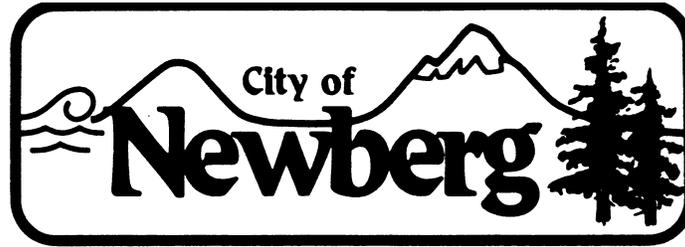


City Manager  
(503) 537-1207

City Attorney  
(503) 537-1206



414 East First St.  
PO Box 970  
Newberg, OR 97132

**CITY OF NEWBERG  
CITY COUNCIL WORK SESSION  
MARCH 15, 2010  
6:00 P.M.  
NEWBERG PUBLIC SAFETY BUILDING  
401 EAST THIRD STREET**

THE CITY COUNCIL OF THE CITY OF NEWBERG WILL HOLD A WORK SESSION TO REVIEW THE COUNCIL AGENDA ITEMS AND TO HEAR REPORTS FROM BOARDS, COMMISSIONS, AND COMMITTEES. NO ACTION WILL BE TAKEN ON THE AGENDA ITEMS.

DISCUSSION ON BUDGET.

DATED THIS 9TH DAY OF MARCH, 2010.

DANIEL DANICIC  
CITY MANAGER

**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 soon as possible and no later than 48 hours prior to the meeting. To request these arrangements, please contact the city recorder, at (503) 537-1283. For TTY service please call (503) 554-7793.*

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Admin: 537-1261 ● Building: 537-1240 ● Public Works: 537-1273 ● Finance: 538-9421 ● Fire: 537-1230  
Library: 538-7323 ● Municipal Court: 537-1203 ● Police: 538-8321 ● Maintenance: 537-1234 ● Utilities: 537-1205  
Municipal Court Fax: 538-5393 ● Public Works Fax: 537-1277 ● Library Fax: 538-9720

"Working Together For A Better Community-Serious About Service"

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# **Council Budget Prioritization For FY 10/11**

March 15, 2010

## **AGENDA**

1. FY 10/11 Budget Development Update
2. Council Budget Review
3. Funding Requests

## **ATTACHMENTS**

- A. Visitor Center Funding packet from March 1, 2010 Work Session
- B. Chehalem Valley Transit Funding Request
- C. Newberg Downtown Revitalization Committee Funding Request
- D. Pole Mounted Radar Speed Sign report by Public Works
- E. LGPI January CPI Report
- F. April 6, 2009 Council Budget Discussion Document

## **FY 10/11 Budget Development Update**

As anticipated, the preparation of the FY 10/11 budget has been challenging. To date, City departments have completed their estimated actual expenditures in FY 09/10 for each line item as well as an estimate of revenue and expenses for FY 10/11. Many funds as noted below are in a precarious state due to a combination of increased personnel costs and revenue reductions. The process to balance the budget has just begun. It is a process that takes a number of iterations to reach a final equilibrium.

The City Manager and Department Heads have made a number of changes to mitigate some of the rising costs and diminishing revenues. Many of the reductions made in FY 09/10 are carried forward. FY 10/11 will require some very difficult decisions regarding the level of funding for a number of programs.

### **Basic assumptions used for the initial budget draft:**

1. COLA
  - a. Police – 3.5%
  - b. Fire – 4% (CPI + 0.5%)
  - c. Non-Union – 3%
2. PGE and NW Natural Gas Rate Increases of 6%
3. Water and Wastewater Franchise Fee of \$488,000
4. Materials and Services line items, where possible, are held to same value as FY 09/10 (that was held to FY08/09 levels).
5. Reduce computer and vehicle replacement

### **General Fund (01)**

- Programs
  - Council
  - Municipal Court
  - Police
  - Fire
  - Library
  - Planning
- Revenue of \$13.3M identical to FY 09/10
- Negative fund balance of \$430,000

### **Street Fund (02)**

- Eliminated many capital improvement projects
- Shift Engineering FTE to water and wastewater funds

### **Wastewater Fund (06)**

- Significant reduction in capital projects
- Reduce FY 9/10 transfer to reserves
- Proposed rate increase of 16.9%

**Water Fund (07)**

- Reduce FY 09/10 transfer to reserves
- Proposed rate increase of 12.2%

**Building Inspection Fund (08)**

- \$355,000 projected revenue reduction from FY 09/10
- Negative fund balance of \$24,000

**City Hall Fund (10)**

- Project revenue from building permit fee surcharge is insufficient to make annual debt payment.
- Debt payment to be made from reserves. (five year buffer)

**Dispatch Center (13)**

- Fund balances for FY 10/11
- Considering low contingency and beginning fund balances for FY 11/12, there is cause for concern.

**Central Services (31)**

- Programs
  - City Manager
  - Human Resources
  - City Recorder
  - Emergency Management
  - Finance
  - Utility Billing
  - Information Technology
  - City Attorney
  - Fleet
  - Facilities
- Approximately 50% of this fund is charged to the General Fund
- One FTE from Finance has been eliminated.

**Budget Reductions**

Following is a list of various actions that can be considered to balance the overall budget. These are just ideas, not final recommendations. It is hoped that the Council may want to provide some insight as to their level of acceptance of these or other options to assist the City Manager's development of the budget.

- Reduce FTE
- COLA and merit increase limitations
- Staff furlough days
- Program reductions/elimination
- Reduce Library hours

# City Council Budget

## Council Budget

Adopted 2009-2010	Expensed as of 12/31/09	Description	Detail Description	Budget Detail 2009-2010	Proposed 2010-2011
1,777	718	Salaries			
3,900	980	Councilor Salaries			
3,600	2,220	Mayor Salaries			
709	(84)	FICA/Medicare			
288	52	Workers Compensation			
23	4	Unemployment			
<b>10,297</b>	<b>3,890</b>	<b>Total Personal Services</b>			
2,000	471	Office Supplies			
3,000	2,350	Printing & Advertising			
			Mayor's Musing	0	
			Graphic's Local Focus	0	
			Business Cards	70	
			Magenetic Sign	30	
			Paper	2,000	
24,000	26,569	Dues & Meetings			
			LOC Annual Dues	13,844	
			COG Membership Dues	8,627	
			Chamber Annual Membership	300	
			Chamber Banquet	0	
			COG Banquet	0	
			COG Econ. Dev. Planning Grant	1,482	
			City/County Dinners	0	
			Misc. City Events	0	
700	1,299	Mayor's Expense			
			City Club Membership	25	
			OMA Annual Dues	150	
			OMA Annual Conference	300	
			OMA Mayor's Day	50	
			Kiwanis Annual Dues	175	
200	43	Council/Committee Expense			
584	116	Recognition			
7,000	2,202	Travel & Training			
			LOC Annual Conference	2,000	
			LOC New Member Training	150	
			LOC City Hall Day @ Capitol	125	
			Mileage Reimbursements	1,700	
			Misc. Trainings	480	
			Asago City, Japan Visit	0	
			Poysdorf, Austria Visit	2,500	
2,135	0	Professional Services			
24,500	11,500	Community Support			
			Transit	12,000	
			Festival Fireworks	6,000	
			Your Community Mediators	5,500	
			Misc.	1,000	
44,000	9,000	Tourism			
			Visitor Center	12,000	
			Un-appropriated	32,000	
148,371	74,186	Internal Charge - Admin. Spt.			
<b>256,490</b>	<b>127,736</b>	<b>Total Materials and Services</b>			

**266,787    131,626    Total Budget**





Dues and Meetings Schedule

2010-2011 Budget Year

01.1110.520

Organization	Purpose	Last Year Proposed	Last Year Budget	This Year Proposed Total	This Year Approved Total
LOC	Annual Dues	\$ 13,844.44	\$ 13,500.00	\$ 14,290.22	
COG	COG Membership	\$ 8,627.00	\$ 8,700.00	\$ 8,945.00	
City/County Dinners		\$ 1,100.00	\$ -	\$ 600.00	\$ -
Chamber of Commerce	Annual Membership	\$ 300.00	\$ 300.00	\$ 300.00	
COG	Banquet (6 @ \$30/ea.)	\$ 150.00	\$ -	\$ 180.00	\$ -
COG	Econ. Dev. District for Econ. Dev. Planning Fee	\$ 1,482.00	\$ 1,500.00	\$ 1,528.00	
Misc. City Events	NASF Event	\$ 100.00	\$ -	\$ -	
Chamber of Commerce	Banquet (7 @ \$35/ea.)	\$ 125.00	\$ -	\$ 245.00	\$ -
Hearts of Gold	Banquet (7 @ \$30/ea.)	\$ -	\$ -	\$ 210.00	\$ -
					\$ -
					\$ -
<b>Annual Budget</b>		<b>\$ 25,728.44</b>	<b>\$ 24,000.00</b>	<b>\$ 26,298.22</b>	<b>\$ -</b>

LOC Annual Dues \$15,202.36 - actual dues amount (6% paid out of water fund)

Mayor's Expense

2010-2011 Budget Year

01.1110.520005

Company	Service	Last Year Proposed	Last Year Budget	This Year Proposed Total	This Year Approved Total
Newberg City Club	Annual Dues	\$ 25.00	\$ 25.00	\$ 25.00	
Oregon Mayor's Assoc.	Mayor's Day Regis.	\$ 50.00	\$ 50.00	\$ 50.00	
Kiwanis	Annual Dues	\$ 175.00	\$ 175.00	\$ 175.00	
Oregon Mayor's Assoc.	Annual Dues	\$ 150.00	\$ 150.00	\$ 150.00	
Oregon Mayor's Assoc.	Annual Conf.	\$ 300.00	\$ 300.00	\$ 300.00	
				\$ -	
Mileage Reimbursement	(\$240/mo.x 6 mo.)			\$ 1,440.00	
Travel Reimbursement	(\$50/mo. x 3 mo.)			\$ 150.00	
				\$ -	
<b>Annual Budget</b>		<b>\$ 700.00</b>	<b>\$ 700.00</b>	<b>\$ 2,290.00</b>	<b>\$ -</b>

**Council/Committee Expense**

**2010-2011 Budget Year 01.1110.520006**

<b>Company</b>	<b>Service</b>	<b>Last Year Proposed</b>	<b>Last Year Budget</b>	<b>This Year Proposed Total</b>	<b>This Year Approved Total</b>
Council Mtg. Meals	24 Mtgs./yr. @ \$150/meal	\$ -	\$ -	\$ -	
Council Subcomm. Meals	12 Mtgs./yr. @ \$60/meal	\$ -	\$ -	\$ -	
Misc. Meetings		\$ 200.00	\$ 200.00	\$ 200.00	
<b>Annual Budget</b>		<b>\$ 200.00</b>	<b>\$ 200.00</b>	<b>\$ 200.00</b>	<b>\$ -</b>

Company	Service	Last Year Proposed	Last Year Budget	This Year Proposed Total	This Year Approved Total
Misc.	Sister City Gifts	\$ 1,000.00	\$ 584.00	\$ 500.00	
<b>Annual Budget</b>		<b>\$ 1,000.00</b>	<b>\$ 584.00</b>	<b>\$ 500.00</b>	<b>\$ -</b>

Training and Travel Schedule

2010-2011 Budget Year

01.1110.525

Company	Service	Last Year Proposed	Last Year Budget	This Year Proposed Total	This Year Approved Total
LOC Annual Conf.	Registration for 5	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	
	Lodging (\$200/nt.x3 nts)			\$ 1,800.00	
	Mileage (\$115/person)			\$ 575.00	
	Food (\$50/person)			\$ 250.00	
LOC Misc. Training	New Councilor Train for 3	\$ 150.00	\$ 190.00	\$ 200.00	
Mileage Reimbursement	Councilors Only	\$ 1,700.00	\$ 1,700.00	\$ 1,700.00	
LOC City Hall Day @ Capitol	Registration for 5	\$ 125.00	\$ 130.00	\$ 130.00	
Lunch & Learns	4 members @ \$10/ea.x12	\$ 480.00	\$ 480.00	\$ -	
Asago City, Japan Visit		\$ 2,500.00	\$ -	\$ 2,500.00	
Poysdorf, Austria Visit		\$ 2,500.00	\$ 2,500.00	\$ -	
<b>Annual Budget</b>		<b>\$ 9,455.00</b>	<b>\$ 7,000.00</b>	<b>\$ 9,155.00</b>	<b>\$ -</b>
		\$ 9,500.00			

Company	Service	Last Year Proposed	Last Year Budget	This Year Proposed Total	This Year Approved Total
??	Goal Setting Facilitator	\$ 2,500.00	\$ 2,000.00	\$ 2,000.00	
Windrose Conf. Ctr.	Goal Setting Location	\$ 200.00	\$ 135.00	\$ 135.00	
<b>Annual Budget</b>		<b>\$ 2,700.00</b>	<b>\$ 2,135.00</b>	<b>\$ 2,135.00</b>	<b>\$ -</b>





Company	Service	Last Year Proposed	Last Year Budget	This Year Proposed Total	This Year Approved Total
Visitor Center			\$ 18,000.00	\$ 18,000.00	
Unappropriated			\$ 32,000.00	\$ 32,000.00	
Downtown Sign \$10K					
<b>Annual Budget</b>		<b>\$ -</b>	<b>\$ 50,000.00</b>	<b>\$ 50,000.00</b>	<b>\$ -</b>

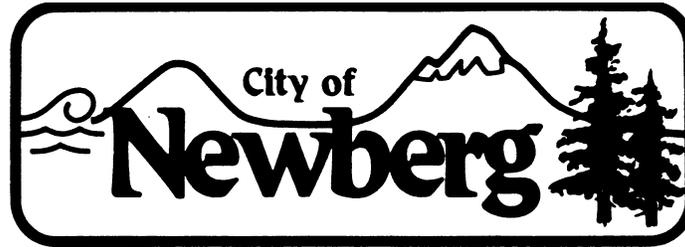
# Funding Requests

<b>Request</b>	<b>Expense</b>
Old Fashioned Festival	\$5,000
Your Community Mediators	\$5,500
Visitors Center (25% of \$225K)	\$56,250
NDRC	\$21,840
Chehalem Valley Transit	\$23,150

**A. Visitor Center Funding packet from March  
1, 2010 Work Session**

City Manager  
(503) 537-1207

City Attorney  
(503) 537-1206



414 East First St.  
PO Box 970  
Newberg, OR 97132

**CITY OF NEWBERG  
CITY COUNCIL WORK SESSION  
MARCH 1, 2010  
6:00 P.M.  
NEWBERG PUBLIC SAFETY BUILDING  
401 EAST THIRD STREET**

THE CITY COUNCIL OF THE CITY OF NEWBERG WILL HOLD A WORK SESSION TO REVIEW THE COUNCIL AGENDA ITEMS AND TO HEAR REPORTS FROM BOARDS, COMMISSIONS, AND COMMITTEES. NO ACTION WILL BE TAKEN ON THE AGENDA ITEMS.

DISCUSSION ON VISITOR CENTER CONTRACT.

DATED THIS 18TH DAY OF MARCH, 2010.

DANIEL DANICIC  
CITY MANAGER

***ACCOMMODATION OF PHYSICAL IMPAIRMENTS:***

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Municipal Court Fax: 538-5393 ● Public Works Fax: 537-1277 ● Library Fax: 538-9720

"Working Together For A Better Community-Serious About Service"

**Date: February 18, 2010**

**To:** Mayor Andrews and Newberg City Council

**From:** Daniel Danicic, City Manager

**Re:** Visitor Center Funding

**Purpose:**

The City of Newberg's Visitor's Center operated and managed by the Chehalem Valley Chamber of Commerce. Funding for the Center is provided by the City through a combination of Transient Room Tax (TRT) and business license revenue. The Chamber desires an increased and stable source of funding by establishing through Ordinance a specific dedicate percentage of TRT revenue to be allocated to the Visitor Center. Representatives from the Chamber will be on hand to discuss this proposal.

**Visitor Information Center History:**

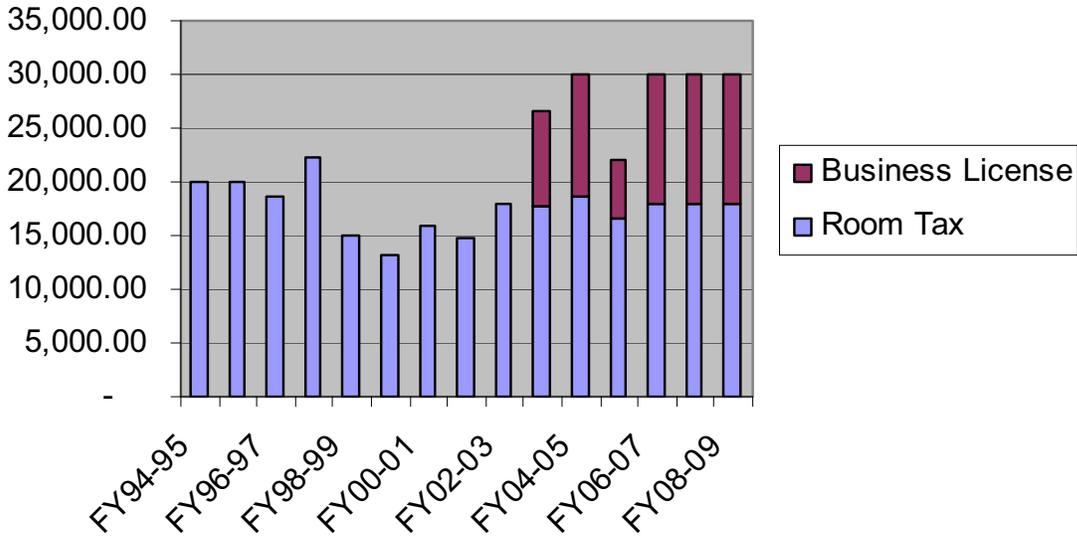
The Chehalem Valley Chamber of Commerce operates the Visitor Information Center to promote tourism and business in the area. The City of Newberg has supported the center since at least 1989. At one point, the City requested proposals from other entities to operate an information center, but ultimately chose the Chamber. The City and Chamber have entered into various formal agreements regarding operation of the Visitor Information Center over the years. The most recent agreement is dated July 1, 2003. At this time the City and Chamber are operating on an informal renewal of the 2003 agreement.

The City's funding contribution to the Visitor Information Center has varied over the years. The initial source of funding was the transient room tax. The amount of this contribution has varied widely, from as little as 14% of the total taxes collected to as much as 43%. Overall the annual payment for services has remained relatively stable. It is the continued growth in the TRT revenue that drives the changing percentage ratio of revenue to funding. In the approved FY2009-10 budget, the City dedicates an estimated 13.8% of room tax revenues to the Visitor Information Center (\$18,000 out of \$250,000).

Beginning in 2003, the City instituted a business license. The City has used business license receipts also to support the Visitor Information Center. In the approved FY2009-10 budget, the City dedicates an estimated 30% of room tax revenues to the Visitor Information Center (\$12,000 out of \$40,000).

In the last three and current fiscal years, the City has contributed \$30,000 annually to the Visitor Information Center. \$18,000 of that is derived from the room tax; \$12,000 is derived from the business license.

### Visitor Information Center Payments from City of Newberg FY94-95 to FY08-09



### Newberg Room Tax Revenue and Visitor Information Center Payments FY94-95 to FY08-09

Fiscal Year	Total Room Tax Revenue	Room Tax to Visitor Center	% Room Tax to Visitor Center	Business License Rev. to Visitor Center	Total Revenues to Visitor Center as % of Room Tax Revenue
FY94-95	46,572	20,000	43%		43%
FY95-96	53,964	20,000	37%		37%
FY96-97	55,810	18,749	34%		34%
FY97-98	72,343	22,181	31%		31%
FY98-99	71,518	18,000	25%		25%
FY99-00	78,131	18,000	23%		23%
FY00-01	88,709	15,856	18%		18%
FY01-02	79,808	14,754	18%		18%
FY02-03	83,402	18,005	22%		22%
FY03-04	93,967	17,639	19%	9,000	28%
FY04-05	96,058	18,750	20%	11,250	31%
FY05-06	100,489	16,500	16%	5,500	22%
FY06-07	129,383	18,000	14%	12,000	23%
FY07-08	121,039	18,000	15%	12,000	25%
FY08-09	115,000	18,000	16%	12,000	26%

**Transient Room Tax:**

The City established a transient room tax in 1976. The rate is 6% of the room rate. The City receives 95% of the taxes collected; 5% is retained by the innkeeper to defray the costs of collection.

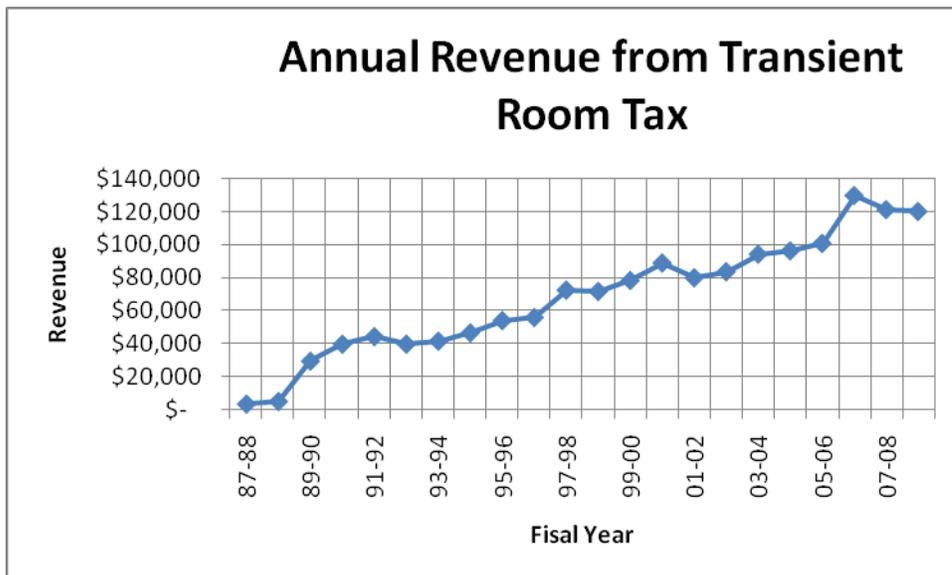
The Newberg Code states: “All [room tax] money collected pursuant to this subchapter shall be the general funds of the City of Newberg and may be used in any lawful manner that the city deems necessary and appropriate.”

State law governs the use of the room tax. ORS 320.350 provides that the City cannot reduce the percent of room tax revenues expended to fund tourism promotion or tourism-related facilities from the percent used in 2003. Accordingly, 17.6% of room tax revenues must be used to fund tourism promotion or facilities. If the City increases the room tax, then 70% of the new revenues must fund tourism promotion or facilities.

In 1996, the City adopted Ordinance 96-2433, which specified that 50% of room tax revenues be dedicated to fund a visitor center. In 1997, the City adopted Ordinance 97-2478, which eliminated the 50% requirement.

**Historical Revenues for Transient Room Tax:**

The following chart shows the historical room tax revenues. The FY2009-10 budget projects \$250,000 of revenue from the room tax with the significant increase due to the Allison Inn. To date, there has been only one full quarter of revenue reported that includes the Allison Inn. It is still too early to determine whether or not the Allison will meet the project TRT revenue for FY09-10.



**STRATEGIC ASSESSMENT:**

By state law, approximately 17.6% of room tax revenues must be used for “tourism promotion or tourism related facilities.” The following table reports the amount of funds that should be allocated to tourism since 2003:

Fiscal Year	TRT Collected	17.6% of TRT
02-03	\$ 83,402	\$ 14,679
03-04	\$ 93,967	\$ 16,538
04-05	\$ 96,058	\$ 16,906
05-06	\$ 100,489	\$ 17,686
06-07	\$ 129,383	\$ 22,771
07-08	\$ 120,876	\$ 21,274
08-09	\$ 119,791	\$ 21,083
09-10 Projected	\$ 250,000	\$ 44,000

Funding the Visitor Information Center is a qualified use of TRT revenue. Other activities also could fill this purpose, including marketing the Old Fashioned Festival, Art Walk or other events, creating and posting welcome banners downtown, or developing facilities, possibly including restrooms, benches, or plazas, that have a substantial purpose of supporting tourist activities.

The City and the Chamber have been operating without a formal contract since 2003. To protect the City and the Chamber a contract must be executed to clearly delineate the Chamber’s role and the City’s expectations for the operation of the visitor’s center.

The level of funding for the visitor’s center has remained unchanged for the last three years. To maintain at least current level of services, consideration for inflationary cost increases should be considered.

The Chamber has proposed to have the level of funding specifically allocated by Ordinance as a set percentage of the TRT revenue collected. This assures the Visitor Center budget will increase as the economy and revenues increase. This provides the Chamber with a level of assurance that their funding levels will increase over time. To the City, it limits the Council’s options on how to allocate the TRT revenue.

**Questions:**

In considering the Chamber's request the Council may wish to think about the following questions:

1. Does the City want to continue to fund a Visitor's Center?
2. Does the Council desire to continue to contract with the Chamber to operate and manage the Center?
3. Does the current \$30,000 annual expenditure fund the Center at a level of service satisfactory to the Council?
4. Should revenue allocated to the Center be established by Ordinance or remain at the discretion of the Council and Budget Committee?

**Recommendation:**

1. Develop a contract and scope of work for Council approval by June 30, 2010.
  - a. The scope of work is to define the level of services that can be provided at a cost of \$30,000 per year.
2. Term of contract to be five years with an automatic CPI adjustment factor.
3. Each year when establishing the budget:
  - a. Council to determine the amount of TRT revenue to be allocated for tourism activities, 17.6% minimum.
  - b. The Chamber and other interested parties are provided an opportunity to a submit request for grant application to fund specific tourism related projects subject to funding availability.

**Attachment**

Visitor Information Center Data  
Submitted By  
Chehalem Valley Chamber of Commerce  
February 18, 2010

# Chehalem Valley Chamber of Commerce

## 2009/2010 Visitor Information

### *Service Record and Monthly Report*

Comparison (Prior Year)

	Phone	Phone	Visitor	Visitor	Web Visits	Web Visits
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
<b>July</b>	802	701	1288	1355	4362	4459
<b>Aug</b>	823	857	1445	1322	4349	3731
<b>Sept</b>	715	667	1799	1272	4299	3065
<b>Oct</b>	440	529	930	700	5242	4138
<b>Nov</b>	443	402	412	372	3918	3937
<b>Dec</b>	198	229	201	266	3447	3327
<b>Jan</b>	367	219	244	232	4048	3650
<b>Feb</b>		237		233		3686
<b>March</b>		339		366		3868
<b>April</b>		399		290		3382
<b>May</b>		402		550		2813
<b>June</b>		568		709		4169
<b>Total:</b>		5549		7667		44225

## 2009 - 2010 Visitor Center Budget

Chehalem Valley Chamber of Commerce

### Income

		09-10		
		BUDGET TOTALS	08-09 BUDGET	08-09 ACTUAL
<b>City of Newberg</b>		\$30,000	\$30,000	\$30,000
<b>Chehalem Valley Chamber of Commerce Contribution</b>		\$55,971	\$43,450	\$55,971
	<b>TOTAL</b>	<b>\$85,971</b>	<b>\$73,450</b>	<b>\$85,971</b>

### Expenses

<b>Personnel</b>		<b>\$44,975</b>	\$41,925	\$44,975
Executive Director				
Communications Coordinator				
Visitors Center Coordinator				
Visitors Center - Seasonal Help				
Bookkeeper (P/T)				
Benefits - Health Insurance & Retirement				
Taxes				
 <b>Marketing Expense</b>		 <b>\$9,246</b>	 \$8,525	 \$9,246
Newberg Graphic Tourism				
Yamhill Valley Visitors Guide - Yamhill Valley Branding & Marketing Project				
Sheridan Sun Tourism Magazine				
Governors Conference on Tourism - OACVB Conference				
Visitors Center Brochure - Reprints & Tourism Inserts				
Website				
Yamhill Valley Visitors Association				
 <b>Overhead</b>		 <b>\$31,750</b>	 \$23,000	 \$31,750
Calculated on 1/3 of overhead in Chamber Budget applicable to tourism				
Includes: Dues/Subscriptions, Admin. Insurance, Internet/Web,				
Miscellaneous, Supplies, Postage, Leases, Rent, Capital				
Improvements, Repair/Maintenance, Telephone, Utilities				
Yamhill Valley Visitors Association dues, Professional Fees				
Portland Oregon Visitors Association dues				
	<b>TOTAL</b>	<b>\$85,971</b>	<b>\$73,450</b>	<b>\$85,971</b>

**Newberg Visitor Information Center  
2009 - 2010  
First and Second Quarter Report  
(July - Dec 2009)**

	Q1 & Q2	YTD 09-10	Budget
<b>REVENUE:</b>			
City of Newberg	\$7,500.00	\$15,000.00	\$30,000.00
Newberg Chamber contribution	\$35,760.00	\$28,260.00	\$55,971.00
<b>TOTAL REVENUES:</b>	<b>\$43,260.00</b>	<b>\$43,260.00</b>	<b>\$85,971.00</b>
<b>EXPENSES:</b>			
Personnel	\$21,057.00	\$21,057.00	\$44,975.00
Marketing	\$8,991.00	\$8,991.00	\$9,246.00
Overhead/Utilities, etc.	\$13,212.00	\$13,212.00	\$31,750.00
<b>TOTAL EXPENSES:</b>	<b>\$43,260.00</b>	<b>\$43,260.00</b>	<b>\$85,971.00</b>

Visitors Center Funding  
History

Fiscal Year	Total Room Tax Revenue	Room Tax to Visitors Center	% Room Tax to Visitor Center	Business License Rev. to Visitors Center	Total Revenues to Visitors Center as % of Room Tax Revenue	Total Visitors Center Budget	% Visitor Budget City Pays	% Visitor Budget Chamber Pays
FY94-95	\$46,572	\$20,000	43%		43%			
FY95-96	\$53,964	\$20,000	37%		37%			
FY96-97	\$55,810	\$18,749	34%		34%			
FY97-98	\$72,343	\$22,181	31%		31%			
FY98-99	\$71,518	\$18,000	25%		25%			
FY99-00	\$78,131	\$18,000	23%		23%			
FY00-01	\$88,709	\$15,856	18%		18%			
FY01-02	\$79,808	\$14,754	18%		18%			
FY02-03	\$83,402	\$18,005	22%		22%			
FY03-04	\$93,967	\$17,639	19%	\$9,000	28%	\$48,448	55%	45%
FY04-05	\$96,058	\$18,750	20%	\$11,250	31%	\$46,903	64%	36%
FY05-06	\$100,489	\$16,500	16%	\$5,500	22%	\$52,031	42%	58%
FY06-07	\$129,383	\$18,000	14%	\$12,000	23%	\$67,291	45%	55%
FY07-08	\$121,039	\$18,000	15%	\$12,000	25%	\$68,506	44%	56%
FY08-09	\$115,000	\$18,000	16%	\$12,000	26%	\$85,971	35%	65%

**B. Chehalem Valley Transit Funding Request**

# Chehalem Valley Transit

PO Box 958 Newberg, OR 97132  
503-538-7433 www.yctransitarea.org

To: City of Newberg Budget Committee

From: Lynda Bevier, CVSCC Board Chair

Date: February 5, 2010

RE: Budget Request for 2010-11

On behalf of the Board, I would like to thank the City of Newberg for its support of public transit in the Newberg area. Over the years, the city's provision of bus maintenance has provided the community with safe and well maintained buses at reasonable rates. Over the last several years the City has provided \$12,000 annually for operations. This amount has been used to leverage a number of Federal and State funding programs that have allowed us to expand transit services to the residents of Newberg.

**The CVSCC Board respectfully requests the City of Newberg fund local public transit as provided by Chehalem Valley Transit with a contribution of \$23,150.** This is the equivalent of one bus ride (\$1.00 fare) for each citizen of our community. These funds would be used to leverage hundreds of thousands for state and federal funding (most require a 5% to 20% match). The City had funded Transit at \$19,000 per year in the 1990's, which was more than \$1 per citizen.

Chehalem Valley Transit provides three services under contract with the Yamhill County Transit Area (YCTA). YCTA coordinates transit countywide and manages the myriad of state and federal transportation funding grants and requests which allows CVT to receive funds to offer the services. In 2009-10, YCTA was able to acquire additional funds to make significant improvements to transit throughout the county, but especially in the Newberg area. Additional matching money will be needed to keep these funds in the future.

**LINK** is the commuter service with 14 daily trips that transport Newberg residents to the Tigard Transit Mall to connect with TriMet buses and the WES train, and to McMinnville with additional connections to Salem, Hillsboro, and Grand Ronde. Monday through Friday, the buses run from 4:20 am to 8:18 pm and on Saturday, the bus runs from 7:30 am to 7:56 pm. Ridership on the LINK has grown 300% since 2007 (15,991 riders in 06-07 to 64,000 projected for 09-10) and continues to grow each month. Soon you will see 35 passenger coach style buses (like mini TriMet buses) on the road, as the current smaller cutaway buses only hold 16 passengers.

Chehalem Valley Senior Citizens Council  
Operators of Chehalem Valley Transit

The **Newberg City Bus** (formerly the Town Flyer) has just been expanded to four buses running four routes to all corners of the city from 7:30 am to 7:30 pm Monday through Friday. Since this change in January, we're already seeing more ridership and when signage is up (we're working with the county and city on that project), we should see ridership grow even more. Current Town Flyer ridership averages about 254 rides per month and is projected to be at least 750 rides per month in 2010-2011, with the increased service.

The **Dial-A-Ride** and **Paratransit Service** provides curb to curb service for those who find age or disability a deterrent to the LINK or City Bus. Many of these riders are going to dialysis, the senior center or to work. We're now primarily offering this service in smaller vans that are still wheelchair accessible. Ridership averages about 905 rides per month

More publicity and marketing will be occurring in 2010 to inform the community about the new level of public transit service that is available in Newberg. We have come a long way from a couple of vans providing dial-a-ride, to a full fledged transit system that is being used by residents to get to work, school, shopping, health care and more. Your support of public transit in our community will support economic development as well as service to those without other transportation options. Thank you for your consideration of this request.

## **C. Newberg Downtown Revitalization Committee Funding Request**

**Proposed Newberg Downtown Projects  
NDRC - January 2010**

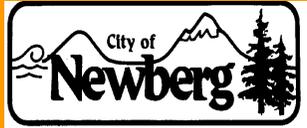
Proposed Project	Project Type	Timeframe	Cost Estimate
Fencing over Hess Creek on Highway 99W - South Side	Capital	MT	\$17K
Funding sources identification for downtown projects with Main Street Program	Process	MT	
Breezeway improvements (First Street to 2nd Street Public Parking Lot)	Process/ Capital	MT	
Public Restrooms (new or access to existing facilities)	Process/ Capital		
2nd Street Public Parking Lot Improvements	Capital	MT	
Demonstration Block Improvements Expansion	Capital	MT/LT	\$120K*
Empty lot across from City Hall - future development	Process	MT/LT	
New light poles on First Street - replace current poles with ones like on Hancock Street	Capital	LT	
Francis Square - revise use rules	Process	ST	
Bike racks	Capital	ST	\$21,840**
Parking lot signs - directions to other public parking lots	Capital	ST	
"Historic District" street signage		MT	

\* Ten blocks along First Street and Hancock, between River Street and Main Street. Around 80 street corners @ \$15K per corner.

\*\* Ten blocks along First Street and Hancock (both sides of each street, two per block), between River Street and Main Street; also four racks at Cultural Center. 84 bike racks @ \$260 each (not including installation)

KEY: ST = Short Term  
MT = Medium Term  
LT = Long Term

**D. Pole Mounted Radar Speed Sign report by  
Public Works**



## Public Works Department Engineering Division

Lower Floor, City Hall  
414 East First Street, Newberg, Oregon 97132  
Mailing: P.O. Box 970, Newberg, Oregon 97132  
Tel: 503-554-7705 Fax: 503-537-1277

### MEMORANDUM

Date: March 9, 2010  
To: Howard Hamilton, Public Works Director  
From: Paul Chiu, PE, Senior Engineer  
RE: Speed Radar \ Review and Recommendations

The City Council is interested in the acquisition of speed radar signs. Included in this memo are manufacturer equipment reviews and comparisons, software recommendations, the numbers of signs to facilitate placement at all school zones with an accompanying map along with supporting agencies and required approval procedures.

#### BACKGROUND

Speeding has been an issue in Newberg. In April 2008, residents asked the Traffic Safety Commission to install flashing beacons in school zones for safety reasons. Public Works has identified speed radar signs as a helpful tool to remind drivers of their speed and bring about a higher speed limit compliance rate.

Public Works tested a speed radar sign on Mountainview Drive adjacent to Joan Austin Elementary School from December 21, 2009 through January 2, 2010. Traffic data were collected and printed with the STREETSMART software. See Exhibit A for one-day's sample data. Newberg Public Works Department and Newberg-Dundee Police Department both support the use of speed radar signs.

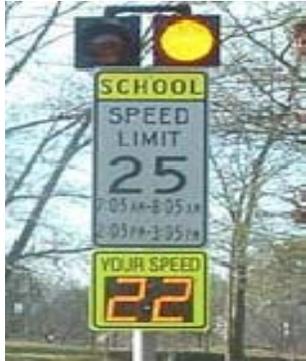
#### THE PRODUCT



Radarsign Driver Feedback Sign

#### Pole Mounted Radar Speed Sign Features

- 12" LED display
- Two 12-volt 18-amp hour Absorbed Glass Mat batteries
- 24"W x 21"H YOUR SPEED faceplate
- Flashes to get the driver to slow down
- Weighs 56 pounds
- Bullet proof with a 40 caliber gun shot
- Bluetooth wireless operation from laptop with optional STREETSMART software (not included)
- 1-year warranty
- See <http://www.radarsign.com/> for detail specifications



**Model #TC-500B**

- Battery powered with AC adapter /charger
- \$ 3,535.00 each
- Installation cost not included

**Model #TC-500S**

- Solar panel
- \$ 4,095.00 (65W) each for high traffic area
- \$ 3,690.00 (40W) each for low traffic area
- \$ 200.00 to replace battery every 4-5 years
- Installation cost not included

**Model #TC-500A**

- Hard-wire to 100V-240V power supply
- \$ 3,300 each
- Installation cost (including power connection) not included

**Beacon System**

- Dual head flashing beacons (that indicate school zone) increase the cost by about 133% for each sign

**STREETSMART Software**

- Provides weekly, daily, hourly, ½ hour data on number of vehicles, number of speeders, average speeds, peak speeds, 50<sup>th</sup> and 85<sup>th</sup> percentile speeds
- \$ 350.00 each (no sharing of software among signs per manufacturer)

The battery powered unit (model #TC-500B) is for mobile applications and will not be considered for use in permanent location. Dual head flashing beacons are not recommended due to high cost. The STREETSMART software is desirable as it allows data analysis and bar graph and chart presentation. For budgeting purpose, allow **\$6,200 for an AC powered unit** and **\$6,000 for a solar powered unit** that includes the post package, sign extender, STREETSMART software as recommended, and installation costs.

**LOCATION**

The initial phase of a radar sign program would be to install them at every school zone in the City. Based on input from the Police Department, and the available injury and non-injury accident data from the last five years (see Exhibit B), we recommend the following schools in descending priority:

Priority	School Name (See Exhibit C)	Location	Number of Signs
1	Joan Austin Elementary School	Mountainview Drive, Center Street	3
2	Open Bible School	College Street	2
3	C S Lewis School at College	College Street, Second Street	4
4	Mabel Rush Elementary School / Mountainview Middle School	Deborah Road, Emery Drive, Douglas Avenue, Crestview Drive	4
5	Veritas School	Mission Drive	2
6	Edwards Elementary School	Meridian Street, 6 <sup>th</sup> Street	4
7	C S Lewis School at Wyooski	Wyooski Road, 7 <sup>th</sup> Street	3
8	Crater Elementary School / Chehalem Valley Middle School	Main Street, Foothills Drive, Chehalem Drive	4
9	Springbrook Road between Aquarius Boulevard and Middlebrook Drive	Springbrook Road (school posts a crossing guard)	2
TOTAL =			28

## **APPROVAL PROCESS**

Oregon Department of Transportation (ODOT) and Yamhill County would not oppose the installation of speed radar signs within their rights-of-way.

According to ODOT, intergovernmental agreements or permits are required for installing the vehicle speed feedback sign in conjunction with the School Speed Limit signing. City shall follow ODOT's Traffic Manual, Section 6.33.4, dated July 2009 in seeking permit approval (See Exhibit D). Refer to [http://www.oregon.gov/ODOT/HWY/TRAFFIC-ROADWAY/docs/pdf/Traffic\\_Manual\\_09.pdf](http://www.oregon.gov/ODOT/HWY/TRAFFIC-ROADWAY/docs/pdf/Traffic_Manual_09.pdf) for a full manual.

Yamhill County will review City's application upon submittal, and issue a no cost permit once approved.

## **RECOMMENDATION**

The speed radar sign is an effective tool in encouraging speed limit compliance. Any effort to initiate and promote a speed radar program would be very beneficial to Newberg's traffic safety.

TUESDAY

E. MTNVIEW & CENTER ST

DATE 22-Dec

DAILY 1/2 HOUR SEGMENT RECORDS

Time	# Vehicles	# Violators	Peak MPH	% Violators	AVG. MPH
12:00 AM	7	0	37	0.0%	24.1
12:30	8	1	48	12.5%	27.3
1:00	6	0	33	0.0%	28.0
1:30	5	0	41	0.0%	27.2
2:00	2	0	39	0.0%	24.5
2:30	4	1	40	25.0%	29.3
3:00	2	0	35	0.0%	28.0
3:30	5	0	38	0.0%	27.0
4:00	20	1	44	5.0%	26.8
4:30	48	0	45	0.0%	25.1
5:00	53	0	46	0.0%	26.4
5:30	49	0	43	0.0%	26.3
6:00	70	2	47	2.9%	27.2
6:30	71	0	46	0.0%	26.2
7:00	74	0	42	0.0%	23.4
7:30	66	2	42	3.0%	25.0
8:00	55	1	40	1.8%	24.9
8:30	67	0	41	0.0%	25.4
9:00	52	1	44	1.9%	25.8
9:30	55	4	47	7.3%	27.5
10:00	69	0	43	0.0%	25.5
10:30	68	1	51	1.5%	26.0
11:00	71	2	42	2.8%	25.6
11:30	62	6	42	9.7%	26.9
12:00 PM	63	3	46	4.8%	26.6
12:30	56	1	41	1.8%	25.8
1:00	67	0	43	0.0%	26.5
1:30	58	0	41	0.0%	27.6
2:00	56	3	41	5.4%	26.9
2:30	72	0	40	0.0%	26.1
3:00	62	5	51	8.1%	28.4
3:30	62	0	41	0.0%	27.0
4:00	64	5	49	7.8%	28.8
4:30	58	4	44	6.9%	27.3
5:00	60	2	42	3.3%	27.7
5:30	60	4	40	6.7%	28.1
6:00	58	1	45	1.7%	27.3
6:30	43	1	43	2.3%	27.1
7:00	40	2	40	5.0%	26.5
7:30	45	0	40	0.0%	25.9
8:00	37	4	47	10.8%	27.2
8:30	33	0	43	0.0%	25.9
9:00	26	3	51	11.5%	28.3
9:30	27	0	41	0.0%	26.7
10:00	20	0	41	0.0%	27.1
10:30	10	0	36	0.0%	28.7
11:00	8	1	45	12.5%	27.1
11:30	3	0	34	0.0%	27.7

DAILY SUMMARY

Vehicle Count	2077
# Violations	61
% Violators	2.9
Peak Speed	51
50th %tile	33
85th %tile	37



DAILY MPH SEGMENTS

AVERAGE SPEED	# Vehicles	PEAK SPEED	# Vehicles
5 - 20 MPH	239		9
21-25 MPH	616		90
26-30 MPH	786		452
31-32 MPH	229		389
33-35 MPH	146		591
36-37 MPH	41		300
38-40 MPH	11		172
41-42 MPH	5		35
43-45 MPH	3		26
46-50 MPH	1		10
51-55 MPH	0		3
56+ MPH	0		0

Daily Total	2077	2077
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DAILY	Total Veh	# Speeders
TOTALS:	2077	61

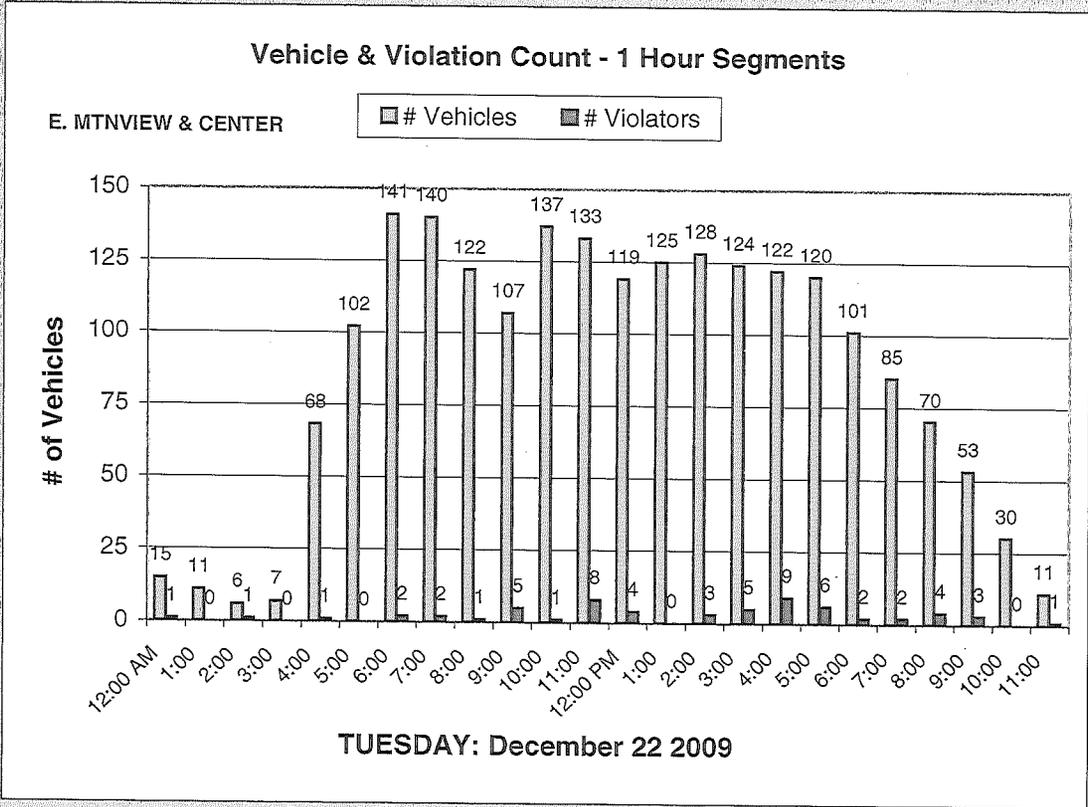
% Speeders	MPH Avg
2.9%	26.5

**TUESDAY**

**Daily # Vehicles and Violators**

Time	# Vehicles	# Violators
12:00 AM	15	1
1:00	11	0
2:00	6	1
3:00	7	0
4:00	68	1
5:00	102	0
6:00	141	2
7:00	140	2
8:00	122	1
9:00	107	5
10:00	137	1
11:00	133	8
12:00 PM	119	4
1:00	125	0
2:00	128	3
3:00	124	5
4:00	122	9
5:00	120	6
6:00	101	2
7:00	85	2
8:00	70	4
9:00	53	3
10:00	30	0
11:00	11	1

<b>TOTALS:</b>	<b>2077</b>	<b>61</b>
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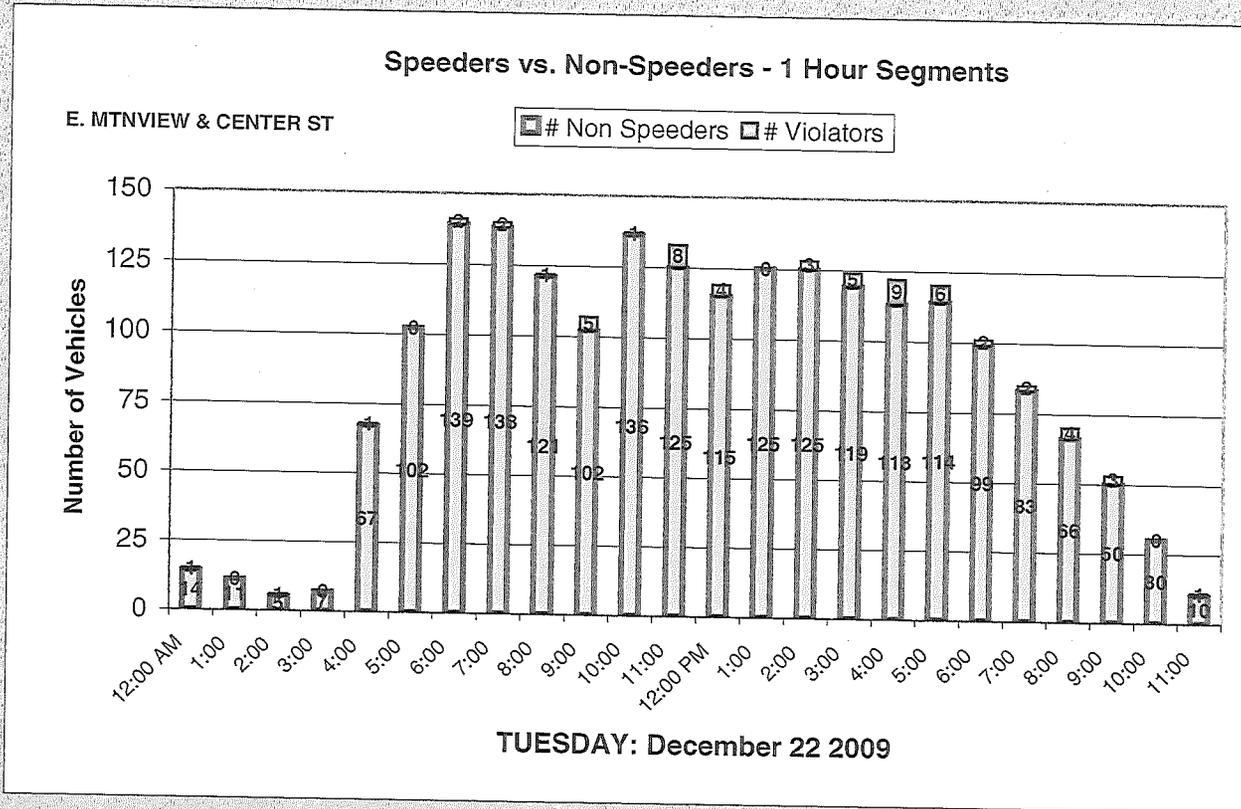


# TUESDAY

## Daily Speeders vs. Non-Speeders

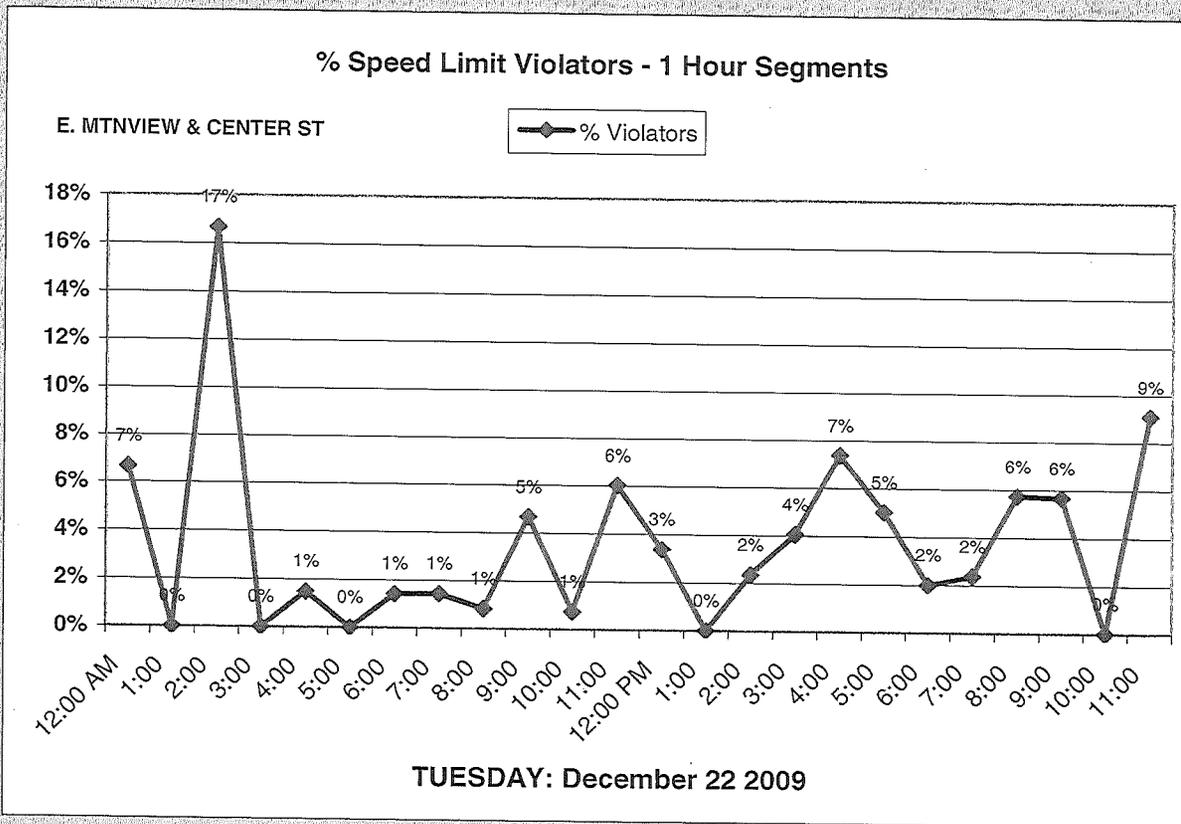
Time	# Non Speeders	# Violators
12:00 AM	14	1
1:00	11	0
2:00	5	1
3:00	7	0
4:00	67	1
5:00	102	0
6:00	139	2
7:00	138	2
8:00	121	1
9:00	102	5
10:00	136	1
11:00	125	8
12:00 PM	115	4
1:00	125	0
2:00	125	3
3:00	119	5
4:00	113	9
5:00	114	6
6:00	99	2
7:00	83	2
8:00	66	4
9:00	50	3
10:00	30	0
11:00	10	1

<b>TOTALS:</b>	<b>2016</b>	<b>61</b>
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**Hourly % of Speeders**

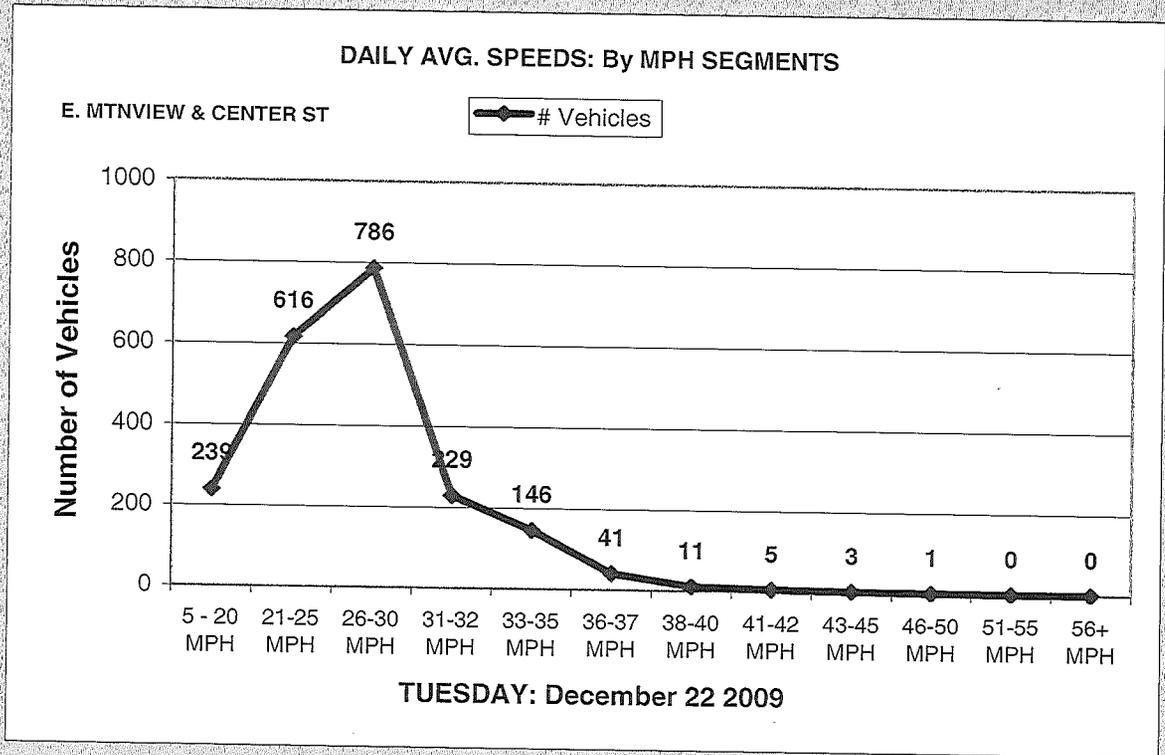
Time	% Violators
12:00 AM	6.7%
1:00	0.0%
2:00	16.7%
3:00	0.0%
4:00	1.5%
5:00	0.0%
6:00	1.4%
7:00	1.4%
8:00	0.8%
9:00	4.7%
10:00	0.7%
11:00	6.0%
12:00 PM	3.4%
1:00	0.0%
2:00	2.3%
3:00	4.0%
4:00	7.4%
5:00	5.0%
6:00	2.0%
7:00	2.4%
8:00	5.7%
9:00	5.7%
10:00	0.0%
11:00	9.1%



**Daily Vehicles Speeds - MPH Segments**

AVG Speed	# Vehicles
5 - 20 MPH	239
21-25 MPH	616
26-30 MPH	786
31-32 MPH	229
33-35 MPH	146
36-37 MPH	41
38-40 MPH	11
41-42 MPH	5
43-45 MPH	3
46-50 MPH	1
51-55 MPH	0
56+ MPH	0

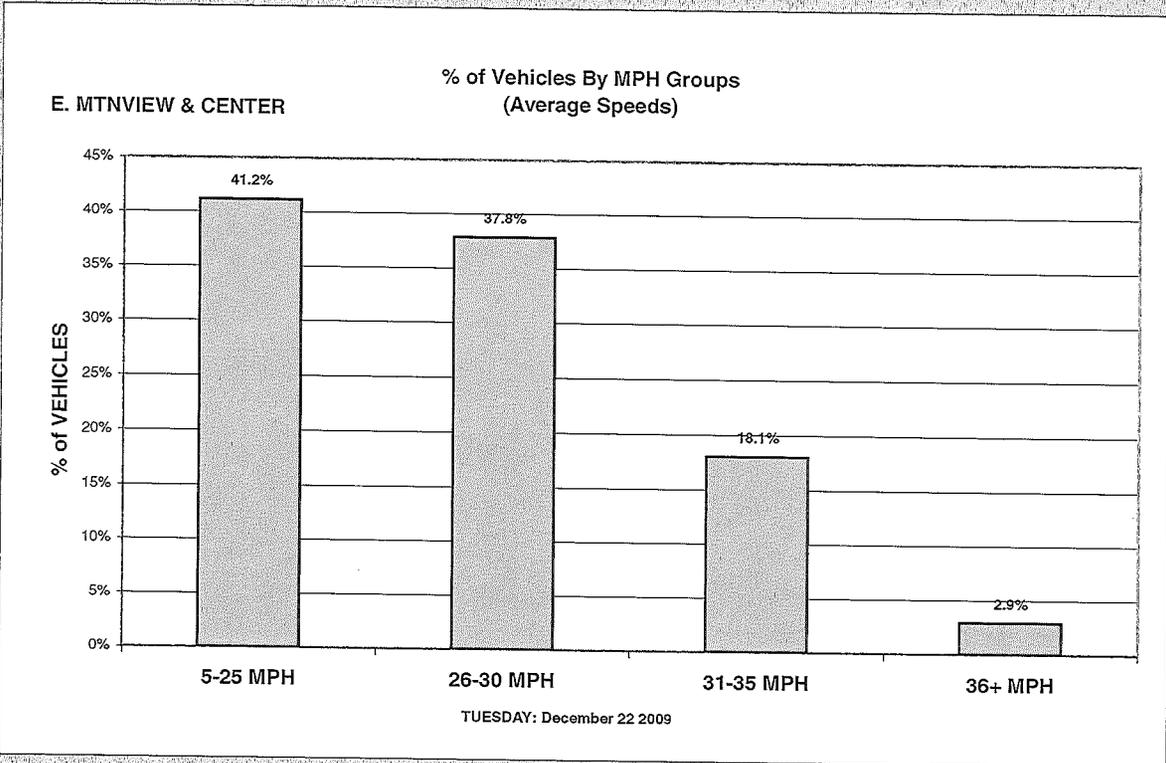
<b>TOTALS:</b>	<b>2077</b>
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**AVG. SPEED GROUPS: By Percentage**

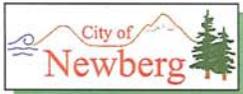
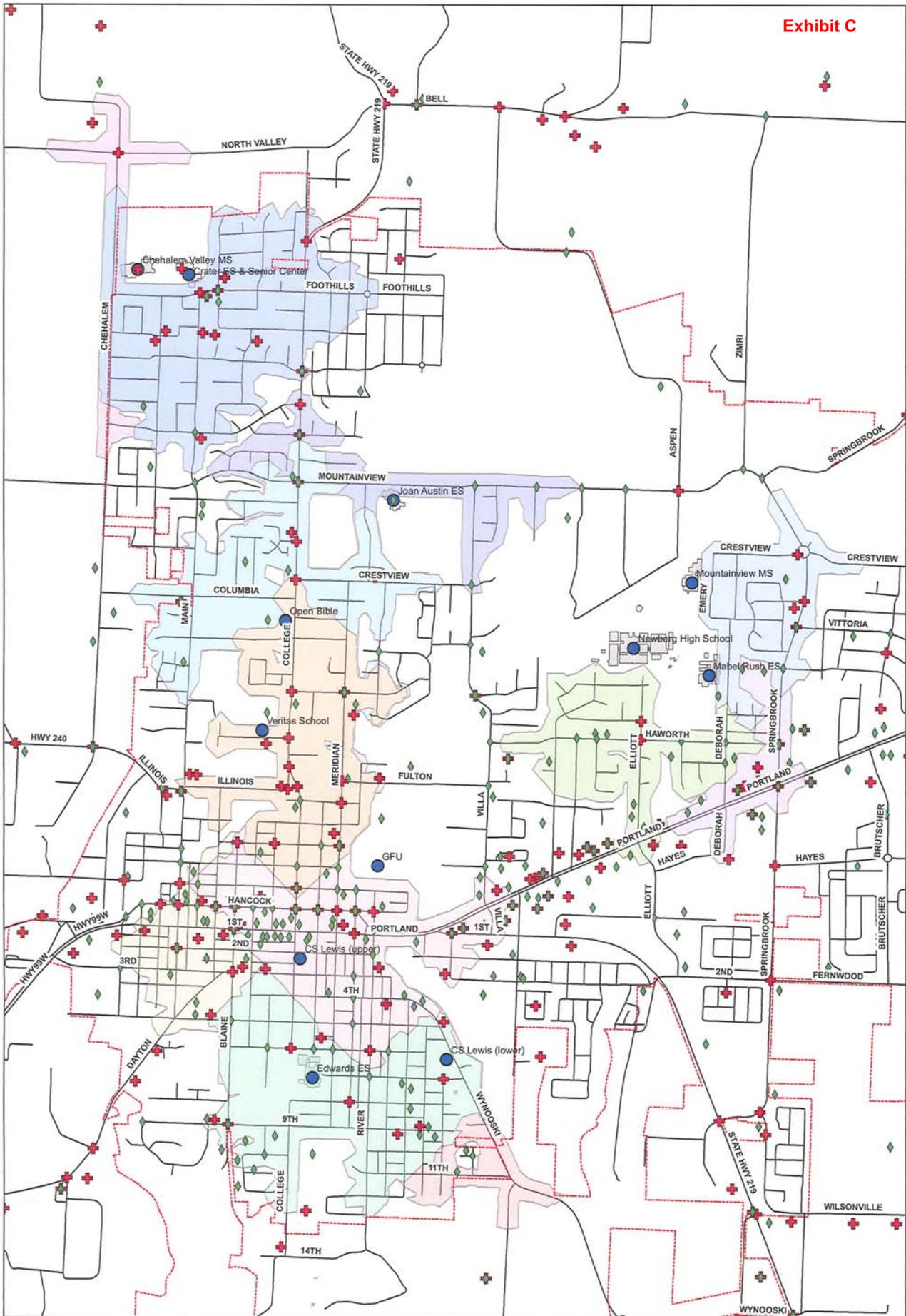
AVG. Speed	% of Vehicles	# of Vehicles
5-25 MPH	41.2%	855
26-30 MPH	37.8%	786
31-35 MPH	18.1%	375
36+ MPH	2.9%	61

<b>TOTALS:</b>	100.0%	2077
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**Exhibit B**

Injury Accidents within Half Mile Buffer of School						
School	2005	2006	2007	2008	2009	Total
Chehalem Valley MS	6	2	4	1	2	15
Crater ES	7	1	6	2	2	18
CS Lewis Lower	1	2	2	2	3	10
CS Lewis Upper	11	17	14	16	16	74
Edward ES	1	6	5	4	7	23
George Fox University	9	13	11	13	12	58
Joan Austin ES	1	3	1	3	3	11
Mabel Rush ES	13	12	9	9	10	53
Mountainview MS	2	3	0	0	0	5
Open Bible School	2	5	3	5	7	22
Veritas School	2	4	3	3	8	20
Noninjury Accidents within Half Mile Buffer of School						
School	2005	2006	2007	2008	2009	Total
Chehalem Valley MS	2	2	1	2	0	7
Crater ES	2	3	2	2	0	9
CS Lewis Lower	7	7	5	4	2	25
CS Lewis Upper	39	45	38	38	24	184
Edward ES	18	10	11	6	5	50
George Fox University	29	37	32	30	17	145
Joan Austin ES	3	2	1	3	4	13
Mabel Rush ES	25	22	11	22	16	96
Mountainview MS	5	6	0	6	2	19
Open Bible School	7	9	7	6	5	34
Veritas School	14	15	10	10	1	50



Disclaimer: Data used in this map is derived from various sources and is subject to error or omission. Vehicle accidents acquired from the Newberg-Dundee Police Department are geocoded to either the street line or address point. The half mile buffers for schools in close proximity to each other will overlap. Data extracted from this map in such cases will also have duplication.

Legend

- Accidents between 2005-2009 Half mile buffer of schools on street network
- Motor Vehicle Crash Injury
  - Motor Vehicle Crash Noninjury
  - Newberg City Limits
  - Open Bible
  - Veritas School
  - Chehalam Valley MS
  - Newberg HS
  - CS Lewis (upper)
  - Edwards ES
  - George Fox University
  - CS Lewis (lower)
  - Joan Austin ES
  - Mabel Rush ES
  - Mountainview MS

### 6.33.4 Vehicle Speed Feedback Sign

The Manual on Uniform Traffic Control Devices allows the option of using changeable message signs in conjunction with a Speed Limit sign or a School Speed Limit Assembly (See Manual on Uniform Traffic Control Devices Sections 2B.13 and 7B.11) to display the speed at which approaching drivers are traveling. So as to not confuse this sign with other types of changeable message signs, Oregon refers to this sign as a Vehicle Speed Feedback Sign. The installation of a Vehicle Speed Feedback Sign may be approved by the Region Traffic Engineer.

#### 6.33.4.1 Considerations

The decision to install a Vehicle Speed Feedback Sign should be based on an engineering study.

The following criteria should be considered in the engineering study for a Vehicle Speed Feedback Sign installation::

1. Crash experience within the past three years
2. 85<sup>th</sup> percentile speed within the area (Note: For a proposed Vehicle Speed Feedback Sign in conjunction with a School Speed Limit sign, the 85<sup>th</sup> percentile speed should be measured during the hours children are arriving or leaving school grounds.)
3. Roadside environment factors such as pedestrian activity, roadside character, and land use within the area.

#### 6.33.4.2 Design

1. If a Vehicle Speed Feedback Sign displaying approach speeds is installed, the legend shall be YOUR SPEED XX. The numerals displaying the speed should be white, yellow, or yellow-green color on black background. A Vehicle Speed Feedback Sign shall not alternatively be operated as a variable speed limit sign. The legend YOUR SPEED should be yellow legend on black background or reverse of these colors located above the changeable speed display.
2. To the degree practical, numerals for displaying approach speeds should be similar font and size as numerals on the corresponding Speed Limit (R2-1) sign.

#### 6.33.4.3 Installation

1. When used, the Vehicle Speed Feedback Sign should be mounted on either a separate support adjacent to the Speed Limit (R2-1) sign or on the same support as the Speed Limit (R2-1) sign. The Vehicle Speed Feedback Sign should meet crash

- worthiness requirements and vertical clearance requirements for signs in that location.
2. A Vehicle Speed Feedback Sign may be used with advisory speed signs and with temporary signs in temporary traffic control zones.
  3. When a Vehicle Speed Feedback Sign is used in conjunction with a School Speed Limit sign it will generally be more effective if speeds are displayed only when children are scheduled to arrive and leave school.
  4. A Vehicle Speed Feedback Sign may be installed by a local jurisdiction on a state highway if the local jurisdiction agrees to enter into an Inter-Governmental Agreement with ODOT and assumes responsibility for all costs associated with the Vehicle Speed Feedback Sign including installation and maintenance.

File Code: TRA 16-05-01

# E. LGPI January CPI Report



### Consumer Price Index 1982-84 = 100

% Change is the percentage of change for the previous 12-month period.

US City Average (CPI-U)						
Index	2010		2009		2008	
	Value	% Change	Value	% Change	Value	% Change
<b>January</b>	<b>216.687</b>	<b>2.6</b>	211.143	0.0	211.080	4.3
February			212.193	0.2	211.693	4.0
March			212.709	-0.4	213.528	4.0
April			213.240	-0.7	214.823	3.9
May			213.856	-1.3	216.632	4.2
June			215.693	-1.4	218.815	5.0
July			215.351	-2.1	219.964	5.6
August			215.834	-1.5	219.086	5.4
September			215.969	-1.3	218.783	4.9
October			216.177	-0.2	216.573	3.7
November			216.330	1.8	212.425	1.1
December			215.949	2.7	210.228	0.1

US City Average (CPI-W)						
Index	2010		2009		2008	
	Value	% Change	Value	% Change	Value	% Change
<b>January</b>	<b>212.568</b>	<b>3.3</b>	205.700	-0.5	206.744	4.6
February			206.708	-0.3	207.254	4.4
March			207.218	-0.9	209.147	4.3
April			207.925	-1.3	210.698	4.2
May			208.774	-1.9	212.788	4.5
June			210.972	-2.0	215.223	5.6
July			210.526	-2.7	216.304	6.2
August			211.156	-1.9	215.247	5.9
September			211.322	-1.7	214.935	5.4
October			211.549	-0.3	212.182	3.8
November			212.003	2.3	207.296	0.7
December			211.703	3.4	204.813	-0.5

Index	Portland (CPI-U)				Portland (CPI-W)			
	2009		2008		2009		2008	
	Value	% Chg	Value	% Chg.	Value	% Chg.	Value	% Chg.
1 <sup>st</sup> Half	214.102	-0.2	214.619	3.9	207.898	-0.7	209.456	4.1
2 <sup>nd</sup> Half	<b>217.191</b>	<b>0.5</b>	216.159	2.7	<b>211.950</b>	<b>0.7</b>	210.557	2.8

CPI-U is the newer index, reflecting the buying habits of all urban households. CPI-W is the revision of the "old CPI," reflecting the buying habits of urban wage earners and clerical workers.

**1<sup>st</sup> Half:** Jan. through June – published in August; **2<sup>nd</sup> Half:** July thru Dec. – published in February.

**To calculate percent of change:** Subtract earlier month's or year's figure from later month's or year's figure and divide by earlier month's or year's figure. (Calculate CPI-W and CPI-U separately. Do not mix the two indexes in the same calculation.)

These figures are reported by the Bureau of Labor Statistics. You can hear the current figures by calling the CPI hotline, **(202) 691-6994**. All information and archives are available online at [www.bls.gov/cpi](http://www.bls.gov/cpi).

**F. April 6, 2009 Council Budget Discussion Document**

**Council Budget Discussion  
FY 09/10**

**April 6, 2009**

**Agenda**

1. Review of FY 08/09 Budget Priority Session
2. Status update on current budget development
3. Council Budget
4. Funding Requests
5. Funding related to Goal Setting
6. Next Steps

**Attachments:**

- A. Council Goal Setting Summary (Feb 2 & 17, 2009)

Following is the process summary from last year's budget discussion. The status of each recommendation as of April 3, 2009 is noted in *italicized bold* text.

\*\*\*\*\*

**Budget Prioritization Process  
FY 2008-09**

**Process Summary**

By: Robert Tardiff, City Manager Pro-tem

In order to complete a quick update of current City services and highlight service deficiencies, two Budget Committee meetings were held in early January. At these meetings each Department Head provided presentations describing current services and areas where current and future resource deficiencies exist. This was followed by a needs prioritization session with the City Council on January 24, 2008.

At the City Council prioritization session each Department Expense Request was reviewed by City Council members and ranked on a scale of 1 to 4 (1-low, 2-moderate, 3-high, and 4-very high priority). The City Council then reviewed the results of the individual member prioritization and reached a consensus on the top priority requests. The prioritization ranked requests within two groupings:

- General Government Proposals:
  - General fund
  - Fire & EMS Equipment Fee fund
  - Other City-wide issues
  - Continued Funding Requests
  - Economic Development Fund.
  
- Public Works Proposals:
  - Projects to accommodate planned growth within 10 years
  - Current repair & maintenance projects
  - New FTE staff

The General Government Proposals ranked highest within their fund areas are:

General Fund

1. 7 new police officers (***Adopted budget included 4 officers***)
2. Additional radios for the Fire Department (***Purchased***)
3. Hire a part-time prosecutor (***Hired***)
4. Conduct a market compensation survey for non-union employees (***Underway***)

Fire & EMS Equipment Fee Fund

1. New incident command vehicle (***Purchased***)

Economic Development Fund

1. Downtown Streetscape Improvements (***Ongoing***)
2. Downtown Breezeway Sign (***Delayed to 09/10***)
3. Riverfront Plan Implementation (***No Activity***)

### Continued Funding Requests

1. Continue to fund existing requests, but don't add new requests.

### **The Public Works Proposals were ranked as follows:**

1. Current repair & maintenance projects (***Budgeted***)
2. Projects to accommodate planned growth within 10 years (***Budgeted***)
3. New FTE staff (***5 Staff Budgeted***)

The proposals not ranked as top priorities will continue to receive consideration by the City Manager and Finance Director for inclusion in the 2008-09 Budget, but with the understanding that they are not the City's highest priority in the upcoming year. We will also closely examine line item and capital requests identified to maintain status quo service levels.

The City Council recognized that additional funding resources would likely be required to fund those proposals ranked as top priorities. A review of available resource options were examined by City Council members and ranked on a scale of 1 to 4 (1-low, 2-moderate, 3-high, and 4-very high priority). The City Council then reviewed the results of the individual member prioritization and attempted to reach a consensus on the best options to fund deficiencies within each fund category. The consensus for additional funding was:

### Public Safety/General Fund

- Implement a Public Safety Fee applied to utility billings (***Public outreach underway***)

### Transportation – road maintenance

- Attempt to pass a Transportation Levy in November. (Multiple votes occurred on this issue and significant discussion. A second option that appears viable, but less desirable, was a \$0.01 per gallon gas tax.) (***No Action***)

### Water, Waste Water, and Storm Maintenance

- The initial votes on increasing this fee by approximately 20% were mixed and leaned toward opposed. There were no other clear preferences for funding options and the Citizen Rate Review Committee will be considering this issue as part of the normal bi-annual rate review process. It appears that the City Council is concerned with the size of the increase, but ranks high the need to maintain the current infrastructure and to build to accommodate future growth. (***Rate Increases adopted Wastewater 20%, Water 6.5%, and Storm 7.5%***)

I believe this process provided a great opportunity for the entire Budget Committee to review the service demands faced by each department and to hear firsthand where the Department Heads see their service deficiencies. It also provided for a productive discussion by the City Council concerning what they see as service goals and potential options to provide adequate funding.

Now the hard part begins. The City Manager and Finance Director will work with Department Heads to develop a proposed budget. The advice obtained through this process will hopefully result in a proposal acceptable to both the Budget Committee and City Council. I anticipate we will continue to communicate how the budget is developing throughout the remainder of the process. In the meantime, I would like to thank each of you for your willingness to work through this new process and to discuss some very difficult decisions.

## Budget Development Update

The development of the budget has been very challenging this year. There are essentially two components to the budget: general fund and utility fund. We will consider these funds one at a time.

### General Fund:

In simple terms, the three parts to the general fund are revenues, expenses and contingency. Mathematically the formula is:

$$\text{Revenues} = \text{Expenses} + \text{Contingency}$$

Revenues for FY 09/10 are projected to be \$629,000 less than the current fiscal year. This deficit is mitigated by the following changes in the draft budget:

1. No transfer of funds to reserves for computer or vehicle replacements
2. Materials and Services line items are being held to estimated actual 08/09 budget level as much as possible.
3. The 2.1% set-aside for the anticipated rate increase for the Principal Retirement expense is not included.
4. Emergency Management position is eliminated.
5. No new FTE or reclassification of existing FTE (merit increases remain).
6. Contingency is reduced from \$600,000 to \$0.
7. Cola for non-union staff is reduced from 3% (08/09) to 2%.
8. Police Union contract COLA is 3.5%.
9. Fire Union Contract negotiations ongoing.

### Utility Fund (Public Works):

Rate revenues and systems development fees are down in the current fiscal year and are projected to be low next fiscal year as well. To balance the individual utility funds the following steps have been taken:

1. No transfer of funds to reserves for computer or vehicle replacements
2. Materials and Services line items are being held to estimated actual 08/09 budget level as much as possible.
3. The engineering division will leave the current 0.5 FTE vacant and layoff a current half-time employee (0.5 FTE).
4. No new FTE or reclassification of existing FTE (merit increases remain).
5. Contingency may be reduced
6. Cola for staff is reduced from 3% (08/09) to 2%.
7. Significant reduction in capital projects. Projects delayed are highlighted.

Project ID	CIP PROJECT	2008/09 Budget	2009/10 Budget
<b>Wastewater</b>			
WW-1	WWTP Exp. Land Purchase	Negotiating a Sale-On Schedule	
WW-2	Dayton Ave PS Project	Design Completed-Construction Delay to Spring 2010	Will begin Spring 2010-Complete 12/31/10
WW-3	W. Sheridan/N. Harrison WW Improvement	Council to Award 04/06/09-On Schedule	
WW-4	PW Maint. Yard Property Purchase	Negotiating a Sale-On Schedule	
WW-5	WWTP Repairs & Upgrade Ph 1 Design (Infl PS)	RFP Out 03/24&26/09-Project Pending CWSRLF	Project Pending CWSRLF
WW-6	Upsize WW System Phase 1 of 7	Trunk Lines Project-Insufficient SDCs- Delay to 2011/12?	
WW-7	WWTP Sawdust Dryer	Contract Awarded but will Complete Fall 2009	
WW-8	WWTP Effluent Reuse Facility	Essentially Completed	
WW-9	WWTP Generator Upgrade and Building	Completed	
WW-10	PW Maint. Yard Design		Delay to 2010/11?
WW-11	WWTP Repairs & Upgrade Ph 2 Design		Pending CWSRLF
WW-12	PW Maint. Yard Construction		Delay to 2010/11?
WW-13	Upsize WW System Phases 2 thru 7		Delay to 2012/13?
<b>Storm Water</b>			
SW-1	Springbrook Rd - Middlebrook to Haworth	Will Start Design Summer 2009	Project will overlap to 2010/11
SW-2	Illinois and Main Street	Illinois Only-Design Completed-Tied to Dayton P/S Project	
SW-3	Park Court to N. Main Street Bypass	In-house PWM Project-On Schedule	
SW-4	Columbia Drive LID	Design Started-Will Complete Fall 2009	
SW-5	PW Maint. Yard Property Purchase	Negotiating a Sale-On Schedule	
SW-6	Crestview Dr. Improvements (Oxberg 5-prty agr)	Design Completed-On Hold	
SW-7	PW Maint. Yard Design		Delay to 2010/11?
SW-8	PW Maint. Yard Construction		Delay to 2010/11?

Project ID	CIP PROJECT	2008/09 Budget	2009/10 Budget
<b>Transportation</b>			
T-1	Main Street LID - Illinois to Lynn	Delay	Delay
T-2	Springbrook Bike lanes-Middlebrook to Hwy 99W	Delay to Coincide with the street project	
T-3	Columbia Drive LID	Design Started-Will Complete Fall 2009	
T-4	Second Street - 219 to Springbrook	In Design & On Schedule	On Schedule-Complete Fall 2009
T-5	PW Maint. Yard Property Purchase	Negotiating a Sale-On Schedule	
T-6	Crestview Dr. Improvements (Oxberg 5-prty agr)	Design Completed-On Hold	
T-7	Villa Road (Crestview to Mtnview)	Completed	
T-8	Downtown Revitalization Project	Design Started-Will Complete Fall 2009	
T-9	PW Maint. Yard Design		Delay to 2010/11?
T-10	Sheridan Repair & Enhance (Blaine to School)		On Schedule
T-11	PW Maint. Yard Construction		Delay to 2010/11?
T-12	Villa Road (99W to Crestview)		Delay to 2010/11?
T-13	Springbrook Road (99W to Middlebrook)		On Schedule
T-14	Meridian Street (Fulton to Vermillion)		Completed 2008/9
<b>Water</b>			
W-1	Spring Improvements	Design Completed-Council Award 06/01/09-Complete 09/10	
W-2	Mainline Valves Insertion Project	Delay-2009/10&2010/11	
W-3	Wellfield Improvements	Delay-2009/10&2010/11	
W-4	WTP Expansion Land Purchase	Negotiating & may overlap into 2009/10	
W-5	Villa Road Replacement	Delayed to 2011/12 to coincide with street project	
W-6	Disconnect Oliver Spring from Water System	On Schedule	
W-7	PW Maint. Yard Property Purchase	Negotiating a Sale-On Schedule	
W-8	Crestview Dr. Improvements (Oxberg 5-prty agr)	Design Completed-On Hold	
W-9	River Bank Erosion Repair Project	Completed	
W-10	WWTP Effluent Reuse Facility	Essentially Completed	
W-11	PW Maint. Yard Design		Delay to 2010/11?
W-12	Springbrook 24" Mainline Upsizing Ph. 2-6		Delay to 2011/12?
W-13	PW Maint. Yard Construction		Delay to 2010/11?

## Council Budget

ADOPTED	ESTIMATED		DESCRIPTION	PROPOSED	PROPOSED
2008-09	ACTUAL	DESCRIPTION	DETAIL	BUDGET	2009-10
				DETAIL	
		<b>GENERAL GOVERNMENT</b>			
1,777	1,777	Salaries			1,777
	2,280	<b>Councilor Salaries</b>			3,900
3,600	4,360	Mayor Salaries			3,600
411	462	FICA/Medicare			709
196	104	Workers Compensation			288
4	16	Unemployment			23
5,988	8,999	Total Personal Services			10,297
2,500	2,000	Office Supplies			2,000
3,000	3,000	Printing & Advertising			3,000
24,000	24,000	Dues & Meetings			26,700
			LOC Annual Dues	14,800	
			COG Membership Dues	8,700	
			City/County Dinners	1,100	
			COG Annual Banquet	150	
			COG Econ. Dev. Planning Grant	1,482	
			Misc. City Events	100	
			Chamber Annual Membership	300	
			Chamber Annual Banquet	125	
500	700	Mayor's Expenses			700
			Newberg City Club Membership	25	
			OMA Dues	150	
			OMA Annual Conf.	300	
			OMA Mayor's Day	50	
			Kiwanis Membership	175	
3,000	3,000	Council/Committee Expense			4,470
			Council Meeting Meals	3,600	
			Council Subcomm. Mtg. Meals	720	
			Misc. Meetings	150	
100	584	Recognition			584
4,400	4,000	Travel & Training			9,500
			LOC Annual Conference	2,000	
			LOC Misc. Training	150	
			Mileage Reimbursement	1,700	
			Asago City, Japan Visit	2,500	
			Poysdorf, Austria Visit	2,500	
500	2,135	Professional Services			2,135
			Mission Statement Facilitator	2,135	
			Conference Ctr.	0	
37,000	37,000	Community Support			19,000
			Visitor Center	0	
			Transit	12,000	
			Festival Fireworks	6,000	
			Misc.	1,000	
		Tourism			44,000
			Visitors Center	18,000	
			Un-appropriated	26,000	
126,945	123,036	Internal Charges – Admin Support Services			156,826
201,945	199,455	Total Materials and Services			268,915

## Funding Requests

<b>Expense</b>	<b>Value</b>	<b>Included in draft budget?</b>
Transit Services	\$12,000	Yes
Old Fashioned Festival Fireworks	\$6,000	Yes
Community Mediators	\$5,500	Yes
Visitors Center	\$30,000	Yes
NDRC	\$50,000	Reduced to \$25,000 to equal 08/09 budget.
Council Tablet Computers	\$10,000	No

## Funding Related to Goal Setting

1. Animal Shelter
2. Public Safety Fee
3. Road Maintenance
4. Improved Communication with the Public

**Attachment A**

Council Goal Setting Summary (Feb 2 & 17, 2009)

## Newberg City Council Goal Setting

February 2 & 17, 2009

### Mission

Our mission is to serve as a catalyst to create a “friendly small city” next to the larger metropolitan area. We will be responsive to the physical and social needs of the community. We will support Newberg as an independent community that provides a broad range of services using all available public and private resources. We will rely on innovative leadership and planning to achieve the vision of the future.

### General areas of interest

- Transportation
- Controlled growth
- Affordable housing
- Jobs/Economic Development
- Tourism
- Partnership with NGOs/organizations/other governmental agencies
- Neighborhood improvements
- Communication with the community
- Build credibility of government.

## Five-Year Vision

- A greater degree of community involvement and interest. A sense of trust in the government.
- Affordable housing fund that is fully fundable. Plenty of sources to help.
- Community is cleaned up; litter disappears
- Comprehensive plan to fund public safety and road maintenance.
- Connection between river front/downtown/Allison in an efficient way.
- Create a brand/ image
- Create a signature event
- Create an animal shelter
- Fifty percent reduction in 24 wheelers/freight off of First St.
- Improvement fund for rental property
- Incremental progress toward working with homelessness.
- Ongoing jobs fair sponsored by the City.
- Recruiting jobs into the community.
- Revitalized visual environment, including the arts community.
- Tourism plan (2015 or 2020)
- Transportation system owned by everyone (partnerships with developers, business, city, county, state) and includes mixed modes.
- Well-defined plan for the development of the downtown.

## Two-Year Vision

- Agreement on building affordable housing that everyone can buy in to.
- All city offices are green cleaned.
- Build a network to serve the homeless with a resource directory
- Buy-in by the citizens on goals and the mission statement. After creation this will be taken to the citizens for comment and awareness.
- Reviewed mission statement
- City will communicate in a way that citizens on issues such as utility rate increase, so that there are no surprises.
- Better communication with citizens of Newberg including a 21<sup>st</sup> Century website
- Network with property owners to help those in need. Even have a fund. Work with issues that will facilitate this work on issues such as permitting.
- Identify barriers for homelessness and emergency needs
- Develop and convene the stakeholder groups who are already doing work on tourism/branding.
- Animal shelter exists and plan to sustain operations and maintenance
- Functioning PCC campus
- Bring Councilors up to speed on original 1<sup>st</sup>/2<sup>nd</sup> St. issue (work session)
- Refined vision of 5-year goal for transportation

## Goals and Strategic Directions

**Create a clear vision, in concert with the Chehalem Valley Strategic Plan, for the future of Newberg.**

	<b>Council</b>	<b>Staff</b>
• Explore avenues of new economic development	3	7
• Develop a specific vision of what we want Newberg to become.	4	
• Craft a mission statement for city government	1	3
• Review urban growth boundary		1
• A visual plan for Newberg		
• Initiate and foster a stakeholders group for Newberg branding/marketing		
• Review city limits		

**Improve communication between our citizens, elected officials, and city staff.**

	<b>Council</b>	<b>Staff</b>
• Develop a better communication system with the community	4	5
• Update the City's website		
• Full electronic access for council business		

**The City of Newberg will endeavor to improve the quality of life for all its citizens.**

	<b>Council</b>	<b>Staff</b>
• Build and have an operations plan for new animal shelter	5	2
• Increase systems for meeting the needs of the needy.	1	
• Intermediate to alternative to the regional bypass		1
• Connect sidewalks along all streets		1
• Have draft concept for rerouting traffic downtown	2	
• Road maintenance funding	1	
• Loose cat population fixed (controlled)		
• South side improvements		
• P.C.C. campus		
• City gas tax		
• Increase library hours		
• Crestview Drive extension		

**The City of Newberg will assure that its decision making process always develops the highest practible environmental standards.**

- |   | <b>Council</b> | <b>Staff</b> |
|---|----------------|--------------|
| <ul style="list-style-type: none"><li>• Cleaning contracts with green companies</li><li>• City builds to LEED standards</li></ul> | 1              |              |

**Public and basic services shall be kept as a high priority for the citizens of Newberg.**

- |  | <b>Council</b> | <b>Staff</b> |
|--|----------------|--------------|
| <ul style="list-style-type: none"><li>• Sustainable budget</li><li>• Find three (3) people in my district (#1) to run for election in 2012</li></ul> |                | 4            |

*People with goals succeed because they know where they are going. It is as simple as that.  
Earl Nightingale*