

MONDAY, 7:00 P.M.

JANUARY 29, 1996

FINANCE COMMITTEE
MINUTES

NEWBERG PUBLIC LIBRARY

NEWBERG, OREGON

The meeting was called to order by Alan Halstead at 7:00 p.m.

ROLL CALL:

Present:	Alan Larking	Tim Codiga
	Bert Pennock	Alan Halstead

Others Present:	Kathy Tri, Finance Director
	Duane Cole, City Manager
	Donna Proctor, Mayor
	Diane Padilla, Asst. Finance Director
	Terry Mahr, City Attorney
	Peggy Hall, Court Administrator

MINUTES: The minutes of the November 28, 1995 meeting were reviewed and approved by those present.

NEW BUSINESS:

Review Municipal Court Operations and Revenues: Terry Mahr and Peggy Hall reviewed their staff report on the municipal court operations and revenues. They indicated that they have worked with the judge to develop a system to collect unpaid tickets. Unfortunately, the City does not have the staff to do an active collections program after suspending licences has not worked. Duane Cole indicated that there are approximately 8,000 transactions in the court per year, which equals one transaction per 18 minutes. The question is who is going to do the work to follow up on all these transactions. The staff was requesting approval to enter into contracts for collection services. The staff is desiring to use Valley Credit Service to collect passed due accounts for ordinance violations. These violations are not able to be turned over to DMV and have licences subsequently suspended. Mr. Mahr indicated that the staff has also talked with Glen Post, who operates a collection service. The staff will use the best agency, and will report back to the Finance Committee as part of its quarterly reporting process.

Donna Proctor indicated that she would like an audit of the court and wants to know exactly the total amount that is owed and wished to discuss other vendors.

MOTION: Alan Larking moved to approve the resolution authorizing the City Manager to enter into agreements for collection services of debts owed to the City of Newberg, with regard to the Municipal Court. Passed by those present.

Banking Services Contract: Kathy Tri indicated that in December, the City sent out an RFP to five local banks to provide banking services for the City. The banks included US Bank, First Interstate Bank, Bank of America, Key Bank, and Commercial Bank. We received three proposals back. Included in the agenda packet was a brief comparison of the three bank proposals. Diane Padilla indicated that each is a strong financial institution; they were all qualified, they all are supported by FDIC, they all have clearinghouse services. They all serve governmental business, they have the experts that we need, and there was nothing lacking to put one bank proposal over the other. Bert Pennock and Alan Halstead asked why we should change banks, if we are happy with the one we have, other than the time to do daily deposits. Duane Cole indicated that our current bank, US Bank, is not downtown. Alan Larking indicated he had no preference among the proposals, other than issues of time and spreading business. Tim Codiga indicated that it is important to support the downtown core. Duane Cole added that it is good to change your banks periodically and to keep relationships with banks that can do your business. Options included switching now, or switching periodically. One concern with First Interstate is its current merger with Wells Fargo and being unsure about the local manager and branch, and what changes might be made there. Alan Larking indicated his preference is staying with US Bank. Bert Pennock indicated wait six months until the mergers are settled down. This was supported by the rest of the committee.

Budget Resolution: Kathy Tri indicated that the IRS includes regulations on evaluating bonds over \$5 million for arbitrage. She also explained what arbitrage meant. She recently had an opportunity to talk to service providers who provide this analysis to the IRS. The City's sewer bonds fall within this category, and an arbitrage evaluation needs to be done on these bonds. The estimated cost for this service is \$6,150.00 and she is requesting a transfer in the Debt Service Fund from Contingency to Professional Services to pay for this. **MOTION:** Alan Larking\Tim Codiga moved to approve the transfer of \$6,150 from Contingency to Professional Services in the Debt Service Fund. Passed by those present.

Monthly Report: Kathy Tri presented the December finance monthly report.

Adjournment: The committee moved to adjourn at 8:15 p.m.