



City of Newberg

Budget Committee Meeting

May 18, 2010

7 pm Public Safety Building

Agenda

1. Call to Order
2. Approve April 27, 2010 Budget Committee minutes
3. Public Comment
4. Public Hearing: State Revenue Sharing possible uses
5. Discussion and Questions
6. Adjourn

CITY OF NEWBERG BUDGET COMMITTEE MINUTES

April 27, 2010

7:00 P.M.

PUBLIC SAFETY BUILDING

401 E. Third Street, Newberg

Members

Present:

Councilors:

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

Citizens:

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

Members

Absent:

Janet Irish
District 6 Councilor - Vacant

Staff

Present:

Dan Danicic, City Manager
Janelle Nordyke, Finance Director
Caleb Lippard, Assistant Finance Director
Howard Hamilton, Public Works Director
Les Hallman, Fire Chief
Brian Casey, Police Chief
Leah Griffith, Library Director
Dave Brooks, Information Technology Director
Barton Brierley, Planning & Building Director
Mary Newell, Support Services
Crystal Kelley, Recording Secretary

1. Call to Order: Chair Lon Wall called the meeting to order at 7:05 p.m.

2. Approval of January 12, 2010 Budget Committee Minutes

<p>Motion #1: Barnes/ Shelton moved to approve the January 12, 2010 Budget Committee meeting minutes (10 Yes / 0 No [Absent Janet Irish]).</p>

3. Public Comment

Chair Wall called Mrs. Marlena Bertram and Mr. Rod Kilcup with the Your Community Mediators forward. Mrs. Bertram stated they have their mediations training every two years. They are seeing more of their case work shift to the Newberg area. They do outreach offering a workplace conflict training course. As a result of the course they have not encountered any

workplace conflicts. They have a partnership with the City of Newberg. Their total yearly budget is \$47,140. They are asking for \$5,500.00 from the city of Newberg.

Mr. Kilcup stated they have been providing mediation services to the citizens of Newberg. In the past year they have serviced 250 people with 63 cases processed. All their trainees are volunteers. The first two mediations are free with a calculated fee for each session after that. They also provide mediation services that minimize resources needed from the local Police Department. They believe they save the City's Police Department a minimum of \$5,000 each year. They contribute to the health and welfare of the City through their services. The City of Newberg has provided \$5,500 each year to their organization. They get \$7,500 from the county and \$6,500 from the City of McMinnville. This accounts for 11.75% of their total yearly budget. They get the remaining funds from grants. They believe they provide a terrific "bang for the buck" which contributes to social harmony in the community.

Mrs. Bertram stated the fee would equate to around 25 cents per resident. They have been able to provide services in the community within 24 hours. The last two years the Budget Committee has discussed raising traffic ticket fees to help fund the program. The funds they raised were later used for the General Fund. The county commissioners have said they view mediation as an essential service. They would like the City to consider funding the service. Beth Karecki and David Bertram were also present at the meeting and offered to answer any questions the committee had in regards to their services.

Councilor Wade Witherspoon asked how one case of a juvenile victim on the report they provided affected 24 people. He would like to know how they arrived at this information. Mrs. Bertram stated the figures were written based on the overall program rather than a case by case basis. Councilor Witherspoon asked Chief of Police, Mr. Brian Casey, how many cases the Police Department has referred to the organization for mediation services. Mr. Casey stated he does not have any way of validating that information at this time.

Mayor Bob Andrews asked what City of Dundee's participation was in the program. Mrs. Bertram stated they contribute \$500. Councilor Marc Shelton asked if they are coordinating with Yamhill County to service families. Mrs. Bertram stated there are programs that service families working with the housing authority with Yamhill County.

Chair Wall stated he was surprised there was not any funding for the program in the budget. He would like to know why they are against asking for a fee for the service. He would like to know what the fees are for the sessions after the first two that are free. Mrs. Bertram stated they are planning on charging for parenting planning sessions as well as fees for each session after the two complimentary sessions. Chair Wall stated he would like to recommend they start coming up with a sliding scale which would bring money in. Some of the funding should come from the citizens using the services. Mrs. Bertram stated if they do not use the service due to an inability to afford the fees they may be forced into something which would later be much more expensive. Mediation services helps work through the issue before it ever gets to the police or the court system. The idea is to teach citizens how to resolve their own conflicts.

Mayor Andrews asked for clarification as to what they are requesting. The report they presented to the Budget Committee had some conflicting figures. Mrs. Bertram clarified they are requesting \$5,500 rather than \$5,550 as the report indicated.

Councilor Witherspoon stated he recalls hearing a concern they were not making good use of the services. He would like to know if that is the truth. Dan Danicic, City Manager stated there was some concern they were not making good use of the services. Mrs. Bertram stated she will follow up on the concern. Anytime they had a referral they were right on the opportunity but the parties involved may not follow through.

Beth Karecki stated she has been a mediator with the organization for 12 years and does not feel those who use the services have the finances to pay for the service. As a volunteer she feels it is needed. She does not feel those who are unable to afford the service should have to pay for it.

David Bertram stated he is also a mediator and has been for nearly 7 years. He is spending more of his time in Newberg like other members of the organization.

4. Budget Message and Overview

Dan Danicic presented the budget message (see official meeting packet for full report).

The overtime budget reduction for the Fire Department will make an operational change. He asked the Fire Chief to come forward and share what it means to reduce the overtime. Fire Chief Les Hallman stated they have minimal staffing with eight people on duty each shift using four at each station. This takes care of the routine calls which accounts for around 80-84% of the call volume. Another 15% of their call volume requires assistance from volunteers. If they are operating with minimal staffing and someone calls in sick they are forced to bring in someone on overtime to cover the need. The model they have now is efficient. They are going to do all they can to reduce the overtime. They will do a brown out if they have to in order to assist in cutting the overtime. They may have some days they will have to take a unit out of service. When they have one unit out of service they could have a delay in the response time on any given call during that time. With the call volume and the type of calls he feels they are providing the most efficient service they can with the budget they have to work with. This is the best contribution they can offer without effecting the response time.

Mayor Andrews asked what the impact would be on the mutual aide agreements. Mr. Hallman stated they could be forced to tell a neighboring facility they do not have services available to assist them.

Councilor McKinney asked if the changes would affect the rates for fire insurance for the citizens. Mr. Hallman stated only if they have a lot of brown outs. Ernie Amundson asked why they can't call in a volunteer during those times. Mr. Hallman stated they do use the volunteers whenever they can but they run into issues not having enough volunteers available.

Deanna Moore asked if they can help increase the overtime by using part time staff. Mr. Hallman stated they are already using part time staff now. Mrs. Moore asked since the overtime

is so much more can they bring on more part time staff. Mr. Hallman stated it would not allow enough savings to make it worth it.

5. Discussion and Questions

Chair Wall asked what the Downtown Coalition will be using their budgeted money for. Mr. Danicic stated they are going to provide a comprehensive plan on how to bring the Downtown business folks together to work on promotion activities.

Darlyn Adams asked how the janitorial contract was reduced. Mr. Danicic stated they will reduce the amount of dusting they do. They will also stop emptying the trash every night. They will focus on large projects such as carpet cleaning. The City employees will do things such as taking out their own trash. The employees are willing to do what they can to help.

Mrs. Moore asked what the difference is between the Downtown Revitalization team and the Downtown Coalition. Mr. Danicic stated the Downtown Revitalization team looks more at hard projects where the Coalition is working with the downtown businesses to get them involved.

Councilor McKinney asked how much revenue business fees generate. Mr. Danicic stated they generate around \$40,000. Mr. Amundson asked if there is going to be any lay-offs this year. Mr. Danicic clarified they will not cut jobs but instead will not fill jobs that come open. He stated the chief revenue source for the City is property taxes.

Mr. Reardon asked what made up the deficit. Was it due to a lack of revenue? Mr. Danicic stated it was a lack of growth in revenue. In the past years the beginning fund balance has been shrinking. This has left them with less to start with at the beginning of the next year. The department heads are going to be looking at all the programs they offer to decide which services they will need to cut.

Chair Wall stated the City is dealing with the same issue each household is. The income is going down and the expenses are going up. Mr. Reardon stated he thought there was an increase of revenue each year. Mr. Danicic stated the revenue is increasing but not at the same rate as the expenses. The governor of Oregon stated things are not going to get any better. That may cause them to rethink the revenue sharing which would happen in the middle of the budget rather than at the beginning.

Mr. Reardon asked about the street fund in the budget. On the line item for street lighting what is the amount covering. Mr. Danicic stated it goes to PGE for maintenance of the power poles. Mr. Reardon asked if the city has more than one street sweeper. Mr. Danicic stated they have two. Mr. Reardon asked about the Contractual Services line item for \$40,000 in the administration section of the proposed budget. Howard Hamilton stated it is a contingency amount to hire a consultant if needed.

Chair Wall asked if they are not spent what will happen to the funds. Mr. Danicic stated any line item that does not get spent goes into the beginning balance for the following year. They will not have to go out and spend it or lose it since it will roll over to the next year.

Mr. Reardon stated the proposed budget leaves very little for street maintenance. He does not see a lot being done to maintain roads. Mr. Danicic stated the fund is only efficient enough to do some overlay of the streets. They are chasing the pot holes the best they can due to lack of funding. They would prefer to do preventative maintenance rather than spot repairs. The City Council has considered additional funding for the transportation program through a project levy. They recently adopted the public safety fee. They felt it would be too much for the public to accept so they are moving towards a bond or levy for the issue. They are still a couple years away from resolving the issue.

Mr. Reardon stated the entire budget needs to be looked at closer in regards to moving some funds into the maintenance of the roads. Chair Wall asked Mr. Reardon to forward staff his specific concerns so they can look closer at them for the allocations. They can clarify at the next meeting on some of his concerns. Mr. Hamilton stated he will bring the details for the next meeting.

6. Discuss Town Hall Meeting

Chair Wall stated he is in favor of a Town Hall meeting but wanted to remind the committee it can get ugly at times. Mayor Andrews asked if they are having a meeting next week. Mr. Danicic stated if they do not have too many questions left from tonight and they are ready for the Town Hall meeting they will not need next week's meeting. They can just schedule the Town Hall meeting.

Chair Wall asked Mr. Reardon if he is okay with his concerns or will he need the meeting next week to discuss his concerns further. Mr. Reardon stated he would be okay with his concerns being addressed in an email. Chair Wall reminded the committee they have another meeting scheduled after the Town Hall meeting. It was confirmed they will not need the meeting for next week.

Mr. Amundson stated he feels the Town Hall meeting will provide them more direction. Councilor Shelton asked how the meeting with the department heads will affect the budget. Mr. Danicic stated it will not affect the overall budget. It will take a few months to put their thoughts together. They may have to consider bringing the budget committee together again at that time. Mr. Amundson asked how the Town Hall meeting will be advertised. Mr. Danicic stated they will advertise in the Newberg Graphic. They will also include a note on the city web site and the City Council Face Book page.

Mrs. Adams stated she will not be present for the Town Hall meeting. Mayor Andrews indicated he will not be present as well.

Councilor Rierson asked what the format will be for the meeting. Mr. Danicic stated he will present the budget message and provide time for the public to ask questions in a controlled manner. The department heads will be present for questions. Councilor Rierson stated he likes the idea of having the public come up to the microphone. It will give them each a chance to share without the risk of one person dominating the floor. He would like to ensure they lay out

the ground rules ahead of time. Chair Wall stated they will have to hold to the five minute time limit for each citizen to speak.

Mayor Andrews asked what the role of the Budget committee members will be at the Town Hall meeting. Chair Wall stated it is not a good idea to get into the issues they have with the budget but to address the concerns of the public. He will try to explain to the public they will not have time to address subjects that are not related to the topic at hand. There will be police representation at the meeting in case they are needed. Mr. Danicic stated the benefit of the committee being present at the meeting is to allow them to hear firsthand what the people have to say. It helps the public see there is a responsible body that is a part of budget decisions. Councilor Witherspoon asked who will be responsible for making sure the public stays on topic. Chair Wall stated he will keep control of the meeting and stay on top of the time limit.

Mr. Amundson asked what difference the comments from the public will have on the bottom line. Chair Wall stated they will listen for feedback they can use but they are limited to how much they can make decisions based on the feedback from the public. Mr. Danicic stated they could hear testimony that may sway their decisions. It will depend on the topic at hand and where the meeting takes them. Chair Wall stated the public needs to have this chance to hear what the city is facing. Councilor Rierson stated they have heard a lot of negative feedback at past Town Hall meetings. The communication process helps educate the public and shows there is a process they can be involved with.

Hank Grum requested permission to address the Committee. Chair Wall called him forward. Mr. Grum asked for more details about the two million dollar short fall that was mentioned in the budget message. Mr. Danicic stated the two million dollars is in the General Fund. Mr. Grum asked what kind of problems they will be facing with the short fall. Chair Wall stated they are working under circumstances that are beyond their control. Mr. Grum asked what portion of the short fall is within their control. Chair Wall stated not very much. Mr. Grum stated there may be something they can do about it. He has seen other states put plans in place that help. Chair Wall stated he is making suggestions for a much bigger picture. Mr. Grum stated if you take out the effects of inflation what are the results. Councilor Rierson stated last year the City cut the budget by 10% and they have relatively stable revenues. Even though they go up 3% it is basically flat. The biggest part of the General Fund is for public safety. They have contracts with the union. If they do not honor the contracts it will end up costing the City even more in the long run. The budget message talks about the tipping point of having to do more with less. Chair Wall stated they can't manipulate monetary supplies. The main concern is to determine how to handle what has been handed to us as a city. Councilor Shelton stated with the cuts they have been making if the revenue share went away it would be a lot more than 10%. At some point personnel costs are the majority of your budget. Chair Wall recommended the concerns he has should be brought to the Town Hall meeting. Mr. Grum asked what the league of Oregon Cities provides to the city of Newberg. Mr. Danicic stated he feels it is money well spent. They offer training and other necessary services to the City.

7. Set Next Meeting Date

The next Budget Committee meeting will be May 11, 2010 at 7:00 p. m at the Public Safety Building. This will be the Town Hall meeting.

8. Adjourn

The meeting adjourned at 9:20 p.m.

Approved by the Newberg Budget Committee on this 18th day of May 2010.

AYES:

NO:

ABSENT:
(List Name(s))

ABSTAIN:
(List Names(s))

Recording Secretary

Budget Committee Chair



Your Community Mediators of Yamhill County

P.O. Box 444, McMinnville, OR 97128

503-435-2835

ycm@macnet.com

Empowering people to make positive changes in the way they respond to conflict

CITY OF NEWBERG Caseload Increase: 2008 to 2009: 11%

2009 NEWBERG RESIDENT CASES

Community
 1 Consumer-Merchant
 6 Neighbor-Neighbor
 Family
 11 Custody or Parenting Plans
 Juvenile Victim/Offender
 1 JVOMP
 Small Claims
 42 Small Claims Court

61 Total

2008 NEWBERG RESIDENT CASES

Community
 7 Neighbor-Neighbor
 3 Landlord-Tenant
 1 Business-Business
 1 Civil Litigation
 Family
 11 Custody or Parenting Plans
 2 Other
 Small Claims
 30 Small Claims Court

55 Total

2009 Referral Sources

43 Courts
 4 Social Services
 4 Word of Mouth
 3 Law Enforcement
 2 Advertising/Internet
 2 Former Client
 2 Governmental agency
 1 Juvenile Department

2008 Referral Sources

34 Courts
 4 Law Enforcement*
 4 Word of Mouth
 4 Self-Referral
 4 Social Service
 2 Former Client
 1 Code Enforcement*
 1 Church
 1 Private Attorney

* Only one referral has been received from Newberg Code Enforcement since 2008. Newberg Law Enforcement referrals were down by one, as well, between 2008 and 2009.

YCM would like to propose the use of the attached "Referral Ticket" (in pads of triplicate forms) we have developed that would make case referrals by Code Enforcement and Law officers more efficient, and hopefully encourage them to utilize YCM's mediation and facilitation services to a greater degree in the future.

REFERRAL

Community Peace Management

157-328-42

____ / ____ / ____
MONTH DAY YEAR

Time of Day: _____ AM _____ PM

Location: _____

DISPUTANTS

Name: _____

Phone: _____ day _____ eve

Name: _____

Phone: _____ day _____ eve

REFERRAL SOURCE

Name: _____

Agency: _____

Phone: _____ day _____ eve

TYPE OF MEDIATION REFERRAL

- Neighborhood Dispute
- Noise, Parking, Animals
- Property Boundaries
- Landlord / Tenant Issue
- Harassment, Vandalism, Litter
- Teen / Adult & Family Problem
- Elder / Senior Well-being Issues
- Consumer / Merchant Dispute
- Small Claims Issue
- School Relationship
- OTHER _____

PLEASE CONTACT WITHIN 48 HOURS

**Your Community Mediators
of Yamhill county**

503-435-2835

ycm@macnet.com

FREE ~ CONFIDENTIAL ~ VOLUNTARY

*Trained volunteers help both parties arrive at
an acceptable solution for all
BEFORE the dispute escalates further.*

City Newberg Budget Committee Meeting 04/27/10

Questions regarding: Public Works Street Budget, Contractual Services, account # 02-5110-533000 proposed at \$40,000

Typical account uses

Annual, regular, or recurring charges for goods or services such as: Bypass Lobbyist, aerial photography services, geotechnical reports, site studies, traffic studies, rate model preparation, field inspection services, survey's, various reports, design, etc.

Small government software and support services contract agreement, consultant services for Graphic Information Systems (GIS), GIS programming, Enterprise master planning, custom GIS applications, indexing and database design and other GIS and survey related activities.

Account history:

In the 2008/9 budget year the Professional Services account # 02-5110-580000 was converted into the newly created Contractual Services account # 02-5110-533000 and Professional Services was eliminated. The purpose of this account is for contractual services that are recurring as well as acting as a contingency for unforeseen contracts that may arise during the budget year.

Account activity

Budget Year 2008/09 Contractual Services account # 02-5110-533000 \$50,000
Actual expenditure = \$24,994

Budget Year 2009/10 Contractual Services account # 02-5110-533000 \$25,000

Budget activity through March 2010

Yamhill County Bypass Lobbyist (\$20,000 dedicated) = \$11,790.15

Budget Year 2010/11 Contractual Services account # 02-5110-533000

Proposed \$40,000 for:

* Yamhill County Bypass Lobbyist = \$20,000

* Continued support of the Land Information Section GIS and proposed funding to allow contingency for the preparation of a citywide transportation funding plan plus unforeseen contracts = \$20,000