TUESDAY 7:00 P.M. SEPTEMBER 26, 1995

FINANCE COMMITTEE
MINUTES

NEWBERG PUBLIC LIBRARY NEWBERG, OREGON

The meeting was called to order by Alan Halstead at 7:05 p.m.

ROLL CALL:

Present:	Alan Halstead	Alan Larking
	Barbara Secor	Bert Pennock
Others Present:	Duane Cole, City Manager	
	Kathy Tri, Finance Director	
	Diane Padilla, Asst. Fin. Dir.	

MINUTES: The minutes of the August 29, 1995 meeting were reviewed. **MOTION:** Bert Pennock/Alan Larking moved to approve the minutes of the August 29, 1995 meeting. Passed by those present.

NEW BUSINESS:

Waiver of Fees for Habitat for Humanity: Kathy Tri introduced this item for review. Habitat is building a home at 11th and Pacific Streets and has requested a waiver of the development fees and building permit fees. She then reviewed her two recommendations as outlined in the Council memo. There was some discussion about if the fees could become liens on the property and the equity of providing this group a waiver verses others. Bert Pennock asked if YCAP received any waiver. The staff responded no. Alan Larking did not support the recommendations in that it set a negative precedent. Kathy Tri reported that Don Wright also agreed that no waiver should be provided. Kathy Tri indicated that Habitat will be allowed to do time payment for the fees, which should help the burden. There was some discussion on how the house will be transferred to the couple that have been chosen to receive the house. **MOTION:** Alan Larking/Alan Halstead moved to deny any waiver of development charges or building permit fees. Passed by those present.

Extension of Loan of Credit: Kathy Tri reviewed that a couple of years ago, the City received a line of credit from First Interstate Bank as interim financing to pay for construction expenses for certain local improvement districts. These improvements were specifically for Grant Street and Second and Third Street LIDs. However, the Second and Third Street construction project has not gone as originally planned and bids have not yet been awarded. Kathy has talked with the staff at First Interstate Bank to request an extension for one year of their $415,000 line of credit. The City will be paying off $37,970, plus interest since assessment payments have been received from Grant Street property owners. This will leave a balance of $43,080 on the initial draw. Providing the extension of the line of credit will help the City pay for expenses with the Second and Third Street LID until bonds are sold. **MOTION:** Barbara Secor/Bert Pennock moved to approve the extension of the City's commercial line of credit with First Interstate Bank for one year. Passed by those present.

Fire Truck Fee: Kathy Tri reviewed her memo on the Fire Truck Fee. The committee was asked to discuss fee or no fee; if there is a fee, what level; and should the City ask the voters for approval. She reviewed the attachments to her memo: a spreadsheet showing anticipated revenue, the list of capital equipment, and draft resolution. Bert Pennock asked if the serial levy included funds for fire trucks. Staff reviewed that there was no fire truck equipment included in the serial levy. Barbara Secor said she did not feel it was necessary to go to the voters and that the dollar level was appropriate. Bert Pennock was also concerned about unmet needs in the Fire Department. Duane Cole added that if the City builds a new Fire Station, the funding will need to include new equipment for it. The presumption is that the request for funds to build a new fire station will include funds for some rolling stock. Bert Pennock recommended that the staff and finance committee review the fee level and income every two years, but no election was necessary. That recommendation was put into a motion to add a section to the resolution, to review the fire truck fee income ands needs by the finance committee and staff every two years. Motion was passed by those present.

Working Cash Balances: Kathy Tri reviewed the 1995-96 beginning working cash balances. The handout showed that the City cash balances were $1.9 million greater than budgeted. She reviewed the different major fund balances. Bert Pennock asked if we had been planning for any future 'Ballot Measure 5's', and that we need to consider this. Staff responded that no, but such future actions by the voters is necessary to plan for. Duane Cole added that the balances show that the City is conservative, concerned about its purchasing. He added that while the general fund maintains a minimum $500,000 cash balance, it really needs to be closer to $800,000 or $900,000, not only to cover existing cash needs between July and November, but also in anticipation of future revenue restrictions along the lines mentioned by Mr. Pennock. In addition the City will need to pickup the expenses of two dispatchers that are currently financed in the 9-1-1 Emergency fund and the COP Grant from the federal government.

Monthly Report: Kathy Tri presented the monthly report. She apologized for it not all being together, but various circumstances she could not get all the information sent to the committee at one time. The committee asked about the Wynooski sewer and when that project was going to be done. Staff discussed the budget and timing of the Wynooski sewer project. Committee indicated that they liked the larger graphs.

Monthly Transactions: Kathy Tri indicated that she had requests from the mayor and Don Wright on monthly transactions. In addition, questions were asked about meal tickets for Schmitt. Kathy Tri indicated that this is related to Fire training. Other questions related to copies for Xerox Corporation (monthly payment for copy machine), and short school registration for the Water Treatment Plant staff.

Next Meeting Date: Kathy Tri indicated that the next meeting date will be Tuesday, October 31, 1995 at 7:00 p.m. Most of the committees members indicated that they would not be attending because it is Halloween night and would be out trick-or-treating with their children. The committee decided to move the meeting to Monday October 30.

Adjournment: The committee moved to adjourn at 8:00 p.m. Passed.

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