked how the money appropriated out of the contingency. Ms. Janelle Nordyke stated that would be a supplemental budget.

Mayor Andrews said a contingency reserve is for those emergencies that come up and the contingency is there as dollars available in case as anything happening.

Councilor Denise Bacon said I am really concerned with the city recorder's office especially when people like Mr. Robert Soppe come in and comb over the minutes. I think those minutes are important to our community and I am concerned and I would like the cut to be considered. Councilor Lesley Woodruff stated I think it is in the same budget with the councilors dinners and think it would be appropriate to use that to go toward actual work for the city. Councilor Ryan Howard said in my defense we do get to socialize with other councilors from other cities at those meetings.

Ms. Norma Alley, city recorder stated the totals for all the local government dinners is \$12,075.00 and I feel like I could re-appropriate my funds of \$10,000.00 as well.

Councilor Bart Rierson said we pay way too much for the dinners, but when something happens we have to work with all the cities around us. Those connections are invaluable if something bad comes up. We are not just an island and that relationship we build is important. I think it is really valuable and important.

Councilor Denise Bacon agreed the relationships are important and valuable. Councilor McKinney said it is all about the relationships not the eating and we cannot continue to isolate ourselves over nickels and dimes.

Mr. Lee Elliott stated it was a tough position to cut and I would recommend leaving this up to the new city manager. I think the more capitol you leave her with is best.

Mr. Patrick Johnson said here we are again talking about important positions with no real priority.

2. Approve 2014-2015 Budget and impose the taxes provided for in the Proposed 2014-2015 Budget at the rate of 4.3827 per \$1,000 of assessed value for general operating purposes and \$425,000 for Debt Service, and that these taxes are hereby imposed and categorized for the tax year 2014-2015 upon the assessed value of all taxable property within the City.

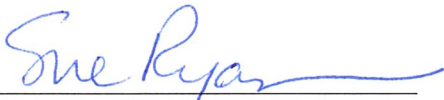
MOTION: Johnson/Andrews approving 2014-2015 Budget and impose the taxes provided for in the Proposed 2014-2015 Budget at the rate of 4.3827 per \$1,000 of assessed value for general operating purposes and \$425,000 for Debt Service, and that these taxes are hereby imposed and categorized for the tax year 2014-2015 upon the assessed value of all taxable property within the City, as amended. (13 Yes/ 0 No [1 absent Corey]) Motion carried.

MOTION: Johnson/Andrews to keep budget committee involved as time allows in supplemental budget process and come together before next (2015-2016) budget process to discuss goals. (13 Yes/ 0 No [1 absent Corey]) Motion carried.

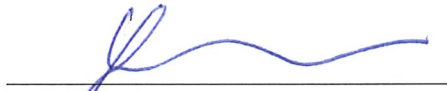
V. ADJOURNMENT

The meeting adjourned at 8:47PM.

Approved by the Newberg Budget Committee Commission this 14th day of April, 2015.



Sue Ryan, City Recorder for
Former Minutes Recorder
Nicole Tannler



Lon Wall
Budget Commission Chair