

# The INDEPENDENT

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## Opinion

### Nope, no shell game here

City Administrator M.R. "Dick" Kline said even before the June 25 public hearing on the city budget that he had to have the new financial software up and running in time to do the July 15 payroll. That was part of the "rush" to get the budget approved. The official minutes from June 25 reflect him saying he is unsure if he and the company will be able to meet the deadline. He was very casual when, at the July 16 council meeting, he said, "I did not do payroll or pay the bills from the new software." We guess he didn't HAVE to use that new system after all. That means the cash disbursements continue to use the old numbering sequences while the budget information the council and Kline look at has another numbering sequence that may or may not match what ends up being used. But, we're sure it's okay, because Kline has even stated, "I'm not trying to run a shell game with the budget."

He also said he got two diskettes from the software provider so he can work at home at nights. Is it really a good idea to have that kind of information leave city hall? Plus, why does he have to work nights? Is it because he continues to rarely be at city hall from 8 a.m. until 5 p.m. Good management practices say the manager should be at work during the core hours that his staff are there. Administrators may also have to put in extra hours, such as being at city council or other evening meetings. That's why they get the big bucks and don't get paid overtime. Their pay is based on them spending the number of hours necessary to get the job done. But, that doesn't mean they should work evenings at home or weekends. Good management practices also suggest that administrators need to use their time off to 'recharge.'

There is also the issue of Kline presenting a 06/07 supplemental budget to do interfund loans to cover the \$500,000 shortfalls in the Community Development Fund and the missing loan reserves. Then, he included loans in the 07/08 budget to cover the \$500,000 shortfalls in the Community Development Fund and the missing loan reserves. Then, he made changes to the 07/08 adopted budget, you guessed it, to cover the \$500,000 shortfalls in the Community Development Fund and the missing loan reserves. Now, he's gotten council to approve a \$11.50 raise in your water rates to rebuild missing loan reserves. But, hey, if it doesn't bother your elected council, why should it bother you?



### Out of My Mind

by Noni Andersen

Well, there's good news and there's bad news. The good news is that Vernonia received an Oregon Parks & Recreation Dept. grant of \$245,000 for the skills park. The bad news is that it requires a 40 percent match. It's important to understand that the match doesn't have to be in cash; the use of city staff and equipment, volunteer work, donated funds and equipment all qualify as part of the match. Other grants may be used, depending on restrictions in the contract. (Grants are contracts and when a grant is accepted, the conditions must also be accepted.)

The city administrator continues to warn that the city's finances are in "dire" condition (The water rate just increased by \$11.50 per month.) so the potential negatives of even a good project raise questions that should not be ignored.

Can we afford to use city employees and equipment for new facilities when staff has difficulty maintaining existing facilities? Will enough labor, equipment and materials be donated to dent the \$98,000 match? Can enough of the right kind of grants be obtained to offset the match? Is there solid information on what underlays the ground designated for the skills park?

Financial questions were ignored in the development and construction of the learning center, a major reason for the city's budget problems. Apparently, infrastructure problems raised costs for the bike/pedestrian path on E. Bridge Street, the other major budget drain.

Both the learning center and the bike/ped path were, and are, good projects, but they put the

city's accounts in the red. Interfund loans will balance the books for a while, but there should be some serious questioning before any major new expenditures are approved.

Unfortunately, questions about finances are not well-represented on the council's agenda.

One very positive aspect of the new grant is that minimal staff time was used. The grant application was researched and prepared primarily by volunteers Bill Hansen and Scott Laird.

The use of volunteer grant writers is a win-win situation. Their time can be used as part of the grant funding match, and little staff time is used.

During budget meetings this year, I suggested that, by using more volunteers for grant writing, organization and promotion, the position of learning center director could be changed to half-time. This would allow for a half-time financial clerk.

Reasons for my suggestion were two-fold:

1.) When large numbers of volunteers are involved in any civic endeavor, their presence provides enthusiastic support, which entices more volunteers to become involved.

2.) It is a colossal waste of limited finances to use the city's highest salaried person, the administrator, as a financial clerk. Additionally, it is foolish (bordering on insanity?) to have only one person overseeing all elements of a public budget. "All elements" includes allocations, check writing, deposits and more; *everything* involving money coming in and going out. Taxpayers have every right to expect good stewardship of their funds. That is hard to guarantee when only one person has total control.