

TUESDAY, 7:00 A.M.

MAY 30, 1995

MINUTES OF
THE FINANCE COMMITTEE

J's RESTAURANT

NEWBERG, OREGON

Members Present: Don Wright
Bert Pennock
Alan Larking

Others Present: Duane Cole, City Manager
Donna Proctor, Mayor
Kathy Tri, Finance Director
Diane Padilla, Asst. Finance Director

Chairman Don Wright called the meeting to order at 7:05 a.m.

MINUTES: Bert Pennock/Alan Larking moved to approve the minutes of the April 24 meeting. Passed by those present.

NEW BUSINESS:

City Survey and Discussion of Fire Truck Fee: Kathy Tri began by stating 79% of those surveyed in the recent community survey support a monthly charge for purchasing fire engines. The agenda packet included information about Fire department needs and a copy of the resolution establishing fee. Bert Pennock asked how much money was raised by the previous fee. Kathy Tri indicated that about \$56,000 per year. Don Wright asked the staff to compute how much was raised from residential customers verses commercial customers and verses large meters. Kathy Tri also reviewed the history of fire truck purchases. She indicated that the 1982 tax base included three new trucks. Part of the problem has been those trucks now need to be replaced in the next few years. Duane Cole indicated that when the new Library was built, which was over the City Manager's recommendation, the operating budget had to increase substantially to cover the new building. The general fund has had to struggle since then to balance. It has been a matter of setting priorities within the general fund budget on financing daily operating expenses verses capital. Bert Pennock felt that we should go before the citizens as we have in the past and explain why we need more. Don Wright said that he felt politically it would be difficult this year, and that we should wait until 1996 general election. **MOTION:** Bert Pennock/Alan Larking moved to research the issue of a fire truck fee and to wait until the 1996 general election to put the question before the voters. Passed by those present.

Review of Budget Award Rating Comments: Kathy Tri indicated that she had included the comments from the GFOA Budget Review committee for the Finance Committee's edification. She found many comments very useful and will try to incorporate as many into the final budget document as possible. Don Wright indicated that in the salary table we should include the prior year's salary as well as the proposed year's salary. The committee generally congratulated the staff for a job well done.

Monthly Report: Kathy Tri presented the April monthly report. She pointed out that the effects of the Cascade Steel reevaluation were felt in April and prior year taxes decreased \$30,000 due to the refund to Cascade Steel. With regard to the Emergency Medical Services fund, questions were asked about the number of FireMed memberships and if the fund will be on target as expected even though it appears to be less than budgeted. Committee asked what would happen if a private ambulance company tried to come into Newberg. Duane Cole explained that the County designates who will provide local ambulance service. The City feels that this will not be an issue for many years.

It was indicated that the interest earnings at the pool have increased. Donna Proctor asked if we will be putting more money in the pool. The City is putting more money into the State Investment Pool since its hard for banks to beat their interest earnings. The staff always looks for the best investment return. Don Wright congratulated the staff on the job

they are doing with investments.

Accounts Payable: It was noted that this month the staff sent out ahead of time the accounts payable. Kathy Tri indicated that she had some questions from the Mayor and Barbara Secor. Barbara Secor's question revolved around the Springfield billing for ambulance service, Valley Credit (collection agency for the City primarily on water and sewer accounts), generator at the pump station and Bear Communications.

Adjournment: The committee moved to adjourn at 7:35 a.m.

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