

**CITY OF NEWBERG
CITY COUNCIL WORK SESSION AGENDA
DECEMBER 10, 2012
6:00 P.M.
Newberg Public Safety Building
401 E. 3rd St.**

Mission Statement

The City of Newberg serves its citizens, promotes safety, and maintains a healthy community.

Vision Statement

Newberg will cultivate a healthy, safe environment where citizens can work, play and grow in a friendly, dynamic and diverse community valuing partnerships and opportunity.

- I. CALL MEETING TO ORDER**
- II. ROLL CALL**
- III. GENERAL DISCUSSION**

This is a meeting of the Newberg City Council for the purpose of general discussion of City business regarding the City budget. No action will be taken. No oral or written testimony will be heard or received from the public.

- IV. ADJOURNMENT**

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: *In order to accommodate persons with physical impairments, please notify the City Recorder's Office of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than 48 business hours prior to the meeting. To request these arrangements, please contact the City Recorder at (503) 537-1283. For TTY services please dial 711.*

Norma's

Budget Discussion

Newberg City Council
Staff Report
December 10, 2012

FY/12/13	Beginning Fund Balance
<i>Estimated</i>	\$1,975,146
Actual	\$2,674,367
<i>Difference</i>	\$ 699,221

Source?

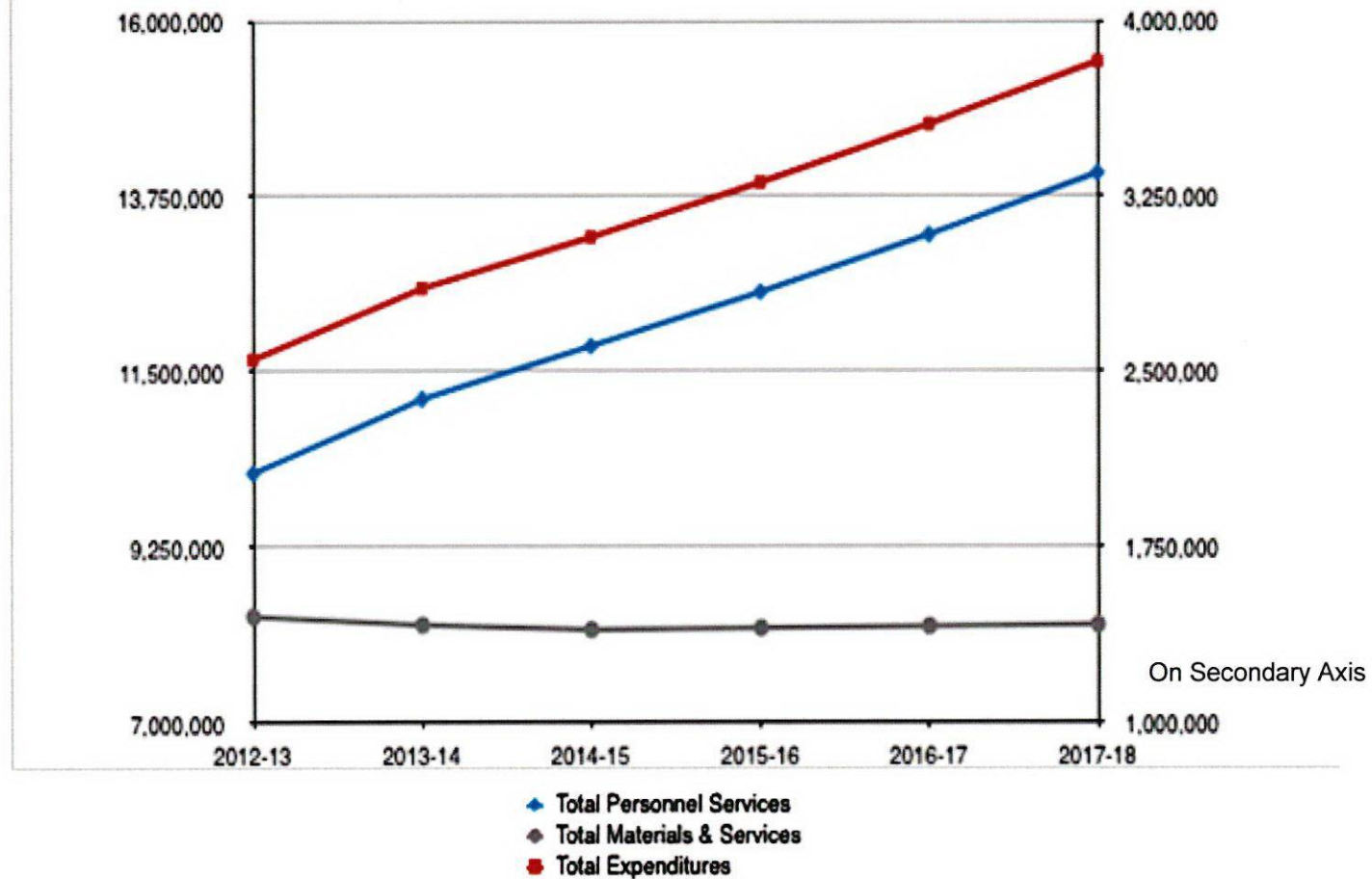
Revenues were \$369K higher than estimated

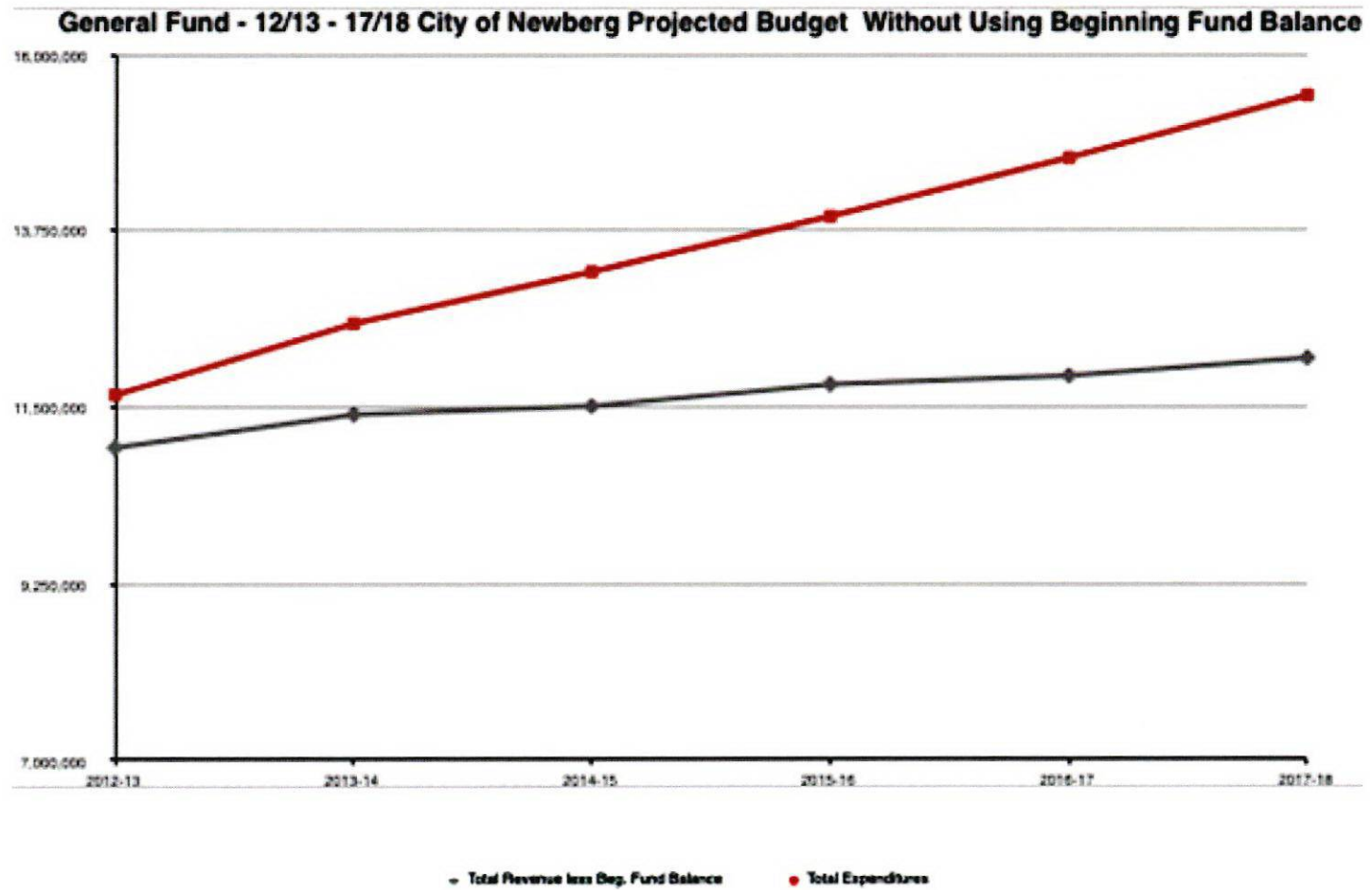
Expenses were \$320K lower

Property Taxes
Franchise Fees
Planning Fees

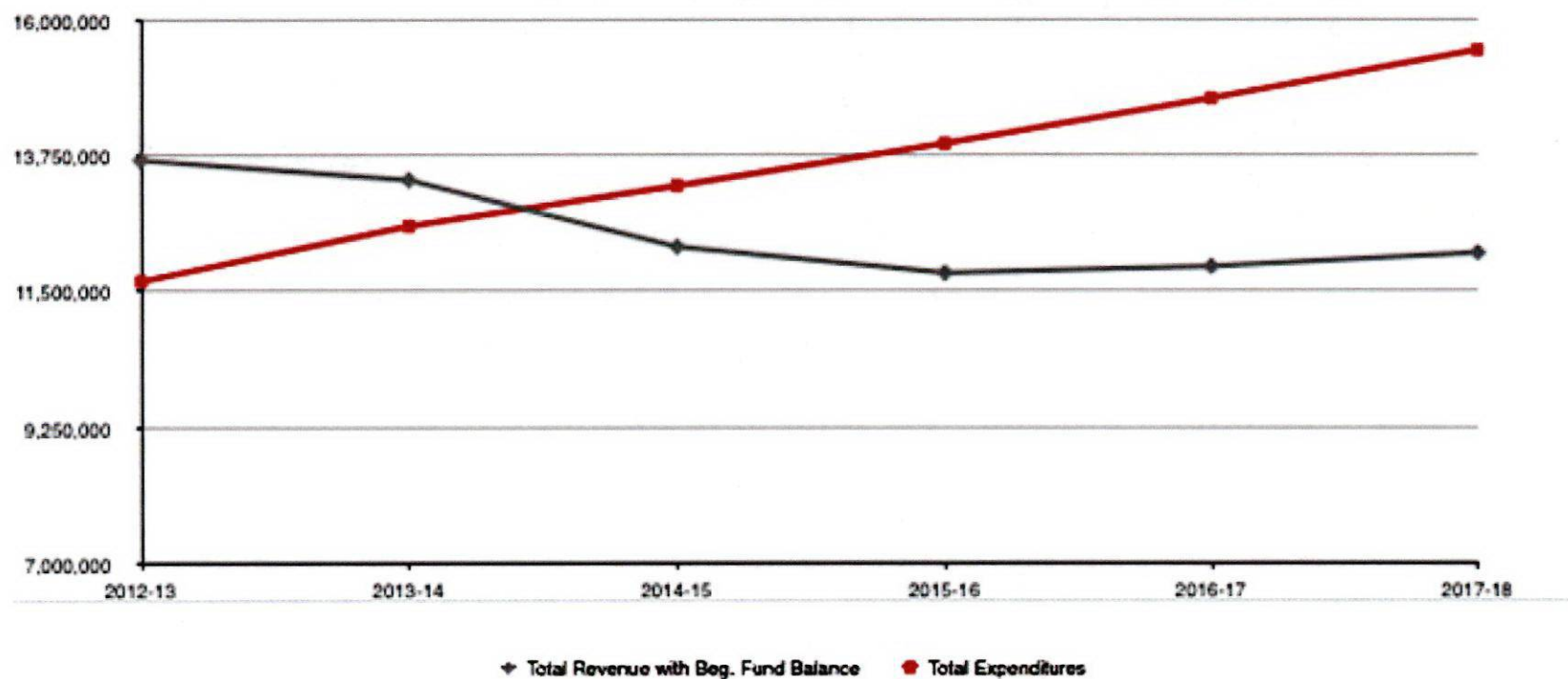
Can this be
done every
year?

General Fund - 12/13 - 17/18 City of Newberg Projected Budget Expenses





General Fund - 12/13 - 17/18 City of Newberg Projected Budget Using Beginning Fund Balance



Action	Value
Increase TLT from 6% to 9%	\$177,000
Increase Trash Franchise fee 3% to 5%	\$53,000
Assess 5% Storm Water	\$40,000
Franchise Fee	\$100,000
Increase Public Safety Fee by \$1	
→ Public Safety Operating Levy 5-year (\$0.95/\$1000 AV)	\$1,200,000
Reduce staffing – value per FTE	\$100,000
Be less conservative with revenue increase estimates of existing revenue sources	Varies \$100,000 to \$200,000

- Riverson - road maint. fee
- Shelton - Business License

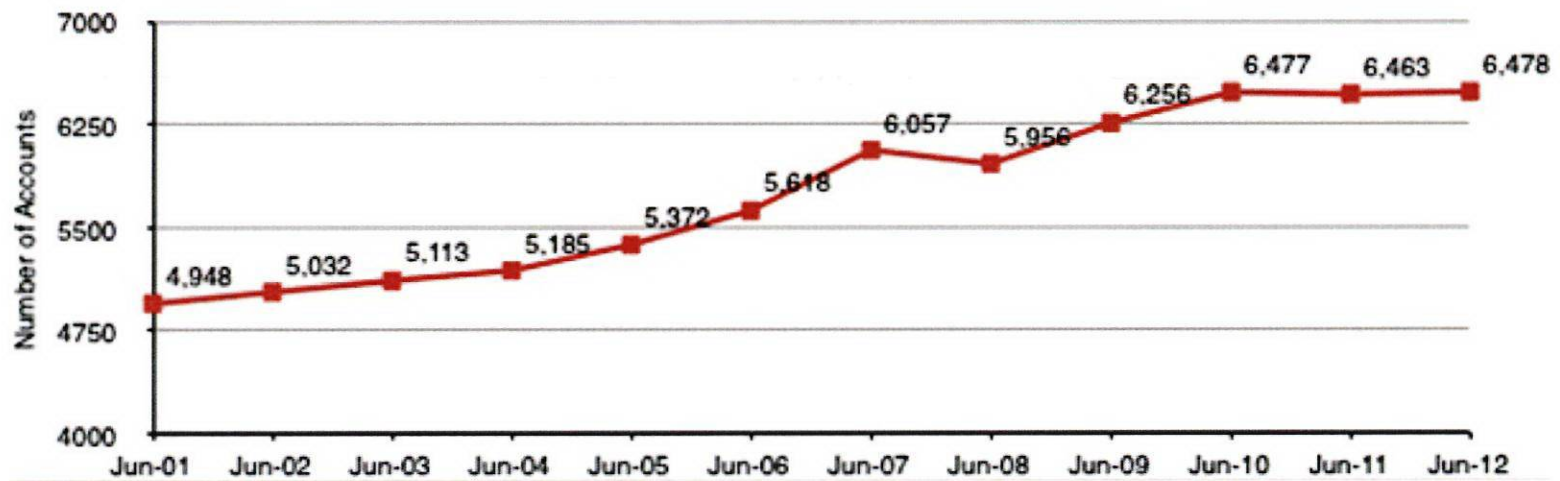
12/10/12

- Witherspoon - gas, sales tax

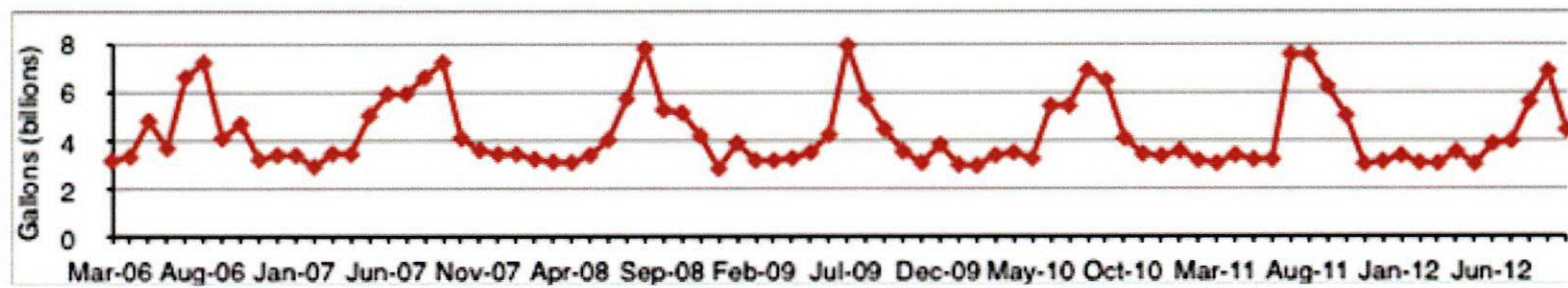
Utility Funds

- Transportation
- Wastewater
- Water
- Stormwater
- Each fund has
 - Revenue
 - Operating Costs
 - Debt Payments
 - Reserves - CIP
 - Contingency - *o&m unanticipated*

once ~~cont.~~ \$ allocated to reserves they ~~cannot be~~ are dedicated.



Customer Account History



Consumption Data

Utility Fund Observations

Slow Account Growth

- Slow revenue growth in Water, Wastewater and Stormwater
- Can growth keep up with personnel cost inflation

Reduced SDC revenue in Water and Wastewater

- Reduced ability to repay debt
- Burden shifts to rates until recovery

Union Negotiations not yet complete

Next Utility Rate Change - 2015

- Should Council consider pre-2015 adjustments?
- No change may trigger greater than 5% increases in 2015.