



OFFICE OF THE CITY MANAGER  
City of Newport, Oregon  
169 S.W. Coast Hwy.  
Newport, OR 97365  
541-574-0603  
s.nebel@newportoregon.gov

## MEMO

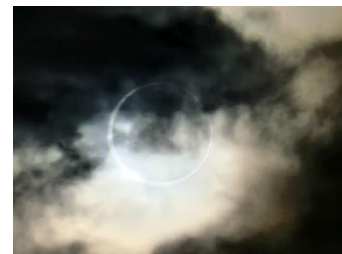
DATE: November 3, 2023  
TO: Mayor and City Council  
FROM: Spencer Nebel, City Manager

SUBJECT: Status report for the four-week period ending Friday, October 14

The past four-week period included two annual conferences (ICMA in San Antonio, Texas, and the League of Oregon Cities in Eugene, Oregon). During this time, Council also appointed a new City Councilor. On behalf of City staff, I would like to congratulate Councilor Robert Emond on his appointment to fill the balance of Mayor Jan Kaplan's Council term on the Newport City Council. We look forward to working with you as the Council's newest member.

We have had a number of staffing changes occur during this period. One key position that has directly impacted our office operations is the deputy city recorder position. This is a key position as it relates to general operations of recorder functions in our office. Jeanne Tejada is leaving her job in Utah as a city clerk and will initiate her tenure with the City of Newport on November 6. I am very pleased that we were able to hire an experienced city clerk to fill this role. This, along with the City Council's decision to move to action minutes, will allow us to catch up on other significant work that has had to be set aside over the past few months. On the other side of the ledger, City Engineer, Aaron Collett, has submitted his resignation to accept an engineering position at the PUD. Aaron has served in the capacity of city engineer for little over two years. During this time, Aaron has been developing standards, overseeing the hiring of a project manager, engineering tech, and administrative staff for the department. Furthermore, he has been heavily involved in moving the Big Creek Dam project forward. We wish Aaron well in his new position.

Finally, members of the Council and I had an opportunity during the LOC conference on Saturday, October 14, to witness the 2023 annular eclipse which passed over Eugene. Eugene had slightly better weather to view this celestial event. One of the other municipal officials captured this photo with a time delay shutter from the rooftop of The Graduate Hotel. It is pretty amazing that the



Central Oregon Coast has had two of these big events so close together.



In April 2024, there will be a total solar eclipse starting in Mexico and travelling through Texas up to the eastern half of the United States, ending in Canada. The next solar eclipse that will be visible in the United States will not occur until 2041.

**Highlights of activities over the last four weeks include the following:**

- Met to review concerns of an employee in Finance regarding their request for unpaid time off.
- Held a routine Department Head meeting.
- Met with Mayor Kaplan to review the agenda for the September 18 City Council meeting.
- Participated in the City Council work session which included an overview of the work that Dig Deep Research is doing on behalf of the City of Newport. The Council also reviewed the questions that would be asked of City Council applicants to fill the Council seat vacated by Mayor Jan Kaplan.
- Participated in an Urban Renewal meeting on September 18 to approve a supplemental budget for the Agency.
- Participated in the regular City Council meeting on Monday, September 18.
- Held a bi-weekly meeting with Anna Laukea. Anna has been developing the RFP for the South Beach Placemaking Project and the Chestnut Street trail extension meetings, has been working on the Airport Septic Project, and has made contact with various properties in the City Center area to facilitate future projects there.
- Lance Vanderbeck and I met to discuss a new Life Flight tenant lease for the FBO building. Life Flight would like to replace the flooring in the building. We are discussing incorporating an allowance for them completing this work into a lease extension.
- Participated in the tour of the FEMA grant projects that are still being evaluated by FEMA, including the main water storage tanks for 54th Street Station, as well as Fall Street Reservoir Project that has been applied for by the Health District. Mayor Kaplan, Erik Glover, Steve Stewart and I participated in this site tour along with team members from Dig Deep Research.
- Held a bi-monthly meeting with HR to discuss various departmental issues.
- Held a bi-monthly meeting with Aaron Collett to discuss Engineering issues.
- Participated in a quarterly meeting with ODOT staff. ODOT confirmed that their staffing in the district continues to be reduced, as well as their overall budget. This will mean a reduction in the winter services through the course of the year by ODOT. We discussed other issues, including jurisdictional issues along the ODOT right-of-way with City streets. Interestingly enough, this varies from place to place as to whether the curb line is the zone between

ODOT work and City work or the right-of-way line services. ODOT is going to put a map together that would help sort these issues out.

- Steve Baugher, Aaron Collette and I have met with Dig Deep Research on the Elios Program. This is a projection tool for estimating financial impacts of future projects on utility rates.
- Held a staff meeting with personnel within the City Manager's Office.
- Met with Mike Cavanaugh to review a draft of an RFP for utilization of the childcare center in the Recreation Center by a private provider.
- Participated in a couple meetings via Zoom for the presentation on municipal revenues that I was a panelist on at the LOC conference.
- Participated in a meeting with Mayor Jan Kaplan, Laura Kimberly, Jason Malloy, David Allen, Mike Cavanaugh, the District Attorney, and Katie Durfee from CIS Risk Management, regarding the use of the Library parking lot and Library grounds by homeless individuals who are creating concerns from both staff and the public. The D.A. indicated that there is little that they can do from a criminal standpoint in addressing issues such as overnight camping, use of alcohol and/or decriminalized drugs on the Library grounds and similar challenges faced by Library staff and the Police Department. Katie Durfee recommended that the Library review the rules that have been adopted by the City of Albany Library for behavior in and around the Library. Our code provisions provide that Library rules, after being presented to the City Council, can be used to enforce trespassing issues. Then the Police Department has enforcement opportunities if someone violates the trespass order. Laura intends to present new rules for Council consideration at the second meeting in November.
- Laura Kimberly, Mike Cavanaugh, Anita Albrecht and I met to discuss possible locations for the extension services community garden that is being relocated from the County's fairground site. We have discussed the removal of trees on the north end of the Library parking lot, and building the garden there. After further review by the organizers for the community garden, they have opted to look at other alternatives at this time. We have indicated that we are happy to continue meeting with them to find a location for this garden. Again, this community garden would be operated by a separate organization. The group was directed to the parcel of property next to the fire hall owned by the Catholic church as a possible location. They are going to explore that option with the church who owns the property.
- Met with Rob Murphy, Tom Sakaris, and Barb James on the investigation of a complaint a Fire employee had regarding another Fire employee. We have closed that issue.
- Held a bi-monthly meeting with Steve Baugher to discuss various Financial issues.
- Met with Aaron Collette to discuss additional Assistant City Engineer support services with the upcoming retirement of Clare Paul. We will solicit proposals to farm out the engineering review of site plans that are submitted to the City of Newport while we are in the process of filling Clare's position. Unfortunately, we have gone through two searches and have not been successful in filling this position.

- Participated in a meeting with Steve Stewart, DJ Fox and Barb James regarding a continuation agreement with Andrew Grant for intermittent support services at the wastewater plant.
- Participated in the Civil West open house at the new offices on SW 10th Street.
- Participated in the Pride opening event at City Hall and at the Recreation Center. They had a nice welcoming crowd by Councilor Hall and Mayor Kaplan and there was a good crowd at the Recreation Center for this event. Overall, it seemed was a very successful second Pride event for the City of Newport.
- Barb James and I met on the Paid Leave Oregon Policy and Process. This is the program in which employees and employers are required to contribute to the funding for a statewide sick leave program. This program is available for major illnesses, childbirth, and other similar issues.
- Participated in a special City Council work session on Monday, September 25 to interview candidates for the City Council seat vacated when Mayor Kaplan was selected as mayor. There was a good strong field of candidates to fill this position. Again, congratulations to Councilor Emond on your selection to fill the remainder of Councilor Kaplan's term.
- Aaron Collette, Jason Malloy and Derrick Tokos and I met with our traffic engineer, Kittelson, regarding the Oceanview traffic study. They are in the process of finalizing their work for presentation to the City Council. Please note that we have and also asked them to include the question of restricting parking at Agate Beach alongside Oceanview, in this study. We are expecting a presentation to the City Council at a future work session.
- Held a bi-monthly meeting with Jason Malloy, Rob Murphy, and Lance Vanderbeck to discuss various departmental issues.
- Met with Steve Stewart in a bi-monthly meeting to discuss Public Works matters. Steve Stewart and Justin Scarborough have been acting as interim public works directors with Steve being responsible for the wastewater and water treatment plants and Justin for the street operations, water distribution and collections facilities. Unfortunately, Justin has been on extended medical leave and is now back to work. I appreciate Steve Stewart's extra efforts during this time. To, in effect, perform triple duty of his responsibilities of operating the water treatment plant, and oversee the wastewater treatment plant, and working with the operations crews during the time that Justin was off work.
- Mayor Kaplan, City Attorney, David Allen, Assistant City Manager/City Recorder, Erik Glover, and I conducted an afternoon orientation with Robert Emond on various Council procedures, requirements and expectations. This was a good exchange and Mayor Kaplan would like to do a review of Council rules for the balance of Council members in an upcoming work session. This will correspond with efforts by City Attorney, David Allen, to look at potential other modifications to the rules.
- Participated in the first YBEF meeting of the 2023-2024 fiscal year.

- Participated in the Lincoln County Solid Waste Consortium meeting along with Councilor Jacobi.
- Met with Mark Collson regarding the passing of Don Davis. Mark was going to be meeting with Don's children following our meeting. At that time, Mark was going to look at what role the City and others might play in this service. Upon discussion with Don's children, they wanted a traditional church service at the Lutheran Church and opted not to proceed with more of a community celebration. There is one project that I would like to do to further memorialize both Don and Ann Davis. That would be to develop an interpretive sign at Don and Ann Davis Park that discusses both Don and Ann's lives and their influence on the community over many decades. Mark thought that was a great idea and that might be an opportunity to do a public memorial when that signage is dedicated. Otherwise, he does not feel that it is necessary to go forward with any type of community service following the memorial service at the Lutheran Church.
- I attended the annual International City/County management Association (ICMA) Annual Meeting in Austin, Texas, from Friday, September 29 through Wednesday, October 4. This will be my last conference as Newport City Manager (hopefully). ICMA has been a very important part of my professional development over the years. Highlights of activities during the 2023 annual conference are as follows:
  - Participated in a microcertification course called "Leader as Coach: Inspire your Team to Exceed Expectations." This session was led by Brian Bullock. He indicated that coaching is not mentoring, teaching or providing feedback. Coaching is used to unlock a person's potential to maximize their own performance. It is helping them learn rather than teaching them specific issues. Coaching focuses on who an individual is, what the desired outcome is, and what the mindset is that they have to possess to reach their full potential. In coaching, clarity is a critical outcome. It is important to focus on what you want to get out of the conversation and what they want to get out of that same conversation. Several key phrases are "listen to learn", "explore and acknowledge", "understand what's been said". For quality of inquiry, it is important to make their thinking visible as examples:
    - ❖ "Can you help me understand your thinking here?"
    - ❖ "What leads you to conclude...?"
    - ❖ "How does this relate...?"
    - ❖ "Where does your reasoning go next?"
    - ❖ "How would you propose...?"
    - ❖ "How would your proposal affect ...?"
    - ❖ "Is this similar to...?"
    - ❖ "Can you describe a typical example of...?"
    - ❖ "Am I correct that you are saying ...?"
    - ❖ "In what way is your view different than ...?"

These types of questions allow for a deeper conversation to better understand each other's position. During coaching discussions, it is

important to imagine what is possible, focus on solutions not problems, and for them to think of their own solution. Guide do not dictate. Some typical questions that follow these guidelines are: What do you think you should do? What are the resources? What resources do you need? It is also important to remind the coachee of the skills and resources they already have that they could apply to the current situation. It is important to express confidence in the coachee's ability. In coaching, it is important to hold a person responsible to explain or account for their actions. This helps build a feeling of accountability where people are empowered to take ownership and responsibilities of their actions. Coaching can best be done outside of an office setting. Three good questions to ask employees are, "What are you working on?" "How are you feeling?" and "How can I help you accomplish your task?" Many leaders are not good listeners. This impacts their ability to be good coaches. Below are some examples of what to do and not do:

<b>Bad</b>	<b>Good</b>
Do you understand?	What are your thoughts on what I am saying?
Why did you do that?	Can you help me understand what you're thoughts were regarding this issue?
Do you agree?	In what way is your view different?
Why don't you try harder?	What resources do you think you need?
What is your problem?	What is the significance of this issue?

- Attended the keynote session with Emmitt Smith. He talked about winning, discipline and leadership. As a child, Smith was watching football with his family on TV and said, "I want to play for the Dallas Cowboys someday". Emmitt grew up in Pensacola, Florida, and was the second leading rusher in American high school football history. Emmitt played three years for the Florida Gators and was selected by the Cowboys in the first round of the 1990 NFL draft. He indicated that focus, hard work and commitment to a task can accomplish miracles.
- I attended a session talking about the rules of leadership transition. This was focusing on preparing candidates to take a city manager's position. There are three questions that candidates should ask before they go for the top job: 1.) Is it the right time? 2.) Are you the right person for this job? 3.) Is this the right place for you?

It is important to share things that have been accomplished, and work that still needs to be done. For elected officials, hiring is often a new skill and in a city manager's position, a public process surrounds the hiring steps. With any new manager it is important to have a clear

understanding of the anticipated role for the manager's position, and understanding the boundaries that the Council should be working within. Ultimately, if an internal candidate is hired, it needs to be a priority to create some comfort between the new manager and the Council in order to have a successful relationship going forward. There is a significant difference in the role of the assistant and the job they do, versus the job of working directly with the City Council and supervising the balance of the staff. The new relationship with staff is also another area that needs to be carefully managed, since it is a major change in relationship that the internal candidate previously had with staff.

Lindsey Pollak provided a keynote address of how to lead and exceed in the multigenerational workplace. Today there are primarily four generations in the workforce ranging from the Baby Boomers born before 1964, Generation X born before 1980, the Millennials born before 1996, . and Generation Z, born before 2012. The newest generation is generation Alpha consisting of individuals born beginning in 2013. The Baby Boomers were the largest generation with 76 million births between the years 1946 and 1964. The second largest group are the Millennials born between 1981 and 1996. The smallest generation is Generation X with 55 million births occurring between 1965 and 1980. Generational differences have been around as long as mankind has been around. Several quotes about generational issues:

- “I see no hope for the future of our people if they are dependent on the frivolous youth of today”(8<sup>th</sup> century BC)
- “Young people are high-minded because they have not yet been humbled by life, nor have they experienced the force of circumstances. They think they know everything and are always quite sure about it.” (Fourth century BC)
- “Our sires age was worse than our grand sires. We, their sons, are more worthless than they; so, in our turn we shall give the world a progeny yet more corrupt.” (First century BC)

The bottom line is generational differences have existed throughout the history of humankind. The demographics are changing as well. The Generation Alpha will be the first generation where the majority will be non-white.

Things that were important to the older generations, like obtaining your first driver's license, are not nearly as important to the younger generation. The internet allows kids to connect from their bedroom. They do not need to drive a vehicle to socialize with other folks. It is no longer punishment to send a kid to their room. They are socially connected through virtual means. The generation growing up with the internet has spent less time talking face-to-face to people. Social interaction is different now for the younger generations. Other social interacting groups such as scouts, religion, or academic groups, are no longer as important to the kids growing up with the internet. These trends moved forward at warp speed during the COVID-19 shutdown.

Today the workforce needs to focus on community building to provide that social interaction that is critical to have people feel like they belong to an organization. Managers have to be remixers combining the best of each generation together to create a more successful and inclusive workplace. The older generations in the workforce must embrace the different generations education levels, lifestyles, dressing habits, and other changes that will continue to evolve. The work places need to think about offering things such as childcare, pet care, and elder care, for the various generations of people currently working together. It is becoming quite clear that career paths may not be linear for the younger generations. They have many opportunities to try different things with the current job market, which is much more fluid for employees. This is coupled with a shortage of workers that will exist for the next decade plus. Instead of conducting exit interviews, it is recommended that “stay” conversations be held regularly with employees. If there are issues that can be addressed to accommodate an employee from leaving to take another job, the employer is ahead, provided it is a good employee. All generations value training and development. There are some models being created of co-mentoring with different generations coaching each other on how to relate with each generation.

- Heard a presentation on Managing the Implementation of Cities Climate and Sustainability Initiatives. In the recent survey, the public believes the following should take the lead on climate and sustainability initiatives: 62% said utilities; 56% indicated that special districts and other forms of local government; 54% identified the county; 50% indicated nonprofits; 47% indicated state and local government. There are limited expectations from the general public about the role that private sector should play in these matters. The challenge that cities have in sustaining climate initiatives is that often this process is decentralized within the organization and different departments having various degrees of success in implementing those changes. It has been determined that collective action, when various departments work together on a single climate objective, the success level for accomplishing that task increases. A recent study of local government showed that City organizations often have challenges in pushing forward with these types of collective efforts with 22% of the departments not sharing information on sustainability with other departments; 32% disagreeing on how to measure sustainability efforts; and, 45% having challenges agreeing what the costs are and what the benefits will be moving forward with that initiative. The greatest opportunity for success is to identify a leader in the organization to work on a department-wide basis to implement various identified strategies. Having an influential lead is the single most important factor in success. These same strategies are transferable to other types of organizational initiatives such as diversity.



- Attended a session on Development of Future Leaders. Jon McNaughtan discussed the positive deviance continuum. Deviance may be thought of as a negative, however, positive deviance is based on encouraging certain individuals or groups whose uncommon behavior and strategies enable them to find better solutions to problems than their peers. As organizations we tend to focus on negative issues and not positive actions taken by employees within the organization. It is important to embrace mistakes. Mistakes create growth in individuals. A positive work climate includes compassion, forgiveness and gratitude for things that are done. It is important to identify examples of positive actions that are authentic and actively look for good contributions of those around you. It should be noted that five positive comments are equivalent to one negative comment in shaping an employee's attitude. It is important to develop a culture where people can share their mistakes as part of a learning process. Engagement is one of the true efforts that can create the necessary climate to keep employees within the organization. Positive comments should be clear and engaging. Email is a terrible tool for trying to communicate with employees. So much communication is nonverbal and this is lost in the words that are included in an email. Successful meetings include good preparation, followed by implementation and follow-up. Agendas can focus on questions needing to be answered instead of open-ended subjects. Parkinson's rule states "work expands so as to fill the time available for its completion". More time is not necessarily the answer in getting things done. It is important to develop and reflect on a map of how your work contributes to organizational purposes.
- Attended a session on capturing and transferring institutional knowledge. By 2030, 18% of the current workforce will retire. In Public Works alone, that is 305,000 Public Works employees that will need to be replaced. It is important to let employees know that they can be considered for advancement in a succession plan. In order to do this, it is important to expose employees to progressively challenging projects. Everyone should have opportunities to go to leadership training. If you only hire external employees, then the effort to learn more about the organization and to stay with the organization can be compromised. Written policies and procedures are critical to help move an organization forward. Make sure that comps are done and you are up-to-speed with the employers you are competing with.
- Attended a session on the City of Vista, California's, homeless strategic plan. Vista, California, identified seven strategies in order to address homelessness in the community. This included development of an internal working group, cleanup of campsites, housing assistance, homeshare opportunities, governmental and legislative advocacy, securing shelter beds and the social worker outreach. Their overall goals were to prevent homelessness, improve the quality of life and reduce homelessness. Angela Baggett and Jonathan Long

shared their successes and failures with this program. Their effort was multi-departmental and in collaboration with other agencies, including the California Department of Transportation, state police, The Point in Time Counts, and others. The major flaw with the Point in Time Counts is that it is done annually and it gives a one night count of the number of homeless individuals within the community. This does not necessarily reflect seasonal or other factors that impact homelessness. Updates and work sessions with the City Council are provided twice a year to keep them engaged in the process. The City did receive funding from HUD for a pilot project in which \$5,000 could be provided over three months to keep individuals in their homes to help prevent homelessness. The City added ARPA funding to this mix to increase that amount to \$10,000 over a six-month period. In Vista, they estimate 30 to 50% of the unhoused individuals are living in cars. They created a safe parking program for 25 vehicles. Vehicles are allowed to park in the parking area from 8 PM until 7 AM seven days a week. The City had a real challenge in finding a location for this, and they ended up utilizing a parking lot for a special event center which is also shared by the District Library. It has been a bit of concern with the Library. I asked how they dealt with individuals that do not move their car after 7 AM. If the car remains occupied they do not attempt to move it. From a financial standpoint, they have had several wins, including the use of ARPA funds and encampment resolution funding of \$1.8 million through the state of California. On the funding front, they have had several losses, including round two of the encampment funding, funding for the regional forum on homelessness and a couple other grant programs. Finding funding for navigational services is very challenging. It is important to know your numbers and continue to press for this type of funding. Overall, it has been a bumpy road to get to where they are currently at, but some progress has been made. They indicated that it is important to use stories instead of statistics to humanize the individuals that are impacted by homelessness. This has a much bigger impact on others in dealing with solutions to this issue. The City also has tried to require HMIS reporting for social services contractors it uses to provide various services to the homeless community. Consistency of that use has been problematic.

- Attended a keynote session with Erica Dhawan, best-selling author who has been named the “Oprah of the management thinkers”. Erica talks about connectional intelligence which is the capacity to unlock new and unrealized value by fully maximizing the power of networks and relationships. She talked about introverts versus extroverts with the introverts valuing:
  - ❖ Open lines of communication outside of meetings.
  - ❖ Clear agendas that allow for preparation.
  - ❖ Do not interrupt their speaking.
  - ❖ Down time in between meetings.

On the other hand, extroverts like:

- ❖ Regular face-to-face and video meetings.
- ❖ Managing airtime.
- ❖ Use breakout groups or pre-meeting brainstorming teams.
- ❖ Designate a meeting or moderator and require virtual hand raising.

Erica indicated that the past 10 years has been a period like no other we have seen in the workforce. It is important to determine how to create a better new normal for the interactions that occur within any organization. Today, collaborative efforts are more challenging. Three quarters of our communication is based on non-verbal communications. This becomes difficult through texts and emails. One issue that is problematic is with the large number of individual communications through email or text, many times the full information is not being read by the person receiving those documents. A response is made but the response is not responsive to what was requested. It takes additional time to move forward in a clear way through emails. It is estimated that the average employee wastes about four hours each week on unclear communications.

Meetings can play an important role in addressing the direction on various issues. For maximum meeting effectiveness, there are several questions that should be asked:

- ❖ Should it really be a meeting?
  - ❖ Did I get everyone involved in the first five minutes?
  - ❖ Can I schedule it to be a shorter meeting?
  - ❖ Did we have clear meeting purpose, objectives or agenda in the meeting invite?
  - ❖ Did I define success at the beginning of the meeting?
  - ❖ Did I include the remote attendees in my hybrid meetings?
  - ❖ Did I have a clear notetaker sharing next steps right after the meeting?
  - ❖ Did I record the meeting, if helpful, to attendees who need to stay in the loop? Meetings that should be prioritized in person include teambuilding efforts, conflict mediation, feedback conversations with leadership development skills, training, updates and briefings can be done online or in a hybrid way. In meetings it is important to share bad news first.
- Attended a session about transforming official public meetings with Bonita Duran and Matt Leighninger. Bonita Duran is with the National Civic League. She indicated that official public meetings are open to the public to see the deliberate decision-making process. Public meetings are not public forums. The model for modern-day public meetings dates back to the 1950s; however, the open mic methodology is generally bad for public processes. This tends to allow the people having strong feelings on either side of an issue to

dominate the conversation without knowing what the majority of people in the community believe about the issue being discussed. Innovations in democracy includes opportunities for folks to attend small group meetings and have a spokesperson for the group to share issues and concerns. Instant polling is also a tool in which opinions can be measured quickly by folks in the room on various questions or issues. The other concern, is people feeling that there is no sense for them to attend the Council meeting when the Council has already made their mind up. Good engagement takes time. It is important to separate the engagement process from the meeting in which an actual decision is being made. The City of Boulder, Colorado, has implemented 13 community connection groups. These groups are selected from the general community to represent various issues that the City is dealing with. They are paid for their involvement in this process and the use of these groups has helped the City of Boulder address issues apart from being led by the loudest voices in the room.

- Attended a meeting on affordable housing for the City of Austin, Texas. Austin receives CDBG entitlement funds and has also levied general obligation bonds to help address various housing shortages. The voter approved bonding is paying for purchasing of land for low-income housing. They have funded 5000 units from federal funds that were shifted to the local community to implement the program. They provide property tax exemption for low-income housing and have initiated a community land trust for people at 80% medium income to provide a pathway for them to get into a home in Austin. To date, they have 15 homes occupied in the community through a land trust. Jan Hall from Loudoun County, Virginia, indicated that the County implemented a one-half cent sales tax specifically for the purposes of funding housing initiatives. The County reviewed zoning requirements and rewrote their zoning ordinance engaged with developers, and as a result have seen \$32 million in new housing with the goal of a thousand units per year being developed.

- The last session I attended was transforming managers from boss to coach.

According to Gallup, managers account for at least 74% of an employee's experience at work. Coaches help the person they are coaching to understand, adjust, and guide themselves in pursuit of improved performance. Coaches identify strengths and work with their staff to utilize those strengths to build strong performance for the organization. It is important to recognize that everybody may tackle the same problem in different effective ways that help them accomplish their organizational tasks. People who use their strengths are more likely to be engaged and enjoying their job. Coaching is a process to help managers move employees from satisfied to engaged. It is important to create an environment where employees are involved and enthusiastic about the work that they are doing in the workplace. In a typical workforce, 30% of the employees are engaged, 55% of the

employees are disengaged but do the work necessary in order to satisfy the department's mission, and 15% of the workforce is actively disengaged with its energy working against the employer. Employee engagement includes the following:

**Employee Engagement**

Basic Needs	1. Know what is expected	2. Have what I need
Support Needs	3. Use my strengths 5. Feel valued	4. Receive recognition 6. Have a coach
Teamwork Needs	7. Contribute ideas 9. Do my share	8. My work is important 10. Have a best friend
Growth Needs	11. Receive feedback	12. Learn and grow

Coaching requires conversations. This is one of the greatest tools that managers possess, and can be used to effectively be a good coach. This is the difference between being a manager and a coach. This would be equivalent to the differences between being a swim teacher versus a swim coach. The teacher teaches skills while the coach provides motivation for folks to utilize their skills to get the work done. Also, the workplace continues to evolve.

**The Past Priorities**

**The Future Priorities**

My paycheck	My purpose
My satisfaction	My development
My boss	My coach
My performance review	My conversation
My weakness	My strengths

The goal today is to work with staff to engage their strengths to perform the tasks that are necessary for the organization to move forward. This is different than directing staff to do specific things in order to accomplish their work.

- I enjoyed attending my last ICMA conference as City Manager. I encourage the City Council to actively encourage my successor to continue participating in these conferences. The exposure to many other new ideas and discussions with colleagues from across the country are valuable. Attending conferences in different cities allows for general ideas to be brought back as to what can be seen as both successes and failures in those cities hosting these conferences. I believe over the years I have attended 27 ICMA conferences and each one has been different but valuable to help me continue improving my skills in city management. I want to thank Erik Glover for his services as Acting City Manager while I attended the ICMA conference in Austin, Texas. This included the Council work session and the Council meeting that he filled in for me during this time. Again, I appreciate to have a

Council excusing my attendance from the October 2 to the City Council meeting so I can attend the ICMA conference.

- Met with Paul Algets who is doing transient room tax research for the League of Oregon Cities.
- Participated in a meeting with Matt Hall, Erik Glover, and Steve Baugher to discuss the purchase of a VAC truck for Public Works. This is a vehicle that we were planning to finance, however upon further review, and taking a look at funding in the General Fund, we will be recommending to City Council that we finance it internally from the General Fund and have the utility funds pay back the General Fund over time.
- Met with Laura Kimberly to discuss the creation of the City staff bilingual position. Based on the discussion with Council, we are looking at making this more of an outreach position. I had discussions with Laura about supervising this individual which will require some reorganization of her responsibilities between the Library and the City's outreach efforts. The goal is to bring many of the same types of initiatives that have been occurring in the Library, Parks and Recreation and the Performing Arts Center to the city as a whole.
- Erik Glover, Rebecca Morrow, Steve Baugher and I met to review the utility billing/application of forms that Erik has drafted. Several modifications were made to the forms. This is part of our overall effort to address a number of issues and problems within our utility billing practices.
- Participated in an LOC conference session planning meeting to prepare for the panel discussion that I was part of at the LOC meeting.
- Met with Aaron Collette to review engineering compensation. The City is facing challenges from private sector employers for civil engineers. This has really ramped up with all the federal infrastructure dollars that is been injected into the economy. The private sector civil engineering companies are also hunting for people to fill these critical positions. We are continuing to take a look at how to address these situations, particularly as we proceed with the re-advertising the assistant city engineer's position and the city engineer's position.
- Upon coming back from the ICMA conference in Austin, I contracted COVID-19. I participated in a number of meetings remotely during this time. Fortunately, the case was a very mild and resolved itself quickly.
- I participated remotely in a meeting on the Big Creek Dam Communications Plan that is being developed by Dig Deep Research. This effort is intended to fully engage and inform the community as to the needs of this critical infrastructure project. This information will also help keep the pressure on our state and federal officials for future funding opportunities for this project.
- I participated remotely in the interviews for the Yachats City Manager, at the end of this process, Yachats City Council opted to reopen the search for this position. Since that time, Council reconsidered and has offered the position to Bobbi Price who previously worked for the Newport Chamber of Commerce. I wish Bobbi well in this new position and will work with her any way I can to help her be successful there. Yachats has been a challenging community for city managers.
- Held a bi-monthly meeting with Steve Stewart to discuss public works issues.

- Prepared the reports for the October 16 City Council meeting.
- Derrick Tokos and I met with Greg Morrow to discuss his desire to consider selling The Tap House and/or the parking lot. We indicated that we will discuss this with the City Council.
- Met with the Travis Reeves and Barb James regarding the systems administrator position that were trying to fill. Further background work is being done on this the candidate to determine if it is someone we want to proceed with.
- Attended the 98th Annual League of Oregon Cities conference held from Thursday, October 12 through Saturday, October 14. Councilors Hall and Jacobi and Assistant City Manager/City Recorder, Erik Glover also participated.
- Attended the Oregon Mayor's Association in Oregon City/County Management Association joint workshop. Stephen Dijulio led participants through the roles and responsibilities of elected and appointed officials. A number of his recommendations were to be sure to celebrate successes. This helps counter the negative news that will always occur. He encouraged the development of information for prospective candidates for the City Council to understand what their roles and obligations are in serving on Council. Oregon became a state during the reform period in 1859. The constitutions of these states provide broad protections for the people to protect against bad government. As part of the constitution, Cities are given broad authority to operate their services in a way that benefits each community. City, state and federal government is not a democracy but representative form of governments. People elect representatives and the representatives do the business for the people they represent. Cities have broad powers regarding taxation, eminent domain, police power, and other general powers and obligations for Cities, including extensive emergency authority. The speaker outlined the difference between a public meeting versus a public hearing. At public meetings, the public has a right to observe the deliberation and decision-making of the governing body. They do not have the right to interject their feelings in a public meeting. In public hearings, the public has a right to share their opinion on the specific issue that is been presented. Many Cities give the public other opportunities to speak, such as public comment, and sometimes on specific agenda items. Again, these are opportunities that are provided by local government rules but are not required in public meetings. Standards for participation should be clearly presented on the agenda and gadflies are protected and uncomfortable/racist speech may not be prohibited. Actual disruptions in meetings can be controlled. Public bodies need to be very careful because if they allow the girl scouts to provide public comments, then they also need to allow extreme groups the same right. Criticism of public officials are protected speech. Threats of bodily damage or physical attacks are not protected speech.
  - Attended the annual OCCMA membership meeting.
  - Attended a presentation at the City of Aumsville regarding their efforts at replacing an aging wastewater system with the new plant coming with the \$28 million price tag. This has been a controversial issue in the City of Aumsville. Six of the seven Council members either being removed or resigned after approving a \$12 a month public safety fee on the utility bills. Aumsville has challenges because there are no

newspapers to reach out to citizens. The City uses Facebook and other social media, in order to increase their presence and provide information on various city issues. The City put together some fun videos in order to get viewership. They created their own news site which provided coverage of the variety of events occurring in Aumsville and began to provide information that may be of more interest to residents in the community. Along with the fun videos and coverage, they plug in short informational videos and things such as the wastewater treatment plant with a four minute video. For folks wanting more information they were also directed to an 18 minute more-detailed report on a YouTube site. One thing they did that was very creative for the last legislative round, is that they drafted a community letter of support and asked residents to sign that letter to advocate for state funding to help with the wastewater treatment plant. This served two purposes. One, it showed the citizen support for state funding for this project but it also served as an educational tool for citizens in Aumsville about the need to replace their wastewater treatment plant. As part of this effort, City collected 870 signatures from individual residents supporting the request for funding. The Mayor and members of the Council went door-to-door to discuss the wastewater plant and to gather additional signatures. They have a way to go with the wastewater treatment plant but their efforts to connect with their citizens through other social media platforms has been successful because of the interesting and entertaining stories that they mix in with hard-core City business issues in order to get viewership of these sites.

- Participated in the keynote address by Bill Strickland, author, and former president and CEO of the nonprofit Manchester Bidwell Corporation based in Pittsburgh. Strickland grew up in a poor neighborhood in Pittsburgh and as an undergraduate student founded the Manchester Craftsman's Guild as an afterschool program to teach children pottery skills in his old neighborhood. Over his lifetime, he has created a nonprofit in arts, education, and music to organizations and facilities that reach out to over 500 young people each year in the heart of the poor neighborhood. It has been his theory and practice to create beautiful places for people to learn and create, and in turn, the people participating in these programs will gain an appreciation for things that are nice and achieve extraordinary proficiencies and skills in many vocational and arts areas. This model has been replicated in a number of cities in the United States and other countries, as well.
- Participated as a panelist on maximizing existing revenue sources looking for new sources of the revenue. The other panelists were from the City of Hermiston, City of Gresham, and a representative from Avenue Insights and Analytics. Derrick Tokos was the moderator for our session. Overall, the session went well. Attached is a copy of the PowerPoint presentation that we provided for this group.
- Attended a session on what HR professionals wish their elected officials knew. Human Resources is the investment made by organizations in



human capital. There are five major components to HR, including talent acquisition, compensation and rewards systems, learning and development, performance management, and employment law. Cities have very diverse operations ranging from Police Departments to Fire Departments, Parks and Recreation, and regular office-type positions, regulators and a variety of other tasks that cover a broad spectrum. The old method for hiring talent included posting the job, advertising, and in hiring a candidate. Today with the job shortage, it is important to think about vacancies before they occur. Organizations will gain substantial return by training and elevating existing internal candidates so that they are prepared to fill positions that come open within the organization. Cities have an obligation to provide accurate job descriptions for public positions. It is important that Cities clearly indicate the total rewards for prospective applicants for City positions. Compensation is only part of the picture. Cities are required to have a classification and comp schedule with the Pay Equity Act. The total package must be equitable with other comparable municipal employees considering the experience and job requirements for each position. Council's primary role in personnel issues includes the approval of the budget, approval of collective bargaining agreements, approval of the pay schedules, (we do it as part of the budget) and approval of the personnel manual.

- Attended a session on Measures 5 and 50 which illustrated the extreme disparities in taxes paid by similar value properties and has severely impacted local government revenue. David Williams from Piper Stanley indicated that prior to this Act, Oregon used the levy-based system where local entities requested the dollar amount that was then spread over the tax base. During the period 1981 to 1991 tax rates increased significantly and nationally there were a number of efforts going on in other states to cap property taxes. Measure 5 placed a total cap on all taxes at \$10 per thousand of real market value, and for school taxes at \$5 per thousand dollars assessed. Compression occurs when the tax rates exceed this amount. In 1997, Measure 50 was drafted which changed the concept of both assessed values and tax rates. Assessed value was no longer equal to real market value. For existing property, the annual growth of assessed value was limited to 3%. This limitation stayed in effect regardless of property ownership. Before Measure 50, local governments and voters set levees and tax rates. Under Measure 50, permanent tax rates replaced most levees locking in that rate indefinitely. Bond levees are still permitted as well as local option levees. Overall, this has created significant discrepancies in how individual properties are taxed. At the time Measure 50 was approved, there were parts of Portland that had extremely low values. With the gentrification occurring in these neighborhoods, substantially increasing the values of these properties, property owners are paying based on the relative value of the property in 1997. Comparing the value of two \$700,000 homes today, you can find some homes assessed at \$79,000 in this gentrified neighborhood while other homes

assessed at \$500,000 for the same value of houses. Reform needs to address both the equity issues of how property is currently taxed and the challenges of locking in permanent rates for Cities even though circumstances have changed significantly in the last 25 years.

- Participated in a session called “Navigation of UGB expansions in Oregon.” Derrick Tokos was one of the panelists in this group, and shared the efforts that have taken place in the City of Newport to address urban boundaries issues.
- Attended the session on addressing Oregon’s homelessness crisis. The panel consisted of Mayor Wheeler from Portland, Lincoln County Commissioner, Claire Hall, Mayor Rod Cross from Toledo and the Mayor from Hermiston. Discussion was shared on HB 4123 the pilot project that Lincoln County is currently participating in. Mayor Wheeler indicated that the humanitarian concerns and the public's desire for the quality of life issues in Portland have been the core of issues being faced by his City. Today, Cities are pulled into the effort of caring for people with severe mental, drug and other issues impacting their ability to live in a social setting. Mayor Wheeler complained that the regional tax measure to address homelessness in the Multnomah County area has not provided one dime to the City of Portland to help address these issues. Today there is a need to reinvent government in meeting these needs. Cities have been stretched beyond providing public services to addressing homelessness in public spaces and dealing with enforcement and humanity of the homelessness crisis. He talked about a public hearing that lasted for over six hours with 182 residents appearing before Council in opposition of the first large homelessness encampments site selected by the City. Mayor Wheeler described it is a very ugly process. In Hermiston a number of the same issues have been encountered in trying to locate a shelter for folks when temperatures reached 32° or lower. The City had many “not in my backyard” conversations with folks about where these sites can be located. They are trying a pilot project with a consortium of 22 entities, including law enforcement, to try to meet this need. Mayor Cross outlined the Mayor's Associations efforts to lobby for per capita contributions of funding to Cities by the state to address homelessness issues within their jurisdictions. While this did not initially get any traction with the Governor's office, this effort has resulted in more discussion and dialogue between Cities and the Governor's office. This is an issue the Mayor's Association plans to continue advocating for. This included the development of a handbook for legislators which includes identification of needs for many Oregon Cities including the City of Newport. Commissioner Hall spoke of the efforts in Lincoln County through the pilot project that have brought all seven local units of government along with the County, the Tribe and the Committee Action Agency together to collectively address homelessness issues in the county. The scope of these issues goes beyond any one city in Lincoln County and a regional collective effort must be initiated. Claire

indicated that the County, along with support from Cities, is addressing winter sheltering for the first time on a county-wide basis. This was cited as a major step towards utilization of resources across the county to address homelessness.

Overall, it was a good conference. A number of good takeaways. In addition, on Saturday morning we all had an opportunity to witness the annular eclipse from the roof of The Graduate Hotel in Eugene. The conference took a break to allow folks to see the eclipse.

**Upcoming Events:**

- I will be taking a few vacation days from November 7-10. I will be out of state until Saturday, November 11. Erik Glover will be Acting City Manager during this time.
- City offices will be closed Friday, November 10, in observation of Veterans' Day.
- City offices will be closed Thursday and Friday, November 24 and 25, in observation of Thanksgiving.
- On November 15, 2023, the City of Newport will be hosting an LOC Small Cities meeting at City Hall beginning at 11 AM.
- City offices will be closed a half day on Friday, December 22 and a full day on Monday, December 25, in observation of Christmas Eve and Christmas Day.
- City offices will be closed on Monday, January 1, 2024 in observation of the New Year's holiday. The City Council meeting will be held on Tuesday, January 2, 2024.

**Attachments:**

- Attached is a brochure I picked up at ICMA from Pallet Homes. The prices run from 17,000 up for each home.
- Attached is a flyer from the National Civic League regarding democracy innovations for better public meetings.
- Attached is a labor market information for Northwest Oregon, including Lincoln County.
- Attached is a brochure that has been developed by the Newport Rotary Club regarding energy conservation that they plan to utilize with local hotels in Newport.
- Attached is an article that indicates that Bandon and Newport were identified as two of the 20 best beach towns in America as named by Trips to Discover.
- Attached is the PowerPoint presentation discussing Newport's efforts at finding additional to support City services.

I hope everyone has a great November!

Respectfully submitted,



Spencer R. Nebel, City Manager

cc: Department Heads



# ALLET™ S2 Shelters

OUR NEWEST LINE OF EMERGENCY SLEEPING CABINS



# Pallet is a Public Benefit Corporation working to end unsheltered homelessness and give people a fair chance at employment.

**2800+**  
SHELTERS BUILT

**100%**  
PALLET EMPLOYEES  
PAID A LIVING WAGE

**16 / 60+**  
STATES CITIES

**100+**  
VILLAGES BUILT

THE **MAJORITY** OF PALLET  
EMPLOYEES HAVE LIVED  
EXPERIENCE

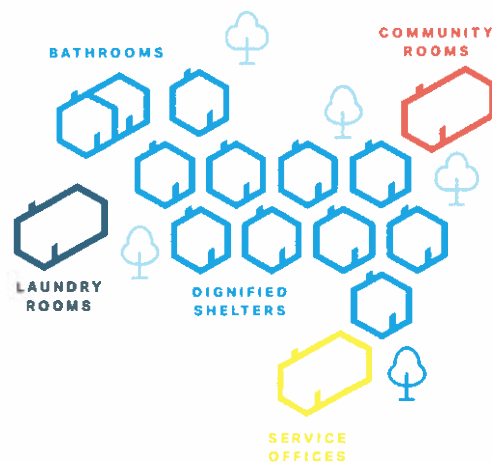
**70+**  
UNIQUE SERVICE  
PROVIDERS

## Villages

*\$ 17,000 for new model*

As the leader in Rapid-Response Shelter Villages™ we believe that no one should go unsheltered when shelter can be built in a day, providing the dignity of personal and private units with the healing of community. Our cost-effective structures are easy to set up to serve people displaced by homelessness or natural disasters. Our sleeping cabins have a locking door, windows that open and close, storage for belongings, shelving, personal climate control, electrical outlets, and fire safety tools. Village residents have access to bathrooms, showers and laundry. An on-site service provider delivers social services such as case management, housing navigation, job assistance, and more. These services are crucial in helping people transition to permanent housing.

Don't wait for a crisis to start supporting your community, people are already suffering without shelter.



## Employment

We believe potential, not history, defines people's futures. As a fair chance employer, we hire people who have been homeless, are in recovery, and/or were previously incarcerated. They have incredible survival tactics, resilience, and intelligence because of the challenges they've faced in life. Their lived experience is vital in helping us design and build restorative communities. Pallet is a supportive workplace where people are encouraged to grow personally and professionally. Everyone earns a livable wage, health benefits, and has access to manufacturing training, life skills training, and personal support services.



For more information about how to start your shelter village today  
please contact us at: [info@palletshelter.com](mailto:info@palletshelter.com) | 425-322-5122





# PALLET'S IMPACT

**21**

**STATES**  
and Canada

**4,000+**

**BEDS** 

**85+**  
**CITIES**

**110+**  
VILLAGES  
**IN TOTAL**

PARTNERED  
WITH

**70+**

**DISTINCT SERVICE  
PROVIDERS**

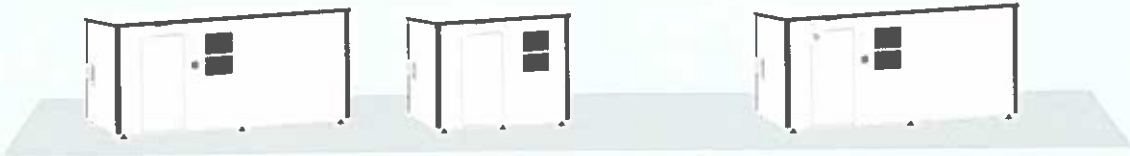
**DESIGNED  
AND BUILT  
WITH LIVED  
EXPERIENCE**



# PRODUCT IS THE BACKBONE OF PALLET

## CONTINUOUS INNOVATION

The next generation of Pallet shelters is here. Meet the S2 line of emergency sleeping cabins.



S2 Sleeper (70 & 120 sq. ft.)

S2 EnSuite (120 sq. ft.)

At Pallet, we are always striving to do better for the people we serve. We are dedicated to learning from those with lived experience and use this insight to innovate our products and meet the needs of our communities. The S2 line of emergency cabins has taken what we've learned from residents of our shelter communities and combined it with the knowledge from our in-house engineering team to create industry-leading dignified emergency shelter solutions.

## Provide Comfort In Any Climate

No matter the weather, we have a shelter configuration that provides comfort, dignity, and safety. There are three elements to consider when configuring a shelter for your climate: heating for cold temperatures, air conditioning for hot temperatures, and structural strength to match the wind and snow load your area experiences.



## Pallet Shelters

Pallet shelter villages offer the dignity of private space in a healing community environment. They are designed to rapidly assist unsheltered populations with a resource net of onsite social services, as well as food, showers, laundry, and more to help people transition to permanent housing.



## Infrastructure Needs

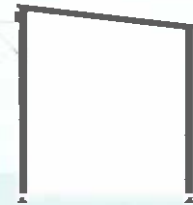
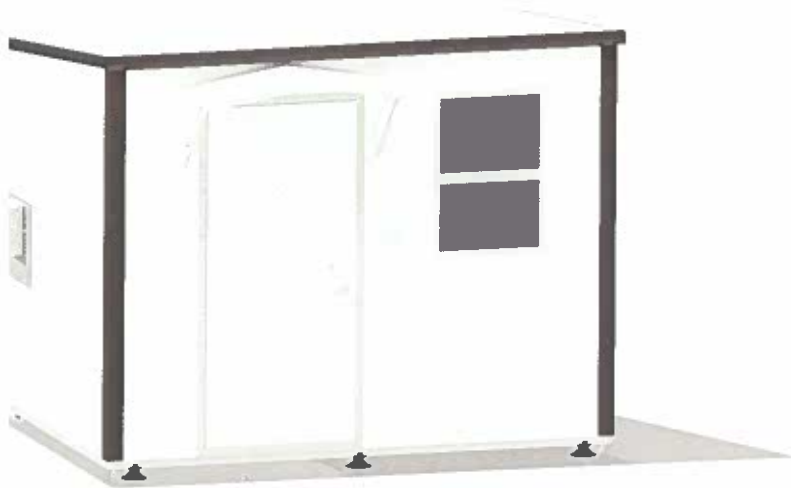
Pallet shelters are a flexible system that can be installed on a wide variety of surfaces and connected to a number of power sources and standard sewer service lines.

# S2 Sleeper

(70 sq. ft. | 6.5 m2)

The Pallet™ S2 Sleeper is our new line in safe, dignified, rapid-response shelter solutions. Our industry-leading design features a mono-pitch roof, smooth exterior and interior panels, improved energy efficiency, and protection from the elements. The S2 Sleeper is also designed for faster deployment and assembly.

**The 70 sq. ft. (6.5 m2) model is perfect for one person or a couple.**



Our new patent pending connection system has fewer bolts, installation time down to an hour.

Improved fire, wind, and snow load ratings, improved energy efficiency; advanced Low-E energy efficient dual pane windows with integrated UV protection and a new patent pending structural system, combined with Pallet's safety features makes our newest design the safest one yet.

**Feature:** Thanks to our patent pending tray foundation system and new leveling feature, the S2 Sleeper line can be built in a variety of terrains and conditions.

## Features

• Solid-Core, locking door with peephole and kick plate  
• Heating and AC for all climates  
• Advanced Low-E energy efficient windows  
• Integrated customizable shelving system  
• Free 120V convenience plugs  
• Superior LED lighting  
• Smoke and Carbon monoxide detector  
• Fire extinguisher  
• Distal leveling system  
• Patent pending tray foundation system

- Patent pending structural hold down system
- Insulated FRP walls
- All materials of construction are non-organic, reducing mold, mildew, and pests
- Freestanding standard twin bed
- Freestanding desk
- Mattresses fitted with bedbug-resistant covers

## Optional Features

- Water diversion with integrated awning
- Digital door lock

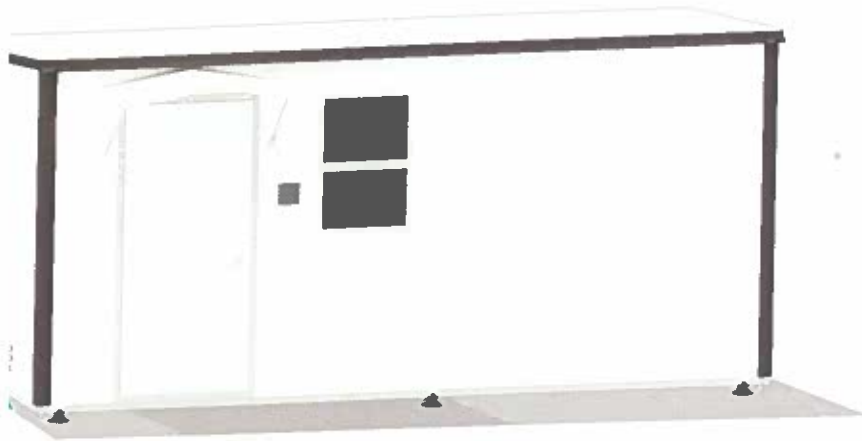


# S2 Sleeper

(120 sq. ft. | 11.15 m<sup>2</sup>)

The Pallet™ S2 Sleeper is our industry-leading line of safe, durable, rapid-response shelters. Designed for faster deployment and assembly, the S2 Sleeper also features improved energy efficiency and protection from the elements, smooth exterior and interior panels, and climate control options fit for any conditions.

**The 120 sq. ft. (11.15 m<sup>2</sup>) is a comfortable and dignified space for two people or families.**



Our new patent pending connection system has fewer bolts, bringing erection time down to an hour.

Improved fire, wind, and snow load ratings, improved energy efficiency, improved Low-E energy efficient dual pane windows with egress, and a new patent pending structural system, combined with Pallet's standard safety features makes our newest design the safest one yet.

**Adaptable:** Thanks to our patent pending tray foundation system and new leveling feature, the S2 Sleeper line can be built in a variety of terrains and weather conditions.

## Features

Solid-Core, locking door with peephole and kick plate  
Heating and AC for all climates  
Advanced Low-E energy efficient windows  
Integrated customizable shelving system  
Three 120V convenience plugs  
Interior LED lighting  
Smoke and Carbon monoxide detector  
Fire extinguisher  
Pedestal leveling system  
Patent pending tray foundation system

- Patent pending structural hold down system
- Insulated FRP walls
- All materials of construction are non-organic, reducing mold, mildew, and pests
- Freestanding standard twin bed
- Freestanding desk
- Mattresses fitted with bedbug-resistant covers

## Optional Features

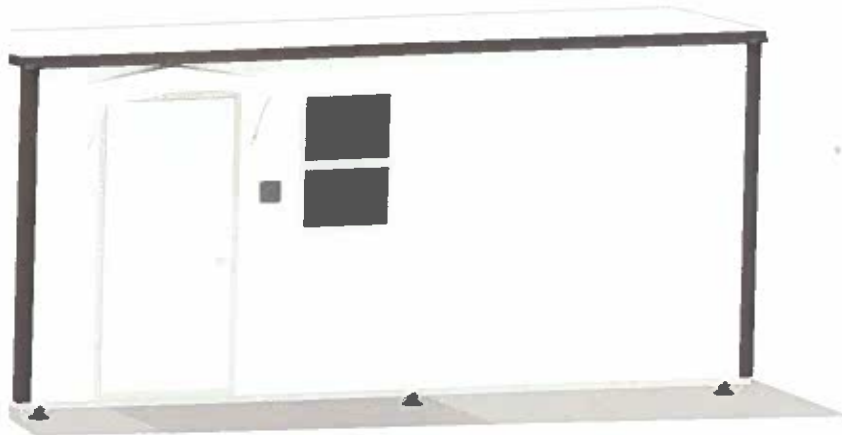
- Water diversion with integrated awning
- Digital door lock

# S2 EnSuite

(120 sq. ft. | 11.15 m<sup>2</sup>)

The Pallet™ S2 EnSuite is the new addition to our industry-leading line of rapid-response shelters, combining the comfort of our Sleeper model with the convenience and dignity of in-unit hygiene facilities. The 120 sq. ft. (11.15 m<sup>2</sup>) floor plan can accommodate a bed, desk, and customizable shelving unit, creating a comfortable environment to rest and recharge.

**The EnSuite is a convenient and inclusive space that sleeps one or two people.**



**ent & Inclusive** An easily maneuverable layout that includes a shower, and sink. Allows residents to access hygiene facilities without face the elements.

Our new patent pending connection system has fewer bolts, installation time down to an hour.

Improved fire, wind, and snow load ratings, improved energy efficiency, advanced Low-E energy efficient dual pane windows with integrated customizable shelving system, and a new patent pending structural system, combined with Pallet's safety features makes our newest design the safest one yet.

## Features

• Solid-Core, locking door with peephole and kick plate  
• Heating and AC for all climates  
• Advanced Low-E energy efficient windows  
• Integrated customizable shelving system  
• Three 120V convenience plugs  
• Superior LED lighting  
• Smoke and Carbon monoxide detector  
• Fire extinguisher  
• Industrial leveling system  
• Patent pending tray foundation system  
• Patent pending structural hold down system

- Insulated FRP walls
- All materials of construction are non-organic, reducing mold, mildew, and pests
- Freestanding standard twin bed
- Freestanding desk
- Mattresses fitted with bedbug-resistant covers
- In-unit residential grade toilet, sink, and shower stall

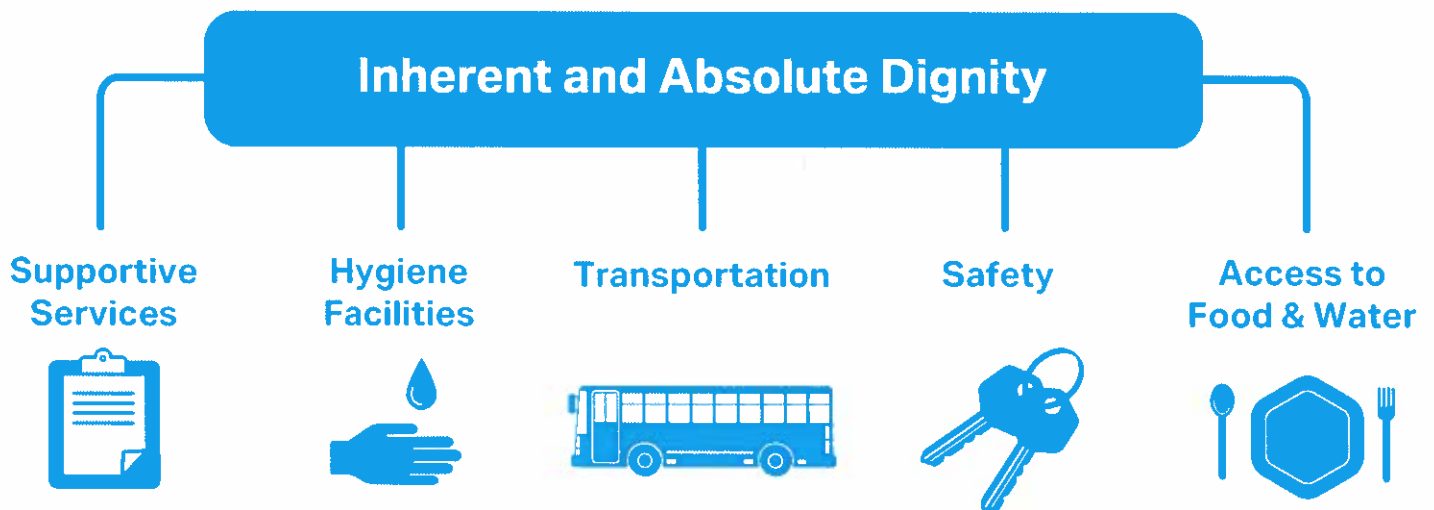
## Optional Features

- Water diversion with integrated awning
- Digital door lock

# Pallet Village Dignity Standards

Pallet's mission is to end unsheltered homelessness. Pallet villages are operated by community partners who collaborate with village residents to end their unhoused status, while transitioning into stable housing as quickly as possible. Villages provide life-sustaining services in a manner that fosters a safe, affirming, and dignified atmosphere for all residents. Discrimination or disparate treatment toward village residents on the basis of race, religion, national origin, immigration status, gender or non-gender conforming, sexual orientation, or any other protected class is strictly prohibited.

At Pallet, we believe in all people's inherent and absolute dignity. Guided by feedback from village operators and Pallet team members with lived-experience, we have created a set of dignity standards intended as universal and irreducible requirements for the purchase and use of Pallet shelters. These are organic principles intended to evolve and refine as we learn more about what works best. Our dignity standards address:




For more information about our dignity standards and partnership opportunities to address these requirements, please contact us at: [info@palletshelter.com](mailto:info@palletshelter.com) | 425-322-5122





info@palletshelter.com | 425-535-4866 | palletshelter.com



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## Democracy Innovations for Better Public Meetings

In many places, official public meetings no longer work. Most of the official interactions between citizens and local governments, school systems, planning boards, and police departments are full of frustration, conflict, and mistrust.

**Bad public meetings are damaging** because they:

- Lower public trust and confidence in government, making it harder to implement policies and maintain financial stability.
- Increase frustration and stress for public officials and staff.
- Lead to delays and erratic decision-making, which further erodes trust and wastes public funds.
- Worsen inequities because meeting participants are not representative of the communities most affected by policies.



**Better public meetings are possible, sustainable, and measurable.**

- There are proven tools and practices that can ensure civil, productive dialogue among people who have different backgrounds and interests.
- These practices can be adopted as part of official public meetings, in full accordance with open meetings laws.
- Before and after public meetings, supplementary tools and practices can reach broader audiences: providing information, gathering input, and reporting on decisions.
- Public satisfaction with public meetings, and the state of local democracy generally, can be measured through digital tools.



**Understanding the local context is critical.** Local leaders should take stock of the history, social capital, and civic assets of their communities in order to strengthen meetings and the relationship between government and citizens.

The “**Democracy Innovations for Better Public Meetings**” project, led by the Center for [Democracy Innovation](#) and supported by the AAA-ICDR Foundation, will help communities take stock of the local context, gauge citizen attitudes, and adopt better civil discourse practices in public meetings.

The project will include a community of practice of local leaders to help choose pilot communities, refine tools and practices, and disseminate results.



**Partner organizations:** International City/County Management Association, National League of Cities, Bloomberg Center for Public Innovation, Participedia, Kettering Foundation, Cities Fortifying Democracy, Democracy Cities, and National Civic League.

# Better Public Meetings project

Process and timeline

Democracy  
Innovation



National Civic League



## CIVIC INFRASTRUCTURE SCAN

- Interview community organizations and government staff.
- Launch a scorecard to rate public meetings.



## COLLABORATE

Share the findings with the community and hold a visioning exercise.



## DISCUSS IDEAS

Work with civic engagement practitioners, city managers, staff and elected officials to discuss prospects for better public meetings.

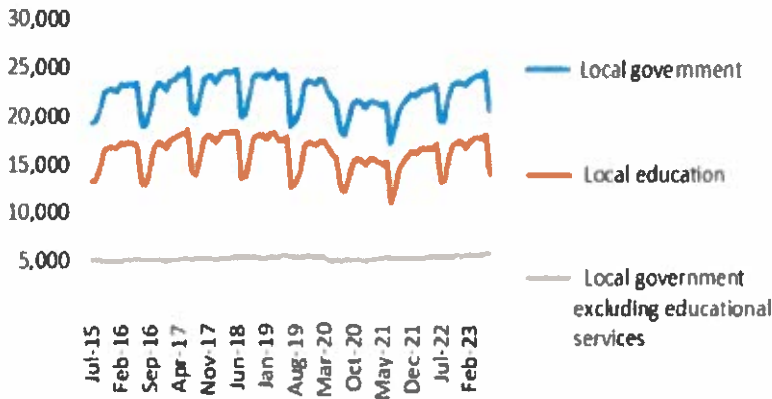
## INTEGRATE INNOVATIONS

Continue monitoring approaches and tools that uniquely address the community's needs.

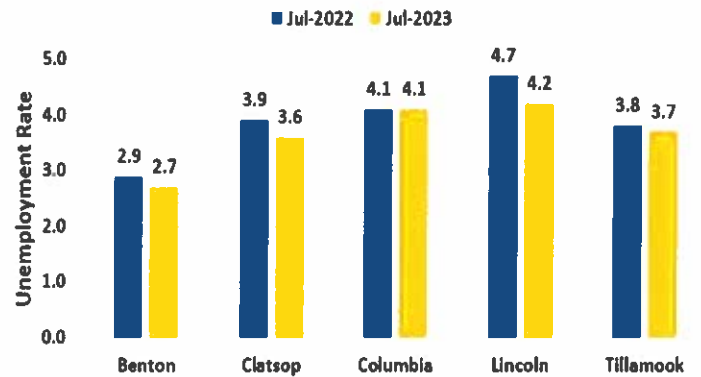
**Northwest Oregon Economic Indicators**

For Benton, Clatsop, Columbia, Lincoln & Tillamook Counties August 2023 (July 2023 Data)

Components of Local Government Employment,  
NW Oregon, July '15-July '23

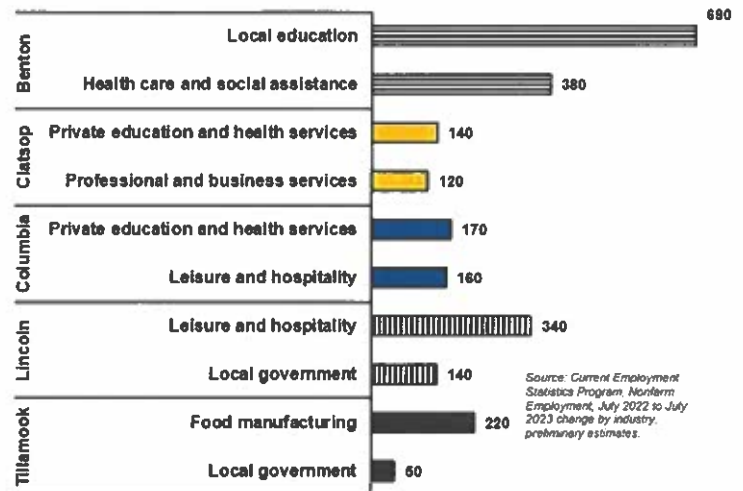


Local Area Unemployment Rates  
(Preliminary Estimates, Seasonally Adjusted)



Source: Oregon Employment Department Local Area Unemployment Statistics

Industries Adding the Most Jobs in Past Year by County



Source: Current Employment Statistics Program, Nonfarm Employment, July 2022 to July 2023 change by industry, preliminary estimates.

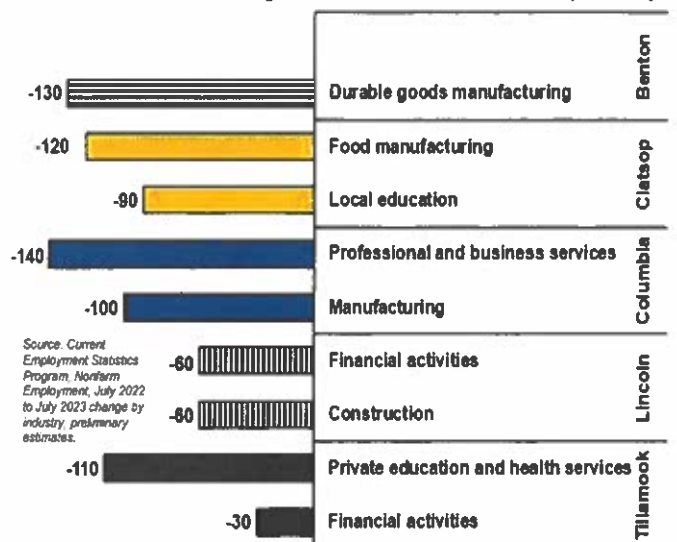
**Graph of the Month**

This month we are taking a look at the primary components of local government employment. As teachers leave work for summer vacation, the employment levels in government sharply decline. However, the change in government employment over the year is minimal, which tells us that this decrease in employment was expected and is a normal seasonal movement. The graph above shows how this seasonal fluctuation in education really defines the local government sector as a whole. Much like we saw a large decrease in government employment in July, expect to see a large increase in September as teachers return.

**Key Takeaways**

Unemployment rates continue to decrease across the region, nearing record lows. Summer seasonal employment shifts are in full swing. Leisure and hospitality continues towards its peak employment levels, surpassing last year's employment levels in Lincoln and Columbia counties. On a month-to-month basis, much of the NW lost jobs, primarily due to decreases in local government employment. For more information on why that decrease in employment is expected, see the graph of the month above.

Industries Losing the Most Jobs in Past Year by County



Source: Current Employment Statistics Program, Nonfarm Employment, July 2022 to July 2023 change by industry, preliminary estimates.

For more economic or labor market data or to be added to this monthly email list, contact:

Shaun Barrick, Workforce Analyst/Economist  
Cell: 503.396.7355  
E-mail: [Shaun.barrick@employ.oregon.gov](mailto:Shaun.barrick@employ.oregon.gov)

Want to keep up on the latest Oregon economic data?  
Visit our web site at [www.QualityInfo.org](http://www.QualityInfo.org)  
Follow us on Twitter at: [@OED\\_Research](https://twitter.com/OED_Research)

**"You never know the  
worth of water until  
the well runs dry."**

BENJAMIN FRANKLIN



**You can help conserve  
Newport's precious  
summer water.**





## While Visiting Newport...

Here are some simple things you can do to be an eco-friendly visitor...

- Turn off the lights and TV when leaving your room. (Columbia River hydro power helps fuel our electricity.)
- Limit your hot shower time.
- Flush toilets when needed. Don't use them as a garbage can to discard tissues or trash.
- Turn off the water when brushing your teeth and/or shaving. Turn on to rinse. (A running faucet can waste a gallon per minute!)
- Recycle your towels for the next day to save water, electricity & detergents.
- Recycle cans and bottles. (It takes 95% less energy to remelt an aluminum can than to produce aluminum from bauxite ore.)
- Leave the "Do Not Disturb" sign on your door when you leave for a day. (If your room does not need cleaning, skip the housekeeping and save the water used for cleaning.)

## Make a Newport memory.

Volunteer for a fun microplastics beach clean-up!  
Watch our short video on how we do it.

Scan the QR Code to select  
a date and time to volunteer.





## Let's Play 'Connect the Drops'

Overuse of summer water in Newport, drains our small reservoir that forces

Siphoning water from the Siletz River, lowering the water level that leads to

A temperature rise that reduces salmon & steelhead spawning that endangers

Local commercial and sport-fishing industries that in turn

Help drive the summer tourist industry that significantly fuels

All local businesses dependent on summer trade that help drive

A major part of Newport's total economy.

*Thank you for helping us  
conserve our precious water.*

# Let's all be tsunami-safe

The Pacific Ocean accounts for 78% of all tsunami tidal waves. The best way to protect you and your family is to be prepared. Get an evacuation map by going online to **OregonTsunami.org** and have a strategy planned. Wireless Alerts are free one-way emergency messages sent from local public safety officials or the National Weather Service directly to cell phones in the local area of an emergency. To hear emergency alerts, go to **ready.gov** and sign up.

Drop, cover, and hold on if you are inside and feel the earth shake. If outside, move to an open area. If you are on the beach and feel more than 20 seconds of very strong ground shaking, move immediately inland to high ground. Do not wait for a warning. Go inland and upward at least 100 feet. GO ON FOOT. Do not attempt to pack, or drive. Grab your "Go Kit" (and pets) and move to high ground. Once you are safe, stay there. Do not return, more waves will be coming.

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This is a publication of the Rotary Club of Newport and supporting businesses and organizations.

Rotary



**Labor Day Sale - 50% Off - Expires 9/5**

Advertisement

**TRENDING**

## **Two Oregon spots made the list of best beach towns in America**

Published: Sep. 02, 2023, 7:00 a.m.



A flock of sanderlings flies along the surf at the Bandon State Natural Area. Jamie Hale/The Oregonian

195  
shares

By [Lizzy Acker | The Oregonian/OregonLive](#)

Summer may be on its way out but that doesn't mean it's too late to go to the beach. Especially not the Oregon beach, which is barely ever warm anyway.

But, where to go along Oregon's long and beautiful coastline? Well, according to a new list from [Trips to Discover](#), you might want to head south. That's because Bandon in Coos County [was recently listed among the website's "20 Best Beach Towns in America."](#)

Advertisement



If You're a S

Of, if you want to go a little less south, try the other Oregon destination on the list: Newport.

The list, which includes warm and sunny beach destinations in Florida, California and Hawaii among others, isn't a ranking so much as a roundup of great beach towns, which means Bandon and Newport are basically listed at the same level as Carmel-by-the-Sea and Haleiwa.

**HERE IS OREGON:** [HereisOregon.com](https://www.hereisoregon.com) | [Instagram](#) | [YouTube](#) | [Facebook](#) | [Twitter](#) | [TikTok](#)

Why did they pick Bandon?

"The spectacular seaside beauty of Bandon has been drawing visitors since the mid-19th century, some of which decide to never leave," wrote Trips to Discover of its choice. "This tiny town on the southern [coast of Oregon](#) is a quintessential beachside destination with shorebirds, ospreys, geese, and bald eagles hanging out in a pristine salt marsh just east of downtown, while tufted puffins, murrelets, and cormorants frequent the waters of the ocean just off Coquille Point."

It's true, Bandon is a year-round destination for wildlife viewing and cute town visiting. And, [it has one of the best golf courses in the world](#).

If you're inspired to visit the southern Oregon coast town, now that it is on a national list, [here are 20 things to do while you're there](#).

As for Newport, wildlife and views are also mentioned, as well as the many fun activities for kids and families.

"It's home to numerous kid-friendly attractions like the Oregon Coast Aquarium and the Hatfield Marine Science Center along the Bayfront," Trips to Discover wrote. "You can also watch sea lions and spend time on idyllic sandy beaches building sandcastles, flying kites, and all the other usual beach-type activities."

Heading to Newport? [We've got 20 fun things to do there, too](#).

— Lizzy Acker

503-221-8052; [lacker@oregonian.com](mailto:lacker@oregonian.com); [@lizzyacker](#)

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## Around the Web

### Simple Japanese Trick for Nail Infection

Healthy Guru | Sponsored

[Read More](#)

### Excessive Coughing And Throat Phlegm Could Mean This For Your Health

Sane'MD Vitaae Supplements | Sponsored

[Learn More](#)

## **Oprah's Boat Is A Floating City**

This is the biggest boat on earth...

Livestly | Sponsored

## **Completely New Electric Cars for Seniors - The Prices Might Surprise You**

Electric Car Deals | Sponsored

## **Empty Alaska Cruise Cabins Cost Almost Nothing**

Alaska Cruise Deals | Sponsored


## **People in Newport are Loving Martha Stewart's Meal Kit**

Martha Stewart & Marley Spoon | Sponsored



▼ About Us





# How to Maximize Existing Revenue and Look for New Sources

Spencer Nebel, City of Newport

Byron Smith, City of Hermiston

Nina Vetter, City of Gresham

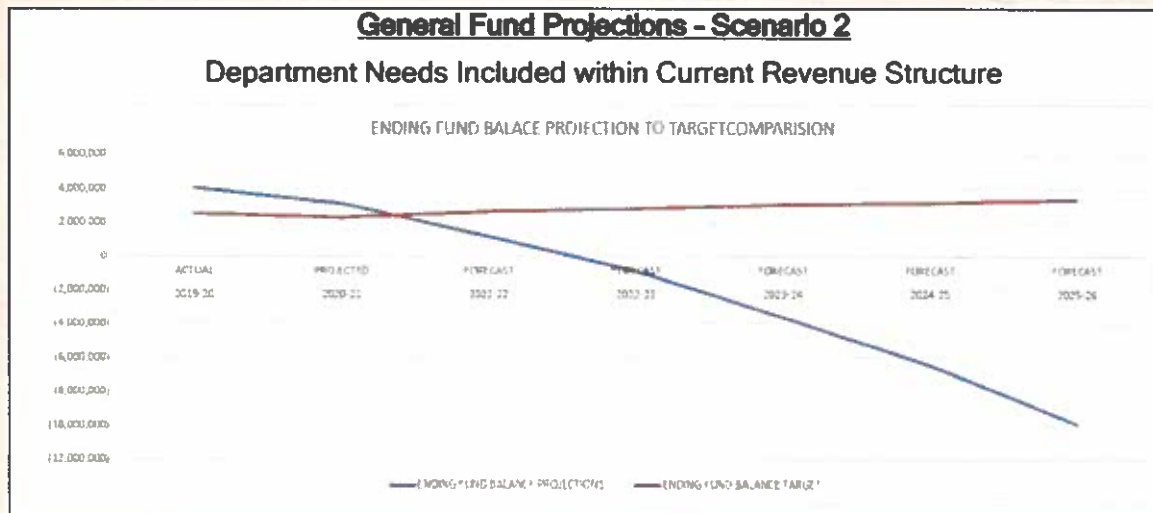
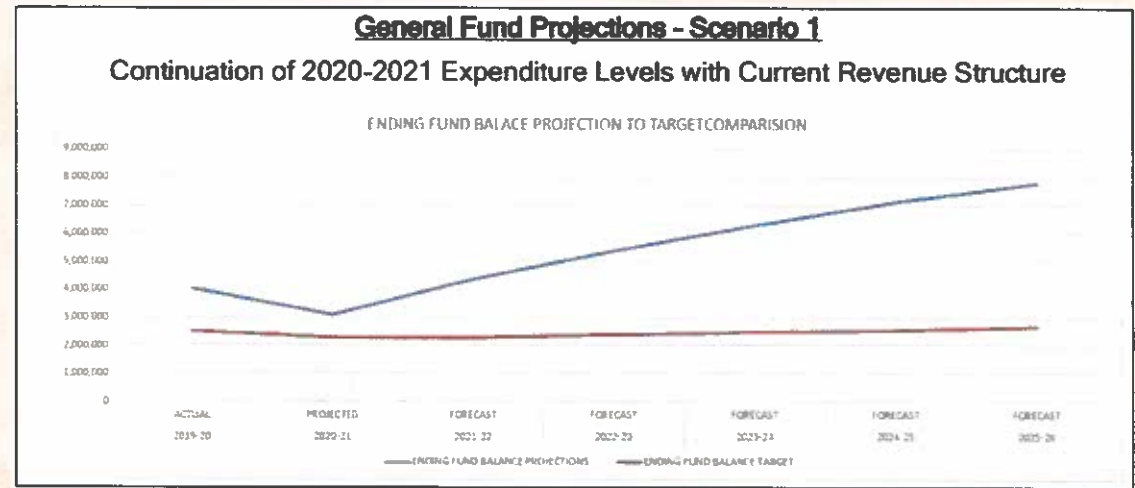
Michael Pelfrey, Avenu Insights & Analytics

October 13, 2023

98th Annual LOC Conference



# Finance Work Group determined a Structural Deficit for the City of Newport



“A structural deficit occurs when the projected annual expenses will exceed the amount of projected annual revenues collected to pay for those expenses.”

# New Revenue Sources Identified

After determining ways to save money, the Finance Work Group advised the Council to focus on revenues funded by both residents and visitors:

- Increase the Transient Room Tax from 9.5% to 12% (Adopted by Council Resolution)
- Increase the City's current Gas Tax from 3 cents/gallon in the summer and 1 cent/gallon in the off season to 5 cents/gallon year round (This required a vote of the people)
- Implement a tax on prepared foods (This was referred to the voters)
- Implement a paid parking system on the Cities Bayfront (Implemented by Council)



# Newport Council Initiatives to Address Long Term Funding Needs

- Seek legislative reform of the Transient Room Tax to allow more flexibility in the use of the funds for roads and other services impacted by visitors
- Place a Gas Tax proposal on the May 2024 ballot for reconsideration of the voters
- 3. Review internal procedures to maximize the collection of existing revenues
  - Evaluate use of property liens to collect unpaid bills
  - Update utility billing practices
  - Implement audits of businesses paying Transient Room Tax
  - Consider having the State of Oregon collect Transient Room Tax and implement audits
  - Collection of bad debt
  - Write-off policies for bad debt
- 4. Update the 2021 Five-Year Financial Sustainability Plan

# Summary

- The cost of providing public services will continue to escalate and our aging infrastructure requires significant reinvestment
- New funding opportunities will need to be identified, without creating unaffordable barriers for our residents and businesses
- This is the challenge community leaders face as we provide critical services and try to make our communities places where people can afford to live, play and work

The Five Year Financial Sustainability Plan for the City of Newport can be found at:

[https://www.newportoregon.gov/dept/fin/documents/3-10-21\\_Final\\_Combined\\_Finance\\_Work\\_Group\\_Report.pdf](https://www.newportoregon.gov/dept/fin/documents/3-10-21_Final_Combined_Finance_Work_Group_Report.pdf)



# Hermiston General Fund Revenue Review

## New Revenue Sources Strongly Considered:

- Business Licenses
  - Plus – Council Action, Better handle on business activity
  - Minus – Force businesses out of city, too much impact on small business
- Franchise Fee Allocation Change
  - Plus – Council Action, Large future upside
  - Minus – Removing Street Maintenance Resource
- Marijuana Tax
  - Plus – Possible large revenue upside
  - Minus – Vote of the people, Hard to estimate revenues
- Local Fuel Tax
  - Plus – Preserve Franchise Fees for GF
  - Minus – Limited revenue generation, Requires Voter Approval



# City of Gresham Revenue Review

## Current Revenue Sources:

- Property Tax (\$.3.61/\$1,000 AV)
- Police, Fire & Parks Fee (\$15/month)
- Transient Lodging Tax (5%)
- Marijuana Sales Tax (3%)
- Business Income Tax (we receive a portion of the 2% BIT levied by Multnomah County)
- State Shared Revenue
- Licenses & Permits (i.e. business license)
- Utility License Fees (i.e. electric, gas, cable, etc.)

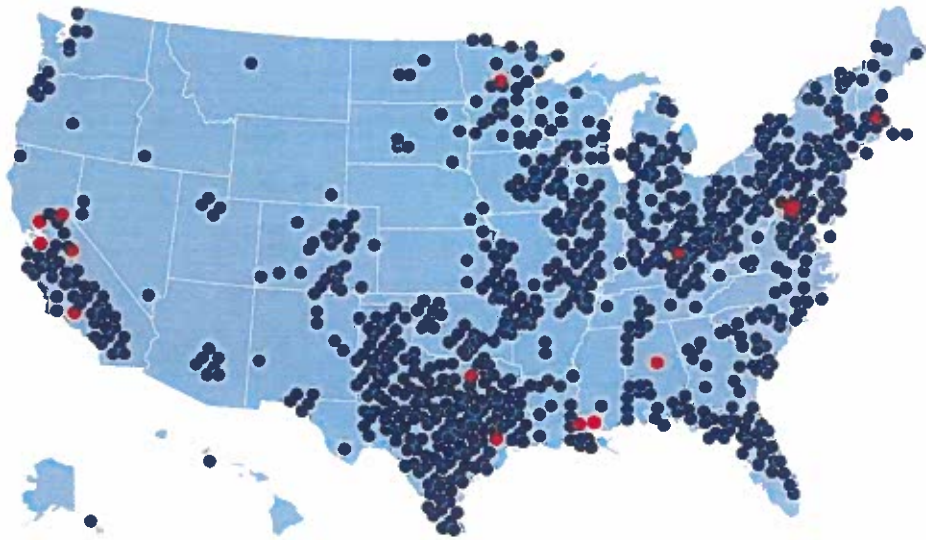
## Revenue Sources Being Explored:

- Local Option Levy Tax
- Other Fees (i.e. streetlight, parks utility fee)
- GO Bond
- Districts?

Visit <https://greshamoregon.gov/financial-road-map/>



# Who Is Avenu Insights & Analytics?

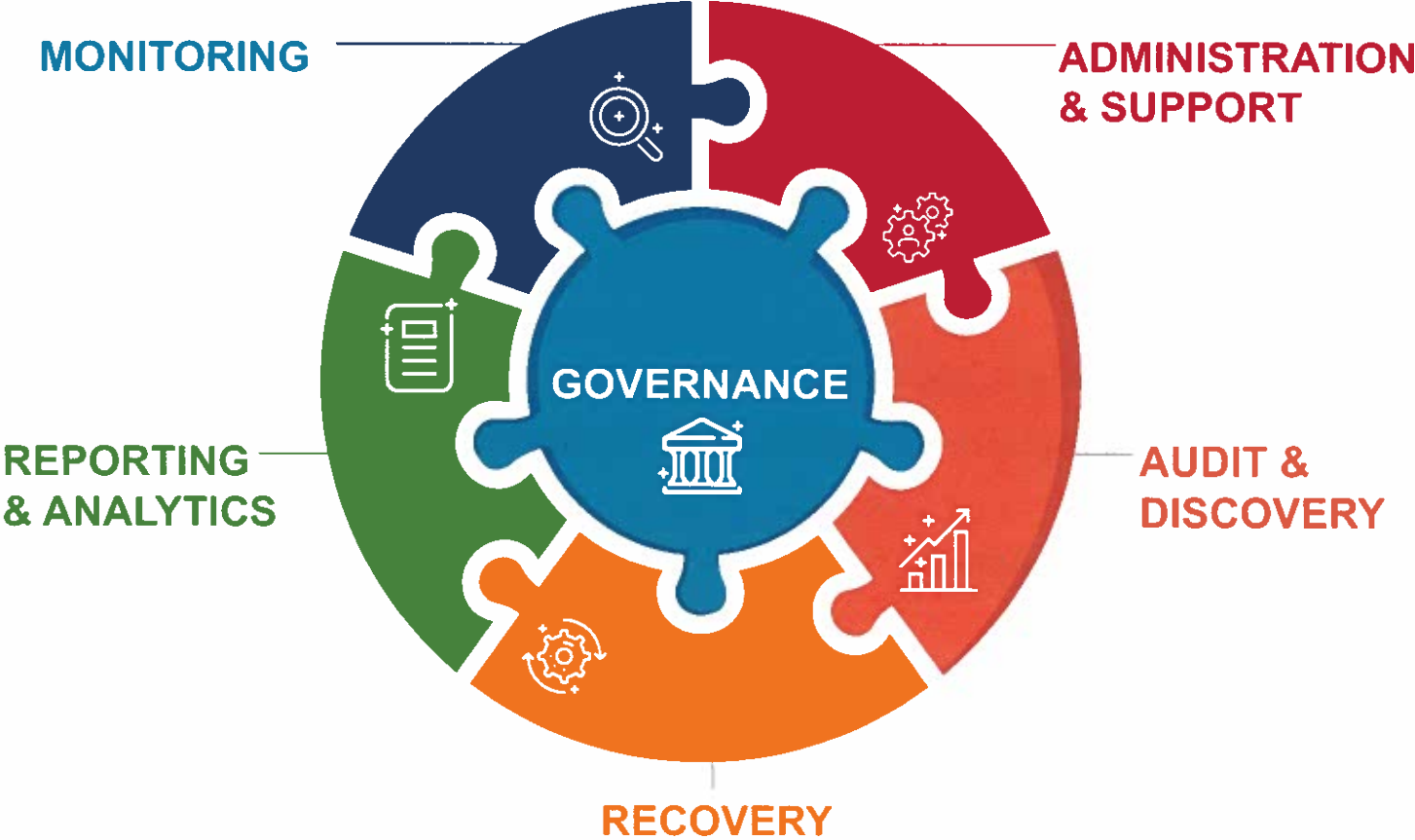


● Avenu Office Locations

● Avenu Customer Locations

- Proud Premier Partner to Oregon LOC
- Leading provider of integrated compliance solutions for administration, enhancement & recovery to local governments
- 40 years serving state & local governments nationwide
- 3,500 state and local customers
- 850 employees across the U.S.

# Compliance Lifecycle





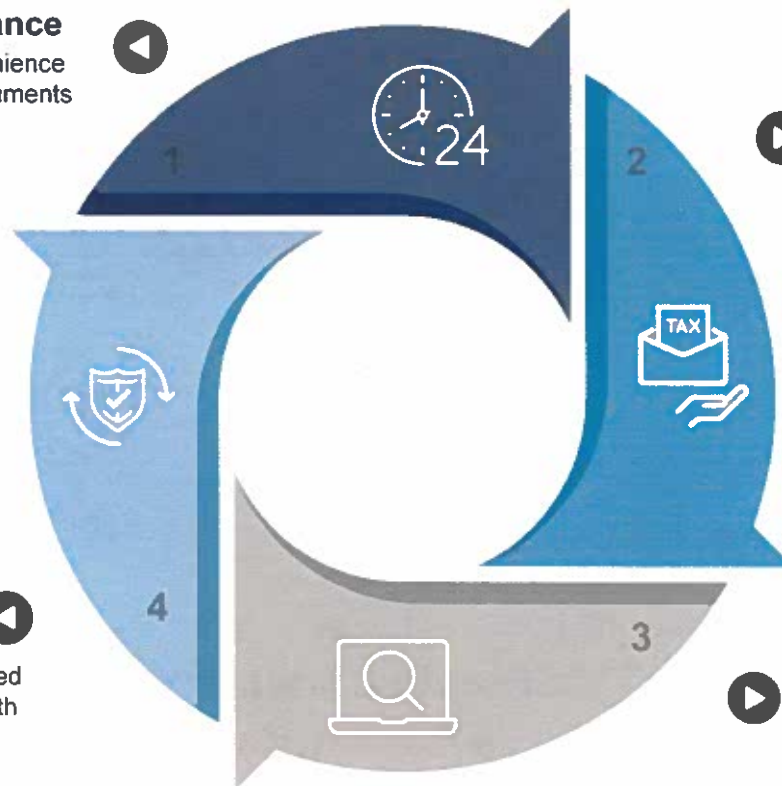
# ADMINISTRATION & SUPPORT

INCREASE COMPLIANCE & REVENUE IN A SECURE & TIMELY MANNER



## Account Set-Up & Maintenance

- Taxpayer portal provides 24/7 convenience
- Profiles created with custom tax documents to reduce errors
- Multiple online payment options



## Taxpayer Outreach & Education

- Courtesy reminders & due dates sent
- Live Taxpayer Support M-F
- Registration assistance
- Online FAQs

## Remittance

- Funds validated & transmitted to jurisdiction 12-15 x / month
- SSAE 18-SOC 2

## Reconciliation

- Receive, verify & reconcile payments

# Recovery

MAXIMIZE REVENUE COLLECTION THROUGH BUDGET-NEUTRAL APPROACH



- Collect **non-remitted and non-compliance** tax revenue
- Manage incoming license applications and payments
- Recapture **misallocated revenue** improperly remitted
- **Detailed analysis and reports** of net new revenue added
- Increase community services through exponential growth of general fund revenues
- Ensure future compliance by providing **best practices and education** to taxpayers on current shortfalls, existing mandates, and changes in legislation



AUDIT

Maximizing  
Taxpayer  
Remittance

DISCOVERY



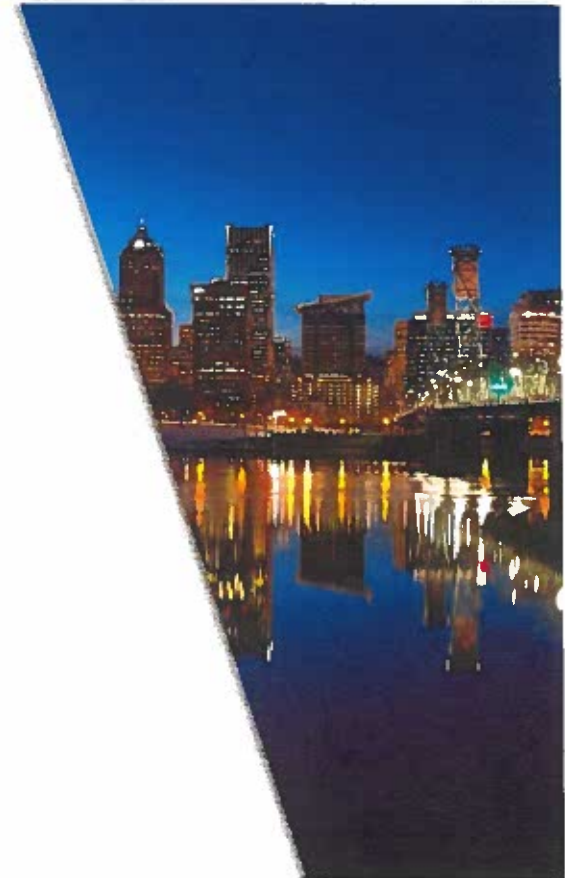
Capturing Complete  
Business Community  
Activity

ADMIN



Increasing remittance  
through streamlined  
taxpayer process

# Case Studies



# // Case Study of CA, NV & WA

## SOLUTION

- Multiple audits across California, Nevada & Washington
- Focus areas: **electric, natural gas, video service, & telecommunication** providers
- Sustained revenue growth through provider corrections

## TIMEFRAME

2015 - Present



## RESULTS

---

**\$19 Million** Recovered in Franchise Fee  
& Utility Tax for **CA, NV & WA**

---

# Case Study Bessemer, Alabama

*“ Understanding that all revenue was not being collected, and operating under the constraints of limited resources, the City’s decision to partner with Avenu made good business sense and Avenu delivered the results to prove it. ”*

## CHALLENGE

Rapid increase in sales tax revenue without requisite increase in business license registration.  
Many businesses operating without a license

## TIMEFRAME

2013- Present



## SOLUTION

**\$1,297,822**

discovered and collected in new business license revenue & **3,819 licenses**

**2,257**

New businesses added

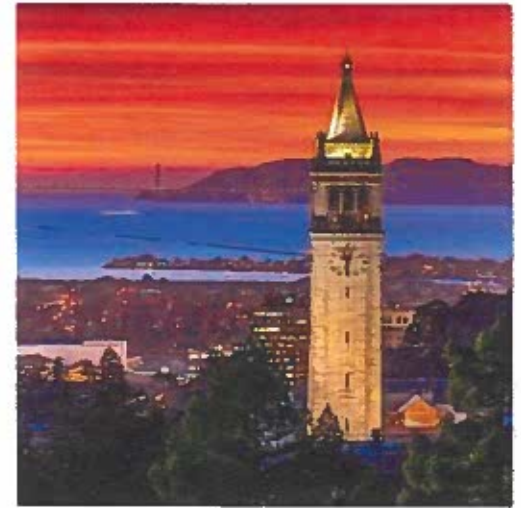
Almost **10%** city’s overall revenue raised

Creation of a "level playing field" for all businesses in Bessemer has enhanced compliance

# Case Study Berkeley, CA

## CHALLENGE

Berkeley is the first city in the nation to tax soda and needed a cost-effective way to process monthly tax payments and ensure compliance.



## SOLUTION

---

**\$100k+/month** in and **\$1M+**  
revenue annually generated from 2015 - present.

# Case Study Richmond, California

*“ We were facing a significant budget gap a few years ago and knew we had to quickly find new revenue... So, when Avenu came along with a proposal to find and collect Business License tax on a contingency basis we knew this was a no brainer. ”*



— Antonio Banuelos,  
City Manager, Richmond, CA

## CHALLENGE

The number of rental properties was rising while licensing fees remained stable. Richmond requested payment of license fees with little response.

## TIMEFRAME

1992 - Present

## SOLUTION

**2,795**  
unlicensed  
businesses  
discovered

**\$2.2 million**  
Collected in  
new revenue

**\$360,000**  
Expected by city in an  
ongoing annual increase

Tax compliance  
went from **24**  
**percent**  
to **74 percent**



# // Case Study State of Louisiana Parish E-File

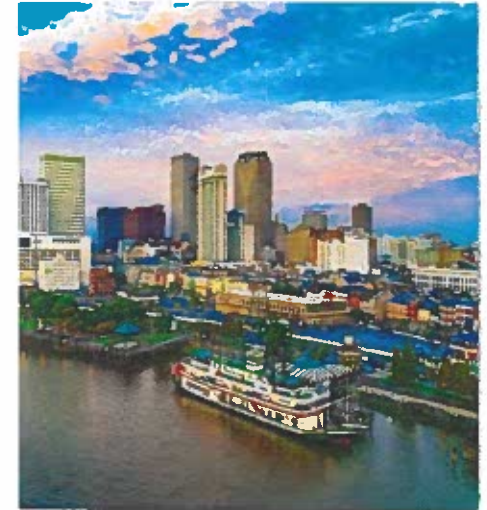
## CHALLENGE

The State needed a 'one-stop shop' for the entire Louisiana business community.

## SOLUTION

Implemented an E-File Portal for businesses to file and pay:

- Sales and Use (similar to Gross Receipt Tax)
- Occupational / Business License Taxes & Fees
- Hotel Tax (State Lodging)



## RESULTS

**\$31 Billion administered from 19.3M Returns**  
electronically filed Since 2010.



# EB2Gov

ACCEPT ONLINE PAYMENTS FOR ANY SERVICE



## Dog Licenses

Look up by dog tag or owner and upload rabies certificates and veterinarian documents



## Vehicle Registrations

View eligible vehicle renewals, look up vehicle estimates, and receive registrations and stickers via mail



## Property Taxes

Look up properties and project future costs



## Utility Billing

Access utility bills and prevent shutoffs and disconnections

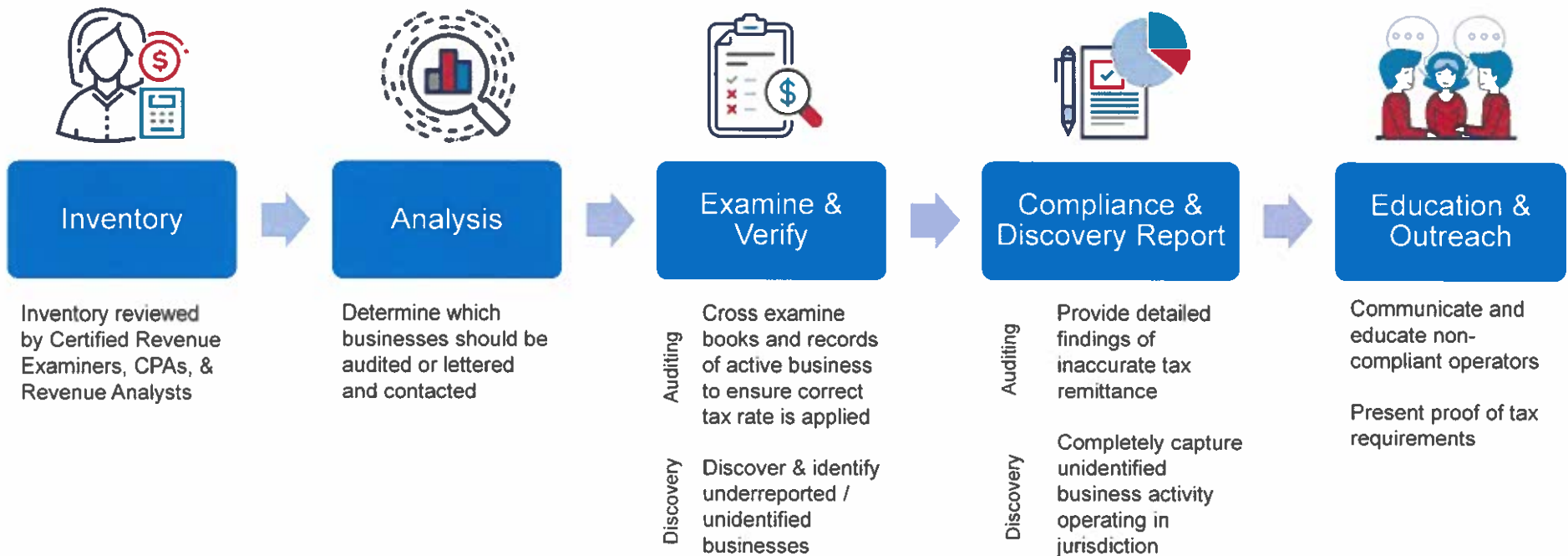


## Vital Record Requests

Request certified copies of birth, death, divorce, and marriage certificates

# Auditing & Discovery

FIND INACCURACIES, IRREGULARITIES OR FRAUDULENT REPORTING PRACTICES



# Monitoring

CLEAR INSIGHT INTO OVERALL TAX-BASE & REVENUES OWED



- Utilize **data mining software** and experienced **revenue analyst** to capture and identify businesses not in full compliance
- Monitor all payment histories to identify anomalies and inconsistencies
- Perform **gap analysis** between current revenues in specific tax base against total revenues owed in addressable market
- Intimate **review of local ordinances** to ensure businesses are in full compliance
- Unique **web-crawler technology** that determines instant compliance levels across all local tax types



# Finding Revenue In Every Local Tax Category

EVERY COMPLIANCE ISSUE ADDS TO A GROWING GAP IN YOUR COMMUNITY'S RESOURCES.



Alcohol  
Tax



Beer &  
Wine Tax



Business  
License



Business  
Tax



Emergency  
Medical Services



Fire  
Dues



Franchise  
Fee Tax



Gasoline  
Tax



Insurance  
Premium Tax



Hotel/Motel  
Tax



Occupational  
License Tax



Property  
Tax



Rental &  
Lease Tax



Severance  
Tax



Sugary  
Sweetened  
Beverage Tax



Tobacco  
Tax



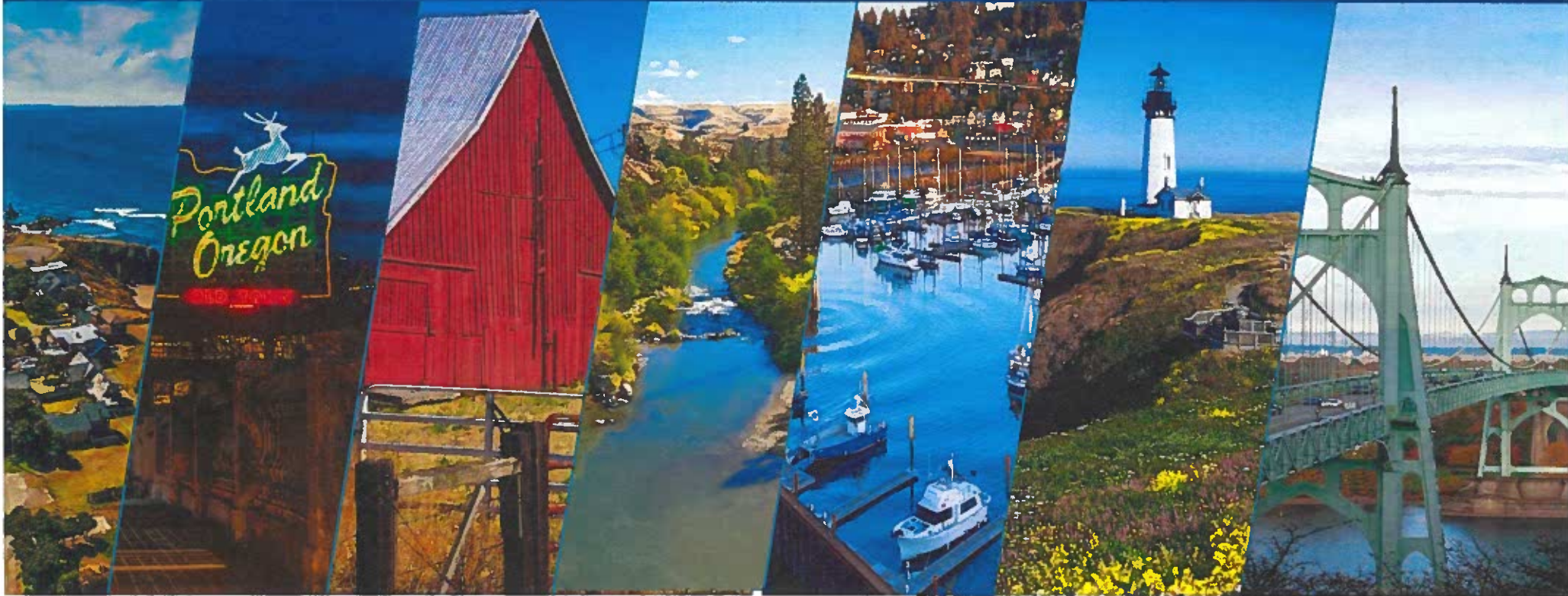
Utility  
User Tax



Waste



# Compliance Lifecycle



# Hermiston General Fund Revenue Review

## Revenue Sources Available but not Strongly Considered:

- Local Option Property Tax Levies
  - Plus – Somewhat stable
  - Minus – Requires Voter Approval, Compression, Already High Property Tax
- Payroll Tax
  - Plus –
  - Minus – Difficult to Estimate, Encourage Development outside the City
- Sales Tax (including a prepared food and beverage tax)
  - Plus – Could tax some non-residents
  - Minus – Drive restaurant usage out of town (Pendleton, Tri-Cities), Unknowns

# Hermiston General Fund Revenue Review



## Strongly Considered

- Increase TRT Rate
  - Plus – Tax non residents, Council Action
  - Minus – Limitations on use
- Utility Fees (Police, Parks and Recreation, etc.)
  - Plus – Flexible, Council Action
  - Minus – Continuing increase of utility costs
- Franchise Fee on Water/Sewer
  - Plus – Flexible, fairness, Council Action
  - Minus – Continuing increase of utility costs

## Utility Bills





# Key Revenue Sources

•Property Tax	\$ 8,000,000
•Transient Room Tax	\$ 7,400,000
•Short Term Rental Reg. Fee	\$ 50,000
•Local Marijuana Tax	\$ 170,000
•Franchise Fees	\$ 1,130,000
•Business Licenses	\$ 204,000
•District Library Fees	\$ 310,000
•Rural Fire District Fees	\$ 340,000
•Recreation Fees	\$ 650,000
•Parking Fees	\$ 380,000
•Construction Excise Tax	\$ 60,000
•Airport Fees	\$ 710,000
•Building Inspection Fees	\$ 460,000



• Local Gas Tax	\$ 210,000
• Water Rates	\$ 5,100,000
• Wastewater Rates	\$ 6,100,000
• Stormwater Rates	\$ 1,160,000
• Urban Renewal	\$ 3,880,000



# The Vote

Official Abstract of Votes - November 2, 2021 Special Election  
 County of Lincoln - State of Oregon  
 Dated this 19th day of November, 2021

I certify that the votes recorded on this abstract correctly  
 summarize the tally of votes at the election indicated



Dana W. Jenkins, Lincoln County Clerk

21-205 City of Newport public safety, library,  
 parks, facilities funding City of Newport

21-206 City of Newport street project funding  
 City of Newport

VOTE FOR 1

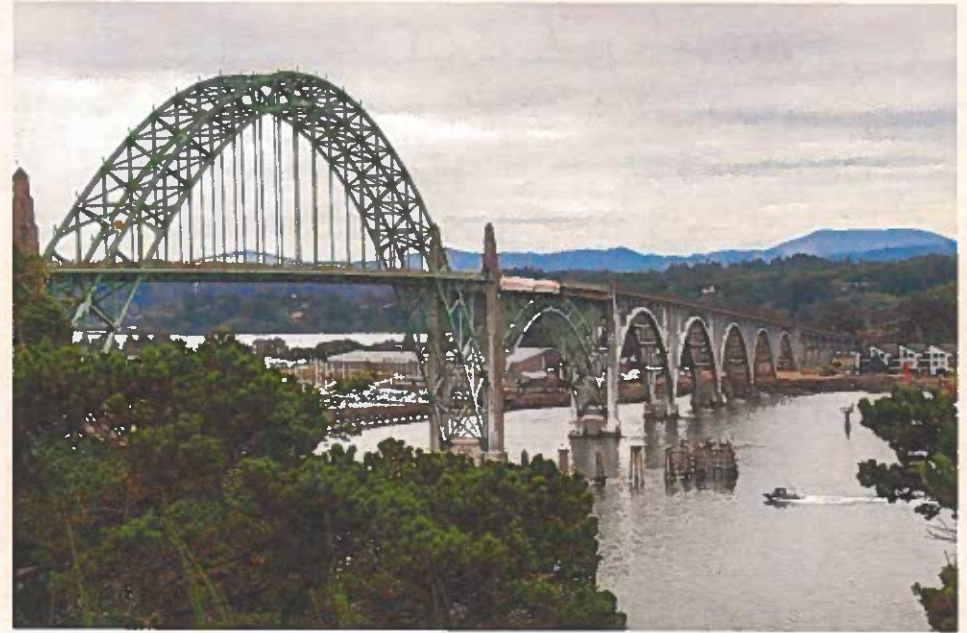
VOTE FOR 1

	Yes	No	Total Votes Cast	Overvotes	Undervotes	Yes	No	Total Votes Cast	Overvotes	Undervotes
08 SOUTH BEACH	83	155	238	0	0	107	131	238	0	0
09 NYE CREEK	207	354	561	0	2	284	275	559	0	4
10 NEWPORT BAY	131	261	392	0	2	179	214	393	0	1
11 OCEANVIEW	180	353	533	0	1	235	296	531	0	3
12 YAQUINA	143	334	477	0	1	197	280	477	0	1
13 PACIFIC	211	569	780	0	1	317	464	781	0	0
14 AGATE BEACH	206	486	692	0	1	258	432	690	0	3
Totals	1,161	2,512	3,673	0	8	1,577	2,092	3,669	0	12



# Addressing the Structural Deficit

Review expenditures to determine where savings can be achieved and whether services should be discontinued



## Understand the Unique Dynamics of Your City:

- Newport's year round population is 10,775. Visitor and workforce population brings this daily total to 25,000/day
- Newport needs to invest \$2 million dollars a year to maintain street system in current condition

# Five-Year Financial Sustainability Plan

A Finance Work Group was formed consisting of members of the City Council and the citizen Budget Committee to review the City's finance

- Year 1: Assess the City's Long-Range Financial Condition
- Year 2: Develop Options to Reduce the Identified Deficit
- Year 3: Prepare a Five Year Financial Sustainability Plan

## PURPOSE OF THIS REPORT

On August 3, 2020, the City Council adopted Resolution No. 3897, establishing a Financial Work Group to review and recommend a plan establishing financial sustainability for the City of Newport's General Fund, and those funds supported by the General Fund, over the next five-year period. Please note that several operating funds (Recreation Fund, Airport Fund and City Facilities Fund) receive significant support via transfers from the General Fund. All references in this report to the General Fund should be read to also include those funds supported by the General Fund. In addition, the Room Tax Fund is a source of funds that can supplement certain activities tied to tourism. This report will help guide the City administration, Budget Committee, and Council in the development of budgets for the 2021-2022 Fiscal Year and beyond. Furthermore, the development of the forecasting tool allows for regular recalibration of these projections going forward.

## GENERAL FUND STRUCTURAL DEFICIT

In the January 6, 2020, Financial Sustainability Recommendations Report, it was indicated that the City's General Fund would be in a deficit situation by the fiscal year 2023-2024 based on the current revenue and expenditure trends. This would mean that the revenues and funds carried over from year-to-year (fund balance) would not be sufficient to cover that year's expenses. A structural deficit occurs when the projected annual expenditures exceeds the amount of projected annual revenues collected that would be available to pay for those expenses. This required the use of the fund balance, in addition to annual revenues collected, to meet annual operating costs. The fund balance is like a savings account. If a fund balance is used each year to meet annual expenses, then eventually the fund balance will be used in total.

The January 6, 2020 report, the Finance Work Group determined that if current trends continued, the City of Newport would experience a negative fund balance by June 30, 2024 as illustrated below.

