



**CITY OF NEWBERG BUDGET COMMITTEE AGENDA
TUESDAY, APRIL 14, 2015
6:00 P.M. MEETING**

PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

I. CALL MEETING TO ORDER

II. ROLL CALL

III. COMMITTEE BUSINESS

IV. CONSENT CALENDAR

1. Approval of April 29, 2014, May 6, 2014, May 13, 2014,
May 20, 2014 and May 27, 2014 minutes

Pages 1-17

V. NEW BUSINESS

1. Budget Message

City Manager Jacque Betz will present the budget message

2. Review of General Fund Historical Reserves

Finance Director Matt Zook will present an 8-year historical review of the General Fund ending balance.

3. Review Department Proposals

- a. General Government
- b. Municipal Court
- c. Police
- d. Communications
- e. Fire and EMS
- f. Library
- g. Community Development
- h. City Manager's Office
- i. Finance
- j. Information Technology
- k. Legal

4. Public Comment

5. Future Meeting Dates

VI. ADJOURNMENT

ACCOMMODATION OF PHYSICAL IMPAIRMENTS:

In order to accommodate persons with physical impairments, please notify the City Recorder's Office of any special physical accommodations you may need as far in advance of the meeting as possible and no later than two business days prior to the meeting. To request these arrangements, please contact the city recorder at (503) 537-1283. For TTY service please dial 711.

CITY OF NEWBERG BUDGET COMMITTEE MINUTES

TUESDAY, APRIL 29, 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 7:03PM.

II. ROLL CALL

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

Members Absent: Anthony Pete (excused) Mayor Bob Andrews Ex-officio (excused)

Staff Present: Lee Elliott, City Manager Pro-tem Janelle Nordyke, Finance Director
Caleb Lippard, Assistance Finance Director
Nicole Tannler, Minutes Recorder

Others Present: Marlena Bertram -Your Community Mediators, Marcy McDowell – Homeward Bound Pets, Crista Eberle NASF, Crystal Case NASF, and Janet Floren NASF president

III. COMMITTEE BUSINESS

1. Committee and Staff Introductions
2. Elect Chair/Secretary and Vice Chair

MOTION: Bacon/Rierson nominated Mr. Lon Wall as Budget Commission Chair. (13 Yes/ 0 No [1 absent Andrews]) Motion carried.

MOTION: McKinney/Woodruff nominated Mr. Patrick Johnson as Budget Commission Vice Chair. (13 Yes/ 0 No [1 absent Andrews]) Motion carried.

IV. CONSENT CALENDAR

Approval of April 30, 2013, May 7, 2013, and May 14, 2013 minutes

MOTION: Brown/Bacon approving the Consent Calendar including April 30, 2013, May 7, 2013, and May 14, 2013 minutes as amended. (13 Yes/ 0 No [1 absent Andrews]) Motion carried.

V. NEW BUSINESS

1. Budget Message by City Manager Pro-tem

Mr. Lee Elliott, City Manager Pro-tem, presented the staff report including a PowerPoint slideshow (see official meeting packet for full report).

Councilor Ryan Howard asked if the revenues really increase by 1 million dollars in the general fund. Ms. Janelle Nordyke said a lot of that is PERS and is still pending.

Commissioner Megan Morris asked how long Yamhill County has been mandated to provide Animal Control. Commissioner Patrick Johnson said we are the only city in the state that is doing this so I would ask City Council to look at that again.

Councilor Denise Bacon asked about employee salaries and if we looking at compression at all in upper and middle management. She would like to see people stay at the city and work their way up. Mr. Lee Elliott said it is getting to the point in public safety where management staff is making less than their subordinates. What concerns Mr. Elliott is keeping the staff here because it will be really difficult to replace them.

Councilor Ryan Howard asked if the city is contemplating sending any of these ideas to the voters. Mr. Lee Elliott said it is council action only.

2. Public Comment

Ms. Marlena Bertram with Your Community Mediators thanked the city for the past support of the community mediation program which serves increasing Newberg residents. It helps reduce the costs by 43% and has not continued that way with grants because we are a non-profit group which means it can go up and down. We have mediation training every other year at George Fox University and we had 4 new mediators come from Newberg this last year. We hope to train mediators from all cities in Yamhill County and mediators contribute over 1000 hours per year. Our letter in your packets is a letter asking for funding this year and includes information on what we do. People tend to turn to mediation before going to court and there is a Newberg case statistic summary for the 2013 year. Of our 14 cases 10 are from Newberg which is 71% of our cases.

Marcy McDowell with Homeward Bound Pets which cat spay neuter program stated they are primarily funded by a Petco grant. They are asking for funding from the city and county and seeking \$1500.00. She stated when community cats suffer people suffer and there are people asking for our help. Once a month 6-8 volunteers from Homeward Bound take cats up to the Tigard hospital for care. We serve cats that have homes, multiple cat situations (barn cats), but where we struggle is with cats that are abandoned at properties. These situations show the lack of resources we have and we are one of the few counties that lacks resources.

Crista Eberle with the Newberg Animal Shelter Foundation (NASF) said she started volunteering to help the community and make sure the animals are fed, socialized, and clean and healthy. These are our communities' pets that come through the door and our community has helped fund this shelter. Removing the animal control person is not just a line item and we are looking to you to bridge that gap.

Crystal Case with NASF stated she is a volunteer at the animal shelter and was disappointed to hear that the city is cutting the animal control person without a plan in place. She is requesting more time and monetary support. Outside of the animal control program we have on average 250 animals in the shelter. We care for animals that are lost and adopt out our animals that are brought in. We spay, neuter, relocate, and quarantine dogs that have bitten. We have only been in this new building for a year and have not had a chance to use it to its full potential.

Councilor Bart Rierson stated he thinks it is an important service and he did not support this decision. He is pleased to see the animal shelter friends here to share their needs.

Janet Floren NASF president stated two weeks ago we were notified the animal program will not be funded in the budget. We have not been able to fully plan for the full impact of this change and we have been working on a list of finishing's needed for the building. Some are HVAC and dog kennels that need to be finished. NASF is an all volunteer foundation except for the officer who has been enforcing the leash laws, picking up the animals, and adopting out the animals. We need the leadership of a full time employee and we would like to be included in the request for funds. We have not had the opportunity to investigate other options, so she asked if it is possible to have more time to present a formal request.

Councilor Howard asked if they have developed a plan for the long term operations. Ms. Floren said we have the animal officer until July 1 and we are in the process of trying to find out what our resources are.

Councilor Rierson asked about legal resources and if our legal staff can assist the Newberg animal shelter friends. Mr. Lee Elliott said he would run it by the city attorney. Councilor Howard said I would be happy to help you guys with this.

Ms. Floren asked if we are not prepared by May 13 is there a time limitation.

Chair Lon Wall said I am sure we can put it off if needed.

Commissioner Jack Reardon asked who takes care of the licensing now. Ms. Nordyke said the city takes the money starting June 1, 2014 and the police will take the calls.

Councilor Stephen McKinney said I am sorry for the time restraints we put on you. It will most likely be looked at by the Council and I am not surprised at the change but further animal control officers will be a discussion in the future. We will meet this present budgetary crisis. We do have an investment in the shelter and what you can do in the short period of time is to change the non-profit status.

3. Budget Calendar Review and Acceptance

4. Time for Budget Committee members to ask questions they want addressed during the 2014-15 budget meetings

Commissioner Reardon said there is a lot of major percentage or dollar changes but isn't evident to me what that change was. When you are talking a lot of dollars it would be helpful to know why.

Councilor Rierson said he would like a history of reserves, contingencies, and beginning fund balance. Ms. Janelle Nordyke said on page 13 you will see the property tax information financial overview.

Commissioner Patrick Johnson asked if there are other budgetary problems from Council over the past year. Mr. Lee Elliott said the two items the council has taken action on is the animal shelter and city manager position.

Commissioner Helen Brown said communication is the most important thing and I am thinking two things changed the Oregonian and the local paper. The process has to keep going and it is nice there is a website, but was wondering if there was another way to find out what is going on in the City.

VI. ADJOURNMENT

Future Budget Committee Meeting Dates:

May 6	Shared Revenues, Questions for Department Directors, Budget Committee Deliberations
May 13	Budget Committee Deliberations, 2014-15 Budget Recommendation to City Council (tentative)
May 20	2014-15 Budget Recommendation to City Council (tentative)
May 27	2014-15 Budget Recommendation to City Council (tentative)

The meeting adjourned at 9:01PM.

Approved by the Newberg Budget Committee Commission this ____ day of _____, 2014.

Nicole Tannler
Minutes Recorder

Lon Wall
Budget Commission Chair

CITY OF NEWBERG BUDGET COMMITTEE MINUTES
MAY 6, 2014, 7:00 PM
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

I. CALL MEETING TO ORDER

Chair Lon Wall called the meeting to order at 7:00 PM.

II. ROLL CALL

Members Present:	Lon Wall, Chair	Mayor Bob Andrews	Denise Bacon
	Ryan Howard	Patrick Johnson	Beth Koschman
	Stephen McKinney	Anthony Pete	Jack Reardon
	Bart Rierson	Lesley Woodruff	

Members Absent:	Mike Corey (Excused)	Helen Brown (Unexcused)
	Megan Morrison (Excused)	

Staff Present:	Lee Elliot, city manager pro-tem	Janelle Nordyke, finance director
	Caleb Lippard, assistant finance director	Jay Harris, interim public works director
	Dawn Wilson, human resources manager	Mandy Dillman, minutes recorder
	Steve Olson, interim planning and building director	

III. PUBLIC COMMENT

Chair Wall opened and closed public comment as there was no one to testify.

IV. NEW BUSINESS

1. Review attached graphs

Chair Wall asked for any questions regarding graphs and none appeared.

2. Revenue Sharing Public Hearing

Chair Wall introduced the administrative hearing and called for any conflicts of interest or abstentions; none appeared.

MOTION: Rierson/Bacon accepting state revenues at regular rate and splitting the amount between fire and police. Motion carried (12 Yes/0 No/3 Absent [Corey/Brown/Morrison]).

3. Staff Presentations
 - Public Works

Mr. Jay Harris, interim public works director, presented the staff report accompanied by a PowerPoint presentation (see official meeting packet for full report).

Councilor Bart Rierson wondered if the original plan to use the property adjacent to the old animal shelter for the public works maintenance shop was still in place. Mr. Harris explained a concrete factory has requested to relocate to that area in the future.

Councilor Stephen McKinney asked if the current reuse structure could handle double the capacity. Mr. Harris answered yes, it currently does one million gallons a day and could be easily upgraded to add another million with additional osmosis filters, but to expand beyond that capacity, the city would need a reservoir. Councilor McKinney asked if it is a revenue-generating source. Mr. Harris responded because of the initial investment in the reverse osmosis filters it creates negative revenue. He further explained the water is ideal for industrial and manufacturing use due to it turning wastewater into water with almost all impurities removed. With more user, it has the potential of generating revenue.

Mr. Patrick Johnson questioned the repairs occurring this year on Springbrook Road north of highway 99. Mr. Harris said they have to tear up pavement to replace pipes under the road when the bypass is finished, so they are only repairing the road now and will plan to re-do it in the future.

Chair Wall opened and closed public testimony as there was no one to testify.

- Police

Mr. Brian Casey, chief of police, presented the staff report accompanied by a PowerPoint presentation (see official meeting packet for full report).

Discussion commenced on what the revenue generated by the public safety fee increase would go toward and the unfunded, but mandated, federal security costs the city has. Additionally, discussion was held on animal control fees stating revenue comes from licensing, which only covers a portion of the expenditures. Chief Casey reported staff is working with Newberg Animal Shelter Friends for future operation of the shelter.

- Planning/Building

Mr. Steve Olson, interim planning and building director, presented the staff report accompanied by a PowerPoint presentation (see official meeting packet for full report).

Discussion commenced on business licensing fees and the complicated strategies of grant money.

- Administration

Ms. Dawn Wilson, human resources manager, presented the staff report accompanied by a PowerPoint presentation (see official meeting packet for full report).

Discussion commenced on how some cuts from administration are very small in compared to the overall budget; however, they are important for moral of city employees and should be added back into the budget. Additionally they discussed the cost of additional administration personnel.

V. ADJOURNMENT

The meeting adjourned at 8:59 PM.

Approved by the Newberg Budget Committee this ____ day of _____, 20xx.

Minutes Recorder

Budget Committee Chair

**BUDGET COMMITTEE MINUTES
MAY 13, 2014, 7:00 PM
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)**

I. CALL MEETING TO ORDER

Chair Lon Wall called the meeting to order at 7:00 PM.

II. ROLL CALL

Members Present:	Lon Wall, chair	Denise Bacon	Salvatore Bianco
	Mike Corey	Ryan Howard	Patrick Johnson
	Beth Koschmann	Stephen McKinney	Antony Pete
	Jack Reardon	Bart Rierson	Lesley Woodruff
	Mayor Bob Andrews, ex-officio		

Members Absent: Megan Morris (excused)

Staff Present: Lee Eilliot, city manager pro-tem Janelle Nordyke, finance director
Caleb Lippard, assistant finance director Truman Stone, city attorney
Mandy Dillman, minutes recorder

III. PUBLIC COMMENT

Ms. Janet Florence had been advised to come back to this meeting with a prepared request for outside funding; however, after research they have decided to not ask the city for any funding requests at this time and will move forward with becoming volunteer ran by July 1st, 2014 and applying to grants.

Ms. Marlena Bertram, Your Community Mediator, followed up on an email asking for additional information regarding the history of Newberg's contribution over the last few years and as follows 2003 \$365,000.00, 2004 \$364,000.00, 2005 \$370,000.00, 2006 \$500,000.00, 2008 \$ 550,000.00, 2009 \$550,000.00, 2010 \$550,000.00, 2011 \$205,000.00, 2012 \$300,000.00, and 2013 \$350,000.00. She explained this reflects the community requests from residents, which was 70% at that point, and this sends the message that mediation is increasing significantly and is a priority.

IV. CONTINUED BUSINESS

1. Staff Presentations (cont)
 - Administration (cont): Legal, Finance, City Manager

Mr. Truman Stone, city attorney, presented the staff report (see official meeting packet for full report).

Ms. Janelle Nordyke, finance director, presented the staff report accompanied by a PowerPoint presentation (see official meeting packet for full report).

Councilor Ryan Howard asked if the \$50,000.00 would supply enough to make a current part time position into full time and Ms. Nordyke said he was correct. Mr. Lee Elliot, city manager pro-tem, asked how much of that amount would come from the general fund. Ms. Nordyke explained 25% of the \$50,000.00 would come from the general fund and the rest from the public works fund.

Ms. Norma Alley, city recorder, presented the staff report (see official meeting packet for full report).

Discussion commenced on how the city manager position is changing from a half full time employee (FTE) to two FTE because the city manager position has not been filled this last year. Additionally they discussed how the city manager position was funded and it was described to be half funded by public works and half funded by the city managers budget. This year's budget is purposing changing the city manager to be fully funded by the city managers budget and no longer partially funded from the public works budget. Further discussion commenced on administration allocation, how that has been funded in the past, and how it will change this year. It was also determined changing a contract employee to a FTE status and not reflecting it in last year's budget has caused some confusion. Ms. Alley also explained she uses interns every year from George Fox University. In conclusion, they discussed options to change the budget to keep the deputy recorder position and how much money was accrued in the last year from not having the city manager position filled.

Ms. Norma Alley, city recorder, presented the staff report (see official meeting packet for full report).

Discussion commenced on how much the city would receive from the increase in the transient lodging tax and that the local government dinners will no longer be hosted by the city to help save money.

- Library

Ms. Leah Griffith, library director, presented the staff report accompanied by a PowerPoint presentation (see official meeting packet for full report).

Councilor Stephen McKinney asked Ms. Griffith how much it would cost to operate 48 hours a week and Ms. Griffith replied it would be \$100,000.00 or more; however, the library could then be open one or two more days a week. Ms. Griffith made it clear they are not asking for that.

Discussion commenced on how the library operates with the Chemeketa Regional Library Services (CCRLS) and how much the library district contributes to Newberg compared to other cities. It was mentioned the city of Newberg contributes much more to departments and activities than other cities. Additionally, it was determined building maintenance costs come from the cities facilities budget and not form the libraries budget, which is funded by all departments and is used for all city buildings. Furthermore, it was discussed the fund is contributed to each year and is used when needed; however, because of budget cuts it has not been contributed to over the last few years.

Ms. Griffith further explained the roof needed repairing last year; however, due to the elevator needing replaced it was not feasible. Mr. Elliot explained deferring maintenance issues is always the first cut in a budget and he commemorated Ms. Griffith for running the library so fiscally.

- Communications

Ms. Mary Newell, dispatch center manager, presented the staff report (see official meeting packet for full report).

Discussion commenced on how many additional personnel would be ideal and Ms. Newell explained four extra employees would be the best-case scenario; however, because of limited staff currently and space she could only train two additional employees at this time. Furthermore, it was determined the city of Newberg's dispatch center covers Newberg and Dundee police, fire and ambulance services and the city of Dundee does contribute approximately \$15,000.00 a year in tax money. In conclusion, they discussed how each call to the emergency number costs the caller .75 cents because of a tax instated by the state of Oregon.

- Fire

Mr. Les Hallman, fire chief, presented the staff report (see official meeting packet for full report).

Discussion commenced on “brown outs”, which means when one emergency vehicle is shut down for the night and is happening approximately once a week.

- IT

Mr. Dave Brooks, information technology director, presented the staff report accompanied by a PowerPoint presentation (see official meeting packet for full report).

V. ADJOURNMENT

The meeting adjourned at 9:23 PM.

Approved by the Newberg Budget Committee this ____ day of _____, 20xx.

Minutes Recorder

Budget Committee Chair

CITY OF NEWBERG BUDGET COMMITTEE MINUTES
TUESDAY MAY 20, 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 (arrived 6:30pm)	Mayor Bob Andrews Ex-officio	

Members Absent: Mike Corey (excused)

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

Others Present: Kimberly Zoutendijk, Mary Newell

III. PUBLIC COMMENT

Chair Lon Wall opened the public testimony.

Ms. Kimberly Zoutendijk with the Newberg Old Fashion Festival reported that she wrote a letter requesting an increase to the firework budget of \$2,000.00. The fireworks are about 20% of the budget and we use a local family owned company. Our festival is very unique and ran by all volunteers and it is growing this year with a disc golf tournament. The Old fashion festival brings many people to the City of Newberg.

IV. CONTINUED BUSINESS

1. Outside Funding Requests discussion

Councilor Bart Rierson stated the Newberg downtown coalition is part of the city and should be funded. I am in favor of the old fashion festival and I am disappointed with the way the city handled the animal shelter situation.

Councilor Ryan Howard said I would prefer to give any money to the Newberg animal shelter rather than the homeward bound pets. As far as the Old fashion festival I don't see that as important when we could be potentially be laying people off at City Hall.

Mr. Patrick Johnson said I agree with Howard but I feel like something that directly affects tourism like the Heritage foundation and downtown coalition should be important in the budget. My concern is the stuff we can use the TLT (Transient Lodging Tax) to fund.

Councilor Bart Rierson stated we had a discussion on the TLT and we had some public participation who were caught off guard because they have contractual obligations and have make commitments to their customers.

The TLT increase has to come out of their budget. We did not make any decisions last night, but there is a possibility there will be a delay to the increase. Councilor McKinney said it is too soon to tell with the TLT and how it will be implicated. I am reluctant to endorse any outside funding from what we have budgeted here. I am reluctant to support the homeward bound when we have our own animal shelter to fund and I am leaning towards not supporting any of the outside requests.

Mayor Andrews said following the concept of Councilor Stephen McKinney can we add the requests in to the budget at a later time through supplemental. Ms. Janelle Nordyke said yes.

Mr. Patrick Johnson said when I saw the TLT go up and the city use it for things that are not related to tourism people can get worked up. You can tie this to jobs and economic activity and from my point of view we should be making an investment in tourism.

MOTION: Howard/McKinney approving the outside funding requests budgeted for the 2014-2015 year which is Newberg Old Fashion Festival, Mediators of Yamhill County, and Newberg Downtown Coalition. (10 Yes/ [3 No Rierson, Brown, Johnson][1 absent Corey]) Motion carried.

Councilor Bart Rierson said I will not be supporting this because I believe we will be increasing the TLT and I think we should be showing the people we are spending that money on tourism. I would support Newberg Old Fashion Festival and the downtown coalition. Ms. Helen Brown asked if you are counting on a supplemental budget if this does pass. I believe the Old Fashion festival is very important thing for the tourism and the community itself.

Ms. Beth Koschmann said I like the idea of the supplemental budget once the money comes in. I feel like we should hunker down and be hopeful for the future.

Mr. Patrick Johnson said we have issues with growth and I look at our economic development and think it should be better. You have to invest money to make money and to not invest money for tourism when we are increasing the TLT does not make sense to me. In favor of being smart about our investments and that is why I am not supporting the motion.

Councilor Ryan Howard stated we need to recognize we are not investing less just supporting them at the same level and hopefully if we bring in more money from the TLT we can invest in more.

Ms. Megan Morris said I support the motion because I think these are valuable aspects of our community but there are the ABCs that need to be prioritized.

Chair Lon Wall stated any money we spend on animal control should be local, but there is nothing said that this money will go to the local animal control. I am really bothered spending money before the income has been settled on. We have much bigger problems than this and we are going to have to come up with some sort of funding. Everyone needs to feel the pain.

MOTION: Johnson/Howard recommends to consider funding the Newberg Old Fashion Festival and Newberg downtown coalition to the requested \$10,000.00 based on a potential Transient Lodge Tax increase once it approved. (8 Yes/ [5 No McKinney, Brown, Morris, Reardon, Wall][1 absent Corey]) Motion carried.

Ms. Megan Morris said I do not agree with the motion because just because we have the money doesn't mean we need to spend it.

2. Budget Committee Deliberation

Ms. Janelle Nordyke, Finance Director presented a questions and answer report (see official meeting packet for full report).

Councilor Bart Rierson stated we are paying overtime because we are understaffed and by adding two positions we are really only adding one with one of them leaving in September. What is important to me is the service we can provide with the 911 operators.

Councilor Stephen McKinney said Mary has dealt with a broken system for years and I am leaving it up to the chief and Ms. Mary Newell to tell us what they need. I have a great deal of confidence in Mary and I believe the time has come to get this done. I am wholeheartedly in favor of adding the two 911 operators.

Councilor Denise Bacon said the personal attachment that our dispatch has to the officers and the community is extremely important. The biggest problem for me will be the island that can be created and how irresponsible that will be.

Mr. Lee Elliott stated what is in the proposed budget currently is that we are going to fill that position that is leaving no matter what. From our last discussion it seems you want two additional and filling the position that is leaving. We will be dipping in to the public reserves fund to add the second hire. The dispatch position is underfunded but we may also need to hire police and fire in the next year.

Ms. Mary Newell stated we have looked at consolidation, but we operate on two different radio systems. Yamhill County has no plans to move from their system and they are an island in of themselves. We use the Washington County system which is an 800 number and the officers and firefighters are not willing to give up their 800 number. Throughout the US there is an issue maintaining staff and there are 43 dispatch centers in the state of Oregon. Everyone knows where landmarks are in Newberg which is the benefit of having a local service.

Mayor Andrews said it will be an increase of \$2.67 with one additional and \$3.67 for a second.

Mr. Jack Reardon said you really are not going to save all of your money with your overtime. Ms. Mary Newell said yes that is correct.

Councilor Ryan Howard stated I was originally for the change but after looking at the numbers I did back off and am not going to support adding the person.

Mr. Patrick Johnson said I would like to get a read on what the committee feels and asked the budget committee if they would support adding an additional 911 operator. The straw pole came up with 5 yes, 5 no, and 2 undecided.

Janelle reported on adjustments of the proposed 2014-15 budget. Please see official meeting packet.

3. 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.

V. ADJOURNMENT

Future Budget Committee Meeting Dates:

May 27 Budget Committee Deliberations, 2014-15 Budget Recommendation to City Council
(tentative)

The meeting adjourned at 9:05PM.

Approved by the Newberg Budget Committee Commission this ____ day of _____, 2014.

Nicole Tannler
Minutes Recorder

Lon Wall
Budget Commission Chair

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 Ex-officio		

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 a 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 Blakes' compensation to \$1408.00 to include a 2% coop 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 a 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 fashion 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 to a time that we are doing less with less. Do we need to meet an additional time or are we at 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 on going bases 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 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 recorders 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 ____ day of _____, 2014.

Nicole Tannler
Minutes Recorder

Lon Wall
Budget Commission Chair