

May 17, 2011
6:00 P.M.
Newport, Oregon

DRAFT

CALL TO ORDER

Mayor McConnell called the May 17, 2011, meeting of the City of Newport and Newport Urban Renewal Agency Budget Committees, to order at 6:00 P.M.

ROLL CALL

Those in attendance were Don Huster, Oly Olson, Richard Beemer, Chuck Forinash, Jeff Bertuleit, Robert Smith, Mark McConnell, Fred Springsteen, Lon Brusselback, Janet Webster, Sandy Roumagoux, Dac Wilde, and Dean Sawyer.

Staff included Jim Voetberg, City Manager, Peggy Hawker, City Recorder/Special Projects Director, Lee Ritzman, Public Works Director, Gene Cossey, Airport Director, Ted Smith, Library Director, Jim Protiva, Parks and Recreation Director, David Marshall, Finance Director, and Toby Cole, Acting Fire Chief.

ELECTION OF OFFICERS

MOTION was made by Wilde, seconded by Roumagoux, to elect Smith as chair of the Budget Committees. The motion carried unanimously in a voice vote.

INTRODUCTIONS

Each Budget Committee member introduced themselves.

APPROVAL OF MINUTES OF BUDGET COMMITTEE MEETINGS OF APRIL 21, 2010, APRIL 28, 2010, MAY 5, 2010, AND MAY 17, 2010

Allen asked that the approval of the minutes be deferred until the next meeting. The Committee concurred.

COMMITTEE COMMENTS

Allen stated that Oly Olson and Fred Springsteen had been appointed to the city's Budget Committee by the City Council, but had not been appointed by the Urban Renewal Agency to the URA Budget Committee. He suggested that the Urban Renewal Agency meet prior to the next Budget Committee meeting to appoint Olson and Springsteen to the URA Budget Committee.

BUDGET OFFICER, JIM VOETBERG, DELIVERS BUDGET MESSAGE

Voetberg delivered the budget message noting that fiscal year 2011-12 will be a pivotal second year in the city's three-year plan toward economic stability. He noted that the city took its first step last year by controlling costs and instituting financial controls to better track revenues and expenditures. He added that this proposed budget builds on the accomplishments achieved this year by continuing to control costs, balance services levels with available funds, and establish adequate reserves to safeguard the city's financial future.

Voetberg reviewed the proposed budget highlights and assumptions; budget expenditures; revenues; the General Fund; and budget challenges.

It was agreed to postpone the discussion regarding the Transient Room Tax Fund until the next meeting.

FUND REVIEW

Marshall reported that the existing chart of accounts is non-functional, and that this is a pivotal year in philosophy and the recording of expenses.

General Fund - Voetberg reported that the General Fund is ahead of where it was expected to be and that he is pleased with the progress. He stated that the hiring of the Fire Chief is on schedule and he hopes to have someone on board by July 1. Smith asked about the status of the human resource functions. Voetberg reported that the city attorney handles higher level human resource issues. He noted that he had obtained quotes for temporary human resource services, but at the present, is using the contracted attorney on an as needed basis. He stated that he is confident that the city does not need to hire someone to perform higher level human resource functions at this time. He noted that the city has a 2/3 time Human Resources Coordinator, but that this position was vacant for three months, and he found that the current staff was able to keep up with the duties of the Human Resources Coordinator. He noted that it is nice to have this position, but it is not absolutely necessary at this time, although the position is included in the budget. Allen asked whether the legal firm is comfortable with the performance of higher level human resources responsibilities. Voetberg noted that the separation of legal and human resource responsibilities is ideal, the city can get by in the short-term, and the legal firm is not uncomfortable with these responsibilities. He added that a lot of the more serious human resource issues go to CIS. Webster asked whether the lack of a dedicated human resource position places more responsibility on the department heads. Voetberg reiterated that staff was able to handle these responsibilities over a three month period. Wilde asked whether someone else has to wear two hats without a dedicated human resource position, and whether they can act on serious concerns. Voetberg reported that there are specific steps for union issues, and that non-union employees have similar treatment. He added that supervisors try to resolve issues informally. McConnell noted that a work session has been scheduled with legal counsel on June 20, and that human resources will be discussed at that meeting.

Public Safety - Cole reviewed the Fire Department budget. He explained the departmental structure; the fire district; equipment; and staffing. It was noted that there is no reserve for equipment this year. Voetberg thanked Cole and added that Cole will be retiring on July 1.

Miranda stated that the main function of the Police Department is as emergency responders. He added that the department is operating with minimal staffing, noting that it is down three positions. He added that crimes are down. Smith asked whether youth are staying out of trouble, and Miranda noted that youth crimes are not out of control, but that ideally, the department would have a school resource officer. Sawyer asked what percentage of crime is drug related, and Miranda noted that it is approximately 80-90%, adding that the city had pulled its LINT officer to work patrol. Sawyer stated that he would like to see the LINT position back in the budget. Sawyer asked whether the investigation of sex crimes is a full-time job, and Miranda noted that it is, and it was noted that this position also serves on the major crime team. Sawyer stated that he would like to have a second detective in the Police Department. He also suggested potential Homeland Security grants for equipment. Brusselback asked about the rationale behind hiring novice police officers as opposed to trained officers, and Miranda explained the process. Webster asked how many bilingual officers the city has, and Miranda noted that several officers speak some additional languages, but that none are certified. Webster asked whether Miranda is seeking more efficient vehicles, and Miranda noted that he tends to look at the same cars as equipment can be transferred more successfully. Voetberg reported that the police cars budgeted next year will be leased rather than purchased. Marshall distributed a detailed list of materials and services.

Library - Smith reported that the city will save money once it opts out of the Coastal Resource Sharing Network. A discussion ensued regarding the impact that electronic books have on print books. McConnell asked about property services, and Marshall said that this line item covers everything associated with maintenance of property.

Community Development - Voetberg discussed the City Council mission, goals, the funding for the department, and the staffing allocation. He noted that the city is not expected to fill the senior planner position this year. A discussion ensued regarding the intergovernmental revenue. It was noted that the grants would be discussed at the next meeting.

Public Works - Ritzman discussed public works administration, and noted that there is a reduction due to engineering staffing. Smith asked whether progress has been made in contracting service. Webster asked whether there has been a reduction in outside engineering services due to the hiring of the senior project manager, and Ritzman responded that there has been a reduction. Smith asked about building maintenance, and Ritzman reported that Jerry Sabanskas maintains all of the city's buildings. He added that Sabanskas plans to retire in June of 2012, and he plans to overlap Sabanskas' replacement for a portion of the year. Sawyer noted that he did not see the FBO roof replacement included with this budget. Ritzman noted that this item is included in the airport's budget. Forinash asked about grants, and Ritzman discussed Naterlin

Drive and crosswalks. Forinash asked whether there is funding for a different way of striping included in the budget. McConnell asked about professional services, and it was noted that this is for outside engineering services.

Non-Departmental - Marshall reviewed this fund. He reported that approximately \$600,000 was transferred to the Parks and Recreation, Airport, and Debt Service Funds.

PUBLIC HEARING ON STATE SHARED REVENUES

Smith opened the public hearing on state shared revenues at 8:15 P.M. Marshall noted that in the past, there has been approximately \$75,000 of these revenues. Smith asked for public comment, and there was none. McConnell noted that these funds have been used to support non-profit agencies in the past, and hoped that a small amount of funding could be set aside for this use. He suggested modifying the county's model for city use if funding is set aside. Smith closed the public hearing at 8:20 P.M. He stated that he is concerned about providing funding to non-profit agencies. Allen noted that last year, the matter was referred to the City Council to develop policies regarding how to use the funds in the future. McConnell asked whether it is feasible to set funding aside. Voetberg reported that a token amount of funding could be budgeted in the next draft. Smith suggested that the matter should go to the City Council first. Allen noted that a place holder could be placed in the budget, and that before the budget is adopted, another hearing on state revenue sharing monies would be conducted, and that the public could be given additional notice. Brusselback stated that he would like to see the matter come before the City Council. Bertuleit stated that an amount could be identified before the next hearing on the matter.

ADJOURNMENT

At 8:26 P.M., the meeting was continued until May 23, 2011, at 6:00 P.M.

Margaret M. Hawker, City Recorder

Robert Smith, Chair