

MONDAY, 7:00 a.m.

OCTOBER 31, 1994

FINANCE COMMITTEE
MINUTES

J'S RESTAURANT

NEWBERG, OREGON

The meeting was called to order by chair Donna McCain at 7:05 a.m.

ROLL CALL:

Present:	Don Wright	Barbara Secor
	Bert Pennock	Alan Larking
	Donna McCain	
Others Present:	Donna Proctor, Mayor	Terry Mahr, City Attorney
	Duane Cole, City Manager	Kathy Tri, Finance Director
	Michael Sherman, fire Chief	Diane Padilla, Asst. Fin. Dir.
	Peggy Hall, Legal Secretary	Roger Currier, City Councilor

MINUTES: The minutes of the September 26, 1994 meeting were reviewed. **MOTION:** Wright\Pennock moved to approve the minutes of the September 26 meeting as presented. **VOTE ON THE MOTION:** Passed by those present.

NEW BUSINESS:

Review of Emergency Medical Services Fund: Duane Cole began the discussion by indicating that there are three targets we will be watching during the year. They include: the need to sell FireMed, reaching and sustaining a collection rate of at least 70%, and staying within the existing budget. During the budget review process the staff said they would come to the finance committee quarterly to review these targets. He reviewed the committee handouts. First handout, "Revenue and Expense Analysis" includes information on the operating cash working capital and capital expenses that was provided by the hospital, the average monthly expenses of about \$35,000, and the difference between the billing cycle and receivables. He indicated that the revenues will be reflecting actual receipts and not receivables. The budget was developed using call history from the hospital. It was difficult getting actual ambulance costs from the hospital because the ambulance was included in the hospital bills. He also added that the operating cash is being used as we begin to generate revenue and should be restored over the year period. The capital includes purchasing two ambulances and remodeling building facilities. It was pointed out that initially three ambulances were planned, however it turns out that the ambulances will cost more than originally projected (instead of \$80,000 they will cost closer to \$90-95,000). Alan Larking asked about the difference in the ambulance charges and the collected amounts and the way they were recorded on the spreadsheet. Kathy Tri explained that Springfield collects the revenue and transfers it at the end of the month to the City. So there is a timing issue on how the funds are recorded on the City books. We indicated that for the end of the year the City will go out 30 days to include collectibles. Duane added that he, Michael Sherman, and Kathy Tri have all been involved with ambulance services before and feel confident that with our close monitoring the financial picture will come out fine. The committee then moved to review the revised budget.

Kathy Tri indicated that when the Chief developed the budget, he did an excellent job without much detail from the hospital. Since then, the staff has reviewed the budget and has shifted members within the same total and this will not require additional council action.

Don Wright asked about the vehicle replacement amount. It was indicated that the ambulances are eight years old and all need to be replaced at the same time which increases our future replacement costs. The staff is in the process of getting bids for two ambulances. Don asked if this money is being set aside ahead so there is sufficient funds to buy ambulances in the future. Staff said yes. Donna Proctor asked if the ambulance specs were going to go to the council. It was indicated that the recommended bid award would go to council. Michael Sherman reviewed that there was a committee that began in May to develop the specs for the new ambulance. Ed Opitz was in charge of the process and Chris Divine chaired the committee.

Quarterly Review of Municipal Court: Terry Mahr presented background on the quarterly review of the municipal court. He indicated that the budget committee was told that staff would review the revenue picture frequently during the year to see if it justified hiring a prosecutor. All the personnel changes have been made in his department and court. He directed the committee to review the page titled "Receipts." This page shows the court is not meeting its financial projections. Monies are exceeding last year, but the State is taking a bigger bite in assessment fees. Revenues also depend on the kind of tickets being issued and the volume. He indicated that the volume of tickets has gone down and is partly a reflection of the reduction in the motor program.

He proposed that we continue as is with the exception of reducing the prosecutor's time. He also indicated that they have developed general orders that are just beginning to go into effect. General orders are existing procedures written down for staff and judge guidance. He also mentioned developing a violations or citations bureau where the staff could handle many citations at the counter without the person going to court.

Roger Currier asked about the number of staff members that were handling court items. Terry Mahr reviewed the combined staffing between the legal department and court. His secretary has been increased to full time and then the prosecutor was added. Terry Mahr also indicated that the judge does not particularly like the violations bureau. However, McMinnville, where he is also Municipal Judge, is also discussing developing a violations bureau. Donna McCain asked that if he does not do what the City wants him to do, can we change judges. Terry Mahr indicated that yes, it is possible, but it is better to keep the judge, try to change some procedures with his concurrence, than it is to try to change judges. After some time, the council may wish to evaluate him.

Terry Mahr recommended that the committee review the statistics at the end of the next quarter before any action is taken. There was some discussion about the effect of the new bail schedule on our court.

MOTION: Barbara Secor\Don Wright moved to review the municipal court quarterly. VOTE ON THE MOTION: Passed by those present.

Don Wright suggested that next time a proposal on a judge be presented if he has not come on line. Terry Mahr indicated that the judge could have an annual or periodic review by the council. Because court meets every week, it is very difficult for the judge to take time off and the City may be looking at a pro temp situation. This may provide an avenue for the City upon the judge's retirement. Terry Mahr indicated that the ordinance\legislative committee reviews this monthly with him.

Finally, the committee reviewed proposed Ordinance 94-2393. Terry Mahr indicated that this ordinance is memorializing court fees. Roger Currier asked about the effect of Measure 5 on this ordinance. Terry indicated these are not increases in fees but the staff will have to review Measure 5 for its effective date.

MOTION: Barbara Secor\Alan Larking moved to recommend the ordinance to the City Council. VOTE ON THE MOTION: Passed by those present.

There was some discussion following about when this ordinance would be on the council agenda.

Blanket Purchase Order List: Kathy Tri indicated at the last meeting that the committee asked to see a list of those vendors that have a blanket purchase order. It was noted that Newberg Tire has changed its name. Don Wright asked for the payable history from Macken and Newberg Auto Parts for 1993-94. Kathy said that she would get that for the committee. Duane Cole indicated that the City has shopped the various auto parts stores for the best price and that Macken's does not provide the best price for the City staff. Kathy added that for larger items, the staff has been making an effort to contact the various vendors for prices and they are sensitive to the issue of trying to use different vendors in town if possible. However, generally speaking, the staff has indicated that Newberg Auto Parts has been less expensive.

Janitorial Services: Kathy Tri handed out a memo reviewing a five year history of janitorial and maintenance services provided for the City facilities. She reviewed the changes that have taken place over the years between staff and Morris Janitorial and the addition of the maintenance worker.

Monthly Report: Kathy Tri presented the September monthly report. She indicated that there were new graphs attached to the monthly report and asked for the committee's opinion. Committee members generally expressed approval of the new graphs and indicated that she should continue using them. Kathy Tri indicated that departmental expenses are all within budget and that the number of utility accounts has again increased in September. Expenses were made on two capital projects. There were bond payments for both the 1979 sewer and 1992 water bonds. She added that this is the last year for the 1979 sewer bonds.

Monthly Transactions: The committee reviewed monthly transactions. Barbara Secor asked why the police overtime had increased. The staff did not know the specific answer other than that there has been a shortage in dispatch and probably due to vacation time. Committee members asked about expenses to OTAK, pulse strips for the library, Milliman & Robertson (the City's actuary), payment to Clay Moorhead for redrafting the development code, payment to Lutheran Brotherhood for the City Manager's life insurance policy, and payment to Government Services for video tapes (training tapes for the staff and council). The committee also commented on the deteriorating quality of printout copies and requested staff to pursue finding a different copier.

Next Meeting: Kathy Tri reminded the committee that the next meeting will be on Tuesday, November 29 at the Cap and Gown room at GFC. She indicated that the reason for the change is that J's Restaurant will be closed for a couple days for remodeling and she will be out of town November 28. Committee members reviewed who would be available on Tuesday or Wednesday. She will let everyone know the exact time and place and map of the next meeting.

Adjournment: Secor\Wright moved to adjourn at 8:10 a.m.